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ANNUAL REPORT 2023

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LIST OF ACRONYMS

Acronym	Terms	Note
ACI	Airport Council International	Airport Council International
AFTK	Available Freight Tonne Kilometers	"Rotational Supply Load: Tons of cargo that can be carried * average distance (km)"
ASK	Available Seat Kilometers	Rotating seats: Number of seats supplied * average distance (km)
ASL	Average Stage Length	Average distance traveled by a flight
ATO	Approved Training Organization	Licensed Aviation Administration Training Center
ATPL	Air Transport Pilot License	Transport Pilot Certificate Training Course – Basic theory
BH	Block Hours (hour/aircraft/day)	Efficiency of fleet utilization per day
BOD	Board of Directors	Board of Directors ("BOD")
CAPA	Center for Asia Pacific Aviation	Center for Asia Pacific Aviation
Charter Flight	Charter Flight	Flights are chartered by travel agencies for the entire flight by year or by season
CAAV	Civil Aviation Authority of Vietnam	Civil Aviation Authority of Vietnam
CAGR	Compound annual growth rate	Compound annual growth rate
CASK	Cost per Available Seat Kilometers	Total operating costs per rotating seat
CRM	Customer Relationship Management	Customer Relationship Management
Dry Lease	Dry Lease	Dry Lease: Aircraft charter does not include crew
EBITDAR	Earnings before interest, taxes, depreciation, amortization, and rent costs	Operating profit excluding depreciation expense and chartering cost
ESOP	Employee Stock Ownership Plan	Stocks under the employee option program
Ex-fuel CASK	Ex-fuel Cost per Available Seat Kilometers	Operating costs excluding jet fuel costs per rotating seat
FDAP	Flight Data Analysis Program	Flight Data Analysis Program
FDM	Flight Data Monitoring	Monitoring and analyzing flight data provided by Airfase corporation
FTK	Freight Tonne Kilometers	Cargo in circulation: Tons of cargo * average distance (km)
FSC	Full-services Carrier	Traditional airline/full service
GSM	General Shareholders Meeting	General Shareholders Meeting
GO	Ground Operations	Vietjet Ground Operations Division
HOSE	Ho Chi Minh Stock Exchange	Ho Chi Minh Stock Exchange

Acronym	Terms	Note
IATA	International Air Transport Association	International Air Transport Association
ICAO	International Civil Aviation Organization	International Civil Aviation Organization
LOSA	Line Operation Safety Audit	Aerial Safety Mining Assessment Program
LF	Load Factor	Seat utilization factor
LCC	Low-cost Carrier	Low-cost Carrier
OTP	On-time Performance	On-time rate of flights
PY	Passenger Yield	Average revenue per passenger (Passenger transport revenue does not include flight rental)
RPK	Revenue Passenger Kilometers	Round trip passengers: Number of paying passengers * average distance (km)
RASK	Revenue per Available Seat Kilometers	Revenue per Available Seat Kilometers
RTK	Revenue Tonne Kilometers	Cargo weight is a measure of an airline's cargo capacity. This metric is equal to the total weight of cargo carried per flight sector multiplied by the length of that segment.
SIM	Simulator	Flight training simulator
SPI	Safe Performance Indicators	Safe Performance Indicators
SSQA	Safe Security Quality Assurance	Vietjet's Safe Security Quality Assurance Department
SFCO2	Safran SFCO2	Fuel and emission management program provided by Safran Groups
SLB	Sale-Lease Back	Transfer of ownership and sublease of aircraft
TRTO	Type Rating Training Organization	Aircraft type conversion training center for pilots
T- shares	Treasury Shares	Treasury Shares ("T-shares")
ULD	Unit Load Devices	Equipment used on airplanes to improve bulk cargo handling
VJAA	Vietjet Aviation Academy	Vietjet Aviation Academy
VJC	Vietjet Aviation Joint Stock Company	Vietjet Aviation Joint Stock Company
VJGS	Vietjet Ground Service Limited Liability Company	Vietjet Ground Service Limited Liability Company
Wet Lease	Wet Lease	Wet charter: aircraft charter including crew

MESSAGE FROM THE CHAIRWOMAN



Dear Shareholders and Investors!

We believe that shareholders and investors experienced Vietjet flights filled with emotions and pride throughout 2023, witnessing the resilient recovery of Vietjet post-pandemic. Rapidly restoring the domestic flight network and spearheading the expansion of international routes, Vietjet played a pivotal role in fostering tourism growth and facilitating trade exchanges between Vietnam and its global partners.

Despite the persistent challenges encountered by the global aviation industry in 2023, including the sluggish recovery of traditional international markets and constrained consumer spending, Vietjet faced headwinds such as soaring fuel costs and unfavorable exchange rates. Nonetheless, thanks to the Board of Directors' timely decisions, agile management, concerted team efforts, and unwavering support from shareholders and investors, Vietjet surmounted these obstacles and attained commendable milestones.

Vietjet's wings soared to new heights, venturing into fresh territories and destinations worldwide. The sight of Vietnam's emblem adorning Vietjet aircraft became a familiar presence at major airports and burgeoning aviation hubs across the globe, from France, the UK, and Australia to India, South Korea, Japan, Kazakhstan, and numerous other metropolises.

Vietjet's successes on the global stage have firmly established its standing as an "aviation ambassador," dedicatedly leading the way and effectively connecting Vietnam to the global community.

In 2023, Vietnam's overall air transport market reached a staggering 74 million passengers and 1.1 million tons of cargo. Contributing significantly to this industry-wide success, Vietjet executed 133,000 safe flights, carrying 25.3 million passengers—an impressive 23% surge from 2022 (excluding Vietjet Thailand). Notably, the airline transported over 7.6 million international passengers, marking a remarkable 183% increase from 2022.

Moreover, Vietjet's total cargo volume surged to 81.5 thousand tons, a substantial 73% increase from the previous year.

Dear Shareholders and Investors,

Aware of the significant role that major enterprises play in the nation, Vietjet has actively supported the initiatives of Party and State leaders through various collaborations with international partners, as well as through constructive ideas and policies aimed at fostering economic progress.

The leadership of Vietjet has been involved in official visits and engagements alongside the Prime Minister, both in the United States and Brazil, engaging in cooperative exchanges with prominent global aviation entities. They've also participated in meetings with the Prime Minister, the Chairman of the National Assembly, and distinguished business figures, sharing in the enthusiasm and pride of the business community upon receiving Resolution 41 from the Political Bureau, which emphasizes the role of Vietnamese entrepreneurs in the contemporary era. Additionally, Vietjet has attended the National Conference on Tourism in 2023, led by the Prime Minister, pledging support to the Ministry of Culture, Sports, and Tourism, as well as the Tourism Association, in promoting Vietnam's tourism sector.

As part of diplomatic endeavors led by the Prime Minister and the Chairman of the National Assembly, Vietjet has announced direct flight routes between Ho Chi Minh City and five Australian cities, between Hanoi and Jakarta (Indonesia), and between Ho Chi Minh City and Vientiane (Laos). During President Joe Biden's official visit to Vietnam, Vietjet and Boeing reached an agreement to enhance their existing contract for the purchase of 200 737 Max aircraft, valued at USD 25 billion, with delivery scheduled over the next five years.

Vietjet is also actively involved in community initiatives, enhancing the value of investor contributions by fostering a sense of patriotism and community spirit. This includes special flights adorned with red and yellow stars to celebrate National Day on September 2nd, participating in incense offering ceremonies at the General Nguyen Chi Thanh Museum, and distributing gifts to children during flights on International Children's Day on June 1st and the Mid-Autumn Festival. Vietjet also supports the Vu A Dinh Scholarship Fund, contributing to the development of Vietnamese youth.

Dear Shareholders and Investors,

The International Air Transport Association (IATA) projects that air travel in 2024 will surpass pre-pandemic levels, with an estimated 4.7 billion passengers compared to the 4.5 billion recorded in 2019. This surge is expected to yield substantial profits for global airlines, with anticipated revenues reaching a record USD 964 billion, resulting in a collective profit of USD 25.7 billion.

The Civil Aviation Administration of Vietnam predicts a full recovery of Vietnam's aviation market by the close of 2024. It forecasts a demand for air passenger transport to reach 80 million passengers, of which 38.3 million domestic and 41.7 million international travelers. These projections underscore the significant growth potential within the aviation sector, including opportunities for Vietjet to thrive.

Entering a new phase of development in 2024, Vietjet aims to position itself as a leading "green airline," prioritizing technology advancement and operating a modern fleet of fuel-efficient, environmentally sustainable aircraft. This commitment aligns with Vietjet's vision for sustainable development.

Vietjet is steadfast in its mission to expand its reach globally, symbolized by the metaphorical spreading of its wings across new territories, proudly representing the national flag wherever it flies. The company's employees are united by a shared determination to fulfill this mission, driven by a passion to offer passengers unparalleled experiences and enable people worldwide to realize their dreams of soaring higher and farther. Vietjet sees its role not only in facilitating trade and cultural exchange but also in catalyzing economic growth across nations.

With the unwavering support of shareholders and investors, Vietjet is poised to continue delivering value to communities, contributing to the construction of a more prosperous and harmonious society.

Best regards!

CHAIRWOMEN OF THE BOD
NGUYEN THI PHUONG THAO

MESSAGE FROM CHIEF EXECUTIVE OFFICER



Dear Shareholders and Investors!

I am pleased to share with you our achievements and progress in 2023 despite the numerous challenges we encountered. Through resilience and determination, Vietjet has not only overcome these obstacles but also experienced significant growth and success.

During the General Meeting of Shareholders in 2023, Vietjet outlined its strategic direction, emphasizing our commitment to maintaining stability in domestic operations while actively pursuing opportunities in the international market. We have dedicated resources to research, invest in, and pioneer new routes, underscoring our ambition to expand our global footprint.

Over the past year, Vietjet has expanded our route network by opening 33 new international and domestic routes, bringing our total to 125, with 80 international and 45 domestic connections. We have successfully entered new markets, notably becoming the first airline to establish direct flights between Vietnam and Australia's five largest cities: Sydney, Melbourne, Perth, Adelaide, and Brisbane. Additionally, we have strengthened our presence in the Indian market by operating the most routes between Vietnam and key Indian cities such as Delhi, Mumbai, Ahmedabad, Kochi, and Tiruchirappalli.

Our commitment to delivering exceptional service has resulted in 25.3 million passengers (excluding Vietjet Thailand), including over 7.6 million international travelers, experiencing more than 133,000 safe, enjoyable, and punctual flights. We take pride in offering our passengers a range of convenient services, including the option to "Fly now - Pay later", secure and flexible payment methods, online check-in at 18 airports, and rewards redemption through our SkyJoy loyalty program.

Operated by a fleet of state-of-the-art and new-generation aircraft, Vietjet prioritizes safety, efficiency, and environmental sustainability. The introduction of the A330 wide-body aircraft has not only increased capacity and comfort but also played a crucial role in minimizing congestion and overcrowding at major airports by reducing the frequency of take-offs and landings.

Safety remains our top priority, and Vietjet consistently invests in fleet development and technical maintenance. We have established an aircraft maintenance technical center of international standards in Vientiane, Laos, through collaboration with Lao Airlines.

In addition to our focus on aircraft, Vietjet places significant emphasis on human resource training. With 97,000 turns of training for pilot trainees and specialized technical staff at the Vietjet Aviation Academy, we ensure a skilled workforce. The recent introduction of the No. 3 flight simulator at the Academy further solidifies our position as the leading International Pilot Training Center in the region.

Furthermore, Vietjet's ground service company operates efficiently, enhancing the quality of ground services while reducing operating costs at Noi Bai International Airport.

These efforts have contributed to our flights achieving an average seat utilization ratio of 87% and a remarkable technical reliability of 99.72%, reflecting our unwavering commitment to excellence and passenger satisfaction.

Dear Shareholders and Investors,

Vietjet's business results for 2023 demonstrate remarkable growth and financial strength. Individually, the company recorded revenue of VND 53.7 trillion, while on a consolidated basis, revenue reached VND 58.3 trillion, marking increases of 62% and 45% respectively compared to 2022. Profit after tax is expected to reach VND 163 billion individually and VND 231 billion on a consolidated basis.

Ancillary and cargo revenue experienced robust growth, reaching nearly VND 21 trillion, a 60% increase compared to 2022, contributing significantly to total air transport revenue at 39%.

As of December 31, 2023, Vietjet's total assets will amount to nearly VND 87 trillion, reflecting a 28% increase from the beginning of the year. Notably, the company's debt/equity ratio is well below the global average in the aviation industry, standing at only 2 times compared to the typical range of 3-5 times. Additionally, Vietjet maintains a strong liquidity ratio of 1.3 times, indicating solid financial health. The cash balance and cash equivalents as of December 31, 2023, reached VND 5,021 billion, over 2.7 times higher than the previous year, ensuring ample financial capacity for the airline. Vietjet's credit rating also stands out, with a VnBBB-rating, the highest among Vietnamese aviation enterprises, under the guidance of the Ministry of Finance.

In 2023, Vietjet contributed approximately VND 5,200 billion in direct and indirect taxes and fees to the State budget. The company's excellence has been recognized globally, receiving accolades such as "Best Onboard Service Low-Cost Airline 2023" and "Best Ultra Low-Cost Airline 2023" from AirlineRatings, among other prestigious awards.

Vietjet attributes its success to the collective efforts of its dedicated team. Through perseverance, innovation, and a commitment to excellence, Vietjet's employees have navigated challenges, identified new opportunities, and contributed to the company's success, thereby driving economic development in the country.

Dear Shareholders and Investors,

In the fiscal year of 2024, Vietjet remains steadfast in its commitment to advancing its position as a prominent multinational airline group, fostering an expansive operational footprint across both regional and global spheres, trusted by customers.

Vietjet remains resolutely forward-looking, continuously setting objectives and diligently pursuing exceptional accomplishments. The achievements of 2023 serve as a robust groundwork, propelling us towards new summits in safe, cost- and fuel-efficient, and eco-friendly air travel. We are committed to delivering unparalleled services to our passengers, ensuring that every journey with Vietjet is imbued with the delight of flight.

Through the strategic integration of cutting-edge technologies, including the harnessing of artificial intelligence, Vietjet seeks to fortify its competitive edge and reinforce its market leadership.

Empowered by a dedicated team of professionals, fueled by creative ingenuity, and buoyed by the steadfast support of stakeholders and investors, Vietjet is poised for sustained growth and prosperity, poised to make enduring contributions to the economic landscape.

Best regards!

CHIEF EXECUTIVE OFFICER

DINH VIET PHUONG

COMPANY INTRODUCTION

**REALIZING DREAMS,
EXPANDING HORIZONS**



COMPANY INTRODUCTION

Vietjet Aviation Joint Stock Company (Vietjet Air) was established in 2007 and is always proud to be one of the largest new-generation airlines in Vietnam and in the Top 10 best low-cost airlines in the world (according to CAPA). With its young, dynamic and professional fleet ensures, Vietjet is capable to provide affordable but high-quality air transportation services and always strives to meet the increasing travel demand of customers. As of today, VJC has expanded its route network to more than 45 domestic destinations and 80 international destinations across Asia, Europe and Oceania.

INFORMATION ON VJC SHARES IN 2023



COMPANY INTRODUCTION

Company name:	VIETJET AVIATION JOINT STOCK COMPANY
Abbreviated name:	VIETJET., JSC
Trade name:	VIETJET AIR
Stock code:	VJC (listed on Ho Chi Minh Stock Exchange - HOSE)
Certificate of business registration:	No. 0102325399 issued by Hanoi Department of Planning and Investment for the first time on July 23, 2007 and registered for the 30 th amendment on April 19, 2023.
Charter capital:	VND 5,416,113,340,000
Owner's capital:	VND 5,416,113,340,000
Head office:	302/3, Kim Ma Street, Ngoc Khanh Ward, Ba Dinh District, Hanoi City, Vietnam
Operating office:	Vietjet Plaza Building, 60A Truong Son, Ward 2, Tan Binh District, Ho Chi Minh City, Vietnam
Phone No.:	(84-24) 7108 6668
Fax No.:	(84-24) 3728 1838
Email:	info@Vietjetair.com
Website:	www.Vietjetair.com



VISION/ MISSION/ CORE VALUES

VISION

Becoming a multinational airline with the largest market share in Vietnam, developing an airline towards the consumer aviation on the basis of an advanced digital business technology, a cargo transportation development, and a Logistic system.

MISSION

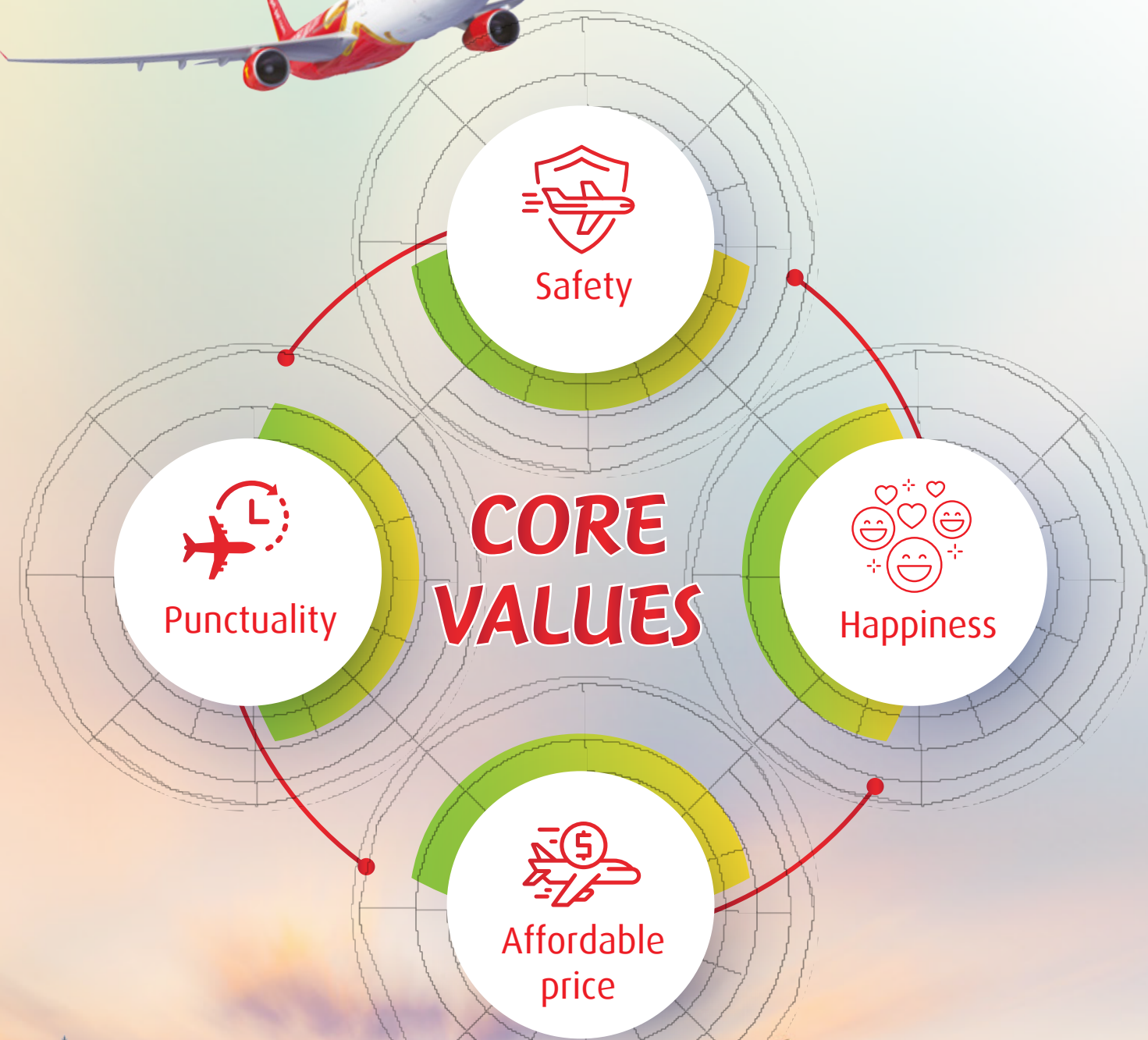
Exploiting and developing a wide network of domestic, regional and international routes as well as bringing a breakthrough in aviation services.

Transforming aviation become a popular means of transportation in Vietnam and the world, Developing and expanding the aviation services.

Aiming towards total customer satisfaction by providing services with outstanding quality, elegance and friendly smiles.

CORPORATE CULTURE

Safety - Integrity - Uniqueness, Passion - Dilligence - Engagement



2023 HIGHLIGHTS AND PROMINENT AWARDS

REMARKABLE HIGHLIGHTS

01

In 2023, Vietjet transported 25.3 million passengers on 133 thousand flights, including over 7.6 million international passengers, marking a 183% increase compared to 2022.



02

On March 15, 2023: Vietjet's Chief Executive Officer, Dinh Viet Phuong, participated in the National Conference on Tourism 2023 under the theme "Accelerating Recovery - Driving Development," presided over by Prime Minister Pham Minh Chinh. At the conference, Vietjet reaffirmed its commitment to collaborate with the Ministry of Culture, Sports and Tourism, as well as the Tourism Promotion Association, to enhance the image of Vietnam's tourism sector. Vietjet pledged to contribute both financial and material resources to the Tourism Fund, while also expanding its flight network to connect Vietnam with the world.



03

On April 21, 2023: At the Czech - Vietnam Business Forum, Vietjet and F Air Flight School - Czech Republic, signed a cooperation agreement in the presence of Vietnam's Prime Minister Pham Minh Chinh and Czech Republic's Prime Minister Petr Fiala. As per the agreement, Vietjet Aviation Academy will collaborate with F Air to develop basic pilot training programs, thereby contributing to Vietjet's proactive management of high-quality human resources to meet the evolving needs of Vietjet and the airline industry.



04

On May 19, 2023: In commemoration of the 50th anniversary of diplomatic relations between Vietnam and Japan, Vietjet announced its inaugural direct flight from Vietnam to Hiroshima Prefecture, Japan, in the presence of Prime Minister Pham Minh Chinh and high-level leaders from both countries. This marks Vietjet's eighth route connecting Vietnam and Japan, in celebration of the G7 Summit.



05

On June 4, 2023: Prime Minister Pham Minh Chinh and Australian Prime Minister Anthony Albanese witnessed the official announcement of Vietjet's inaugural direct flight from Ho Chi Minh City to Brisbane, Australia. This event holds significant importance as it coincides with the 50th anniversary of diplomatic relations between Vietnam and Australia, paving the way for enhanced trade relations between Vietnam and Brisbane, Queensland, and Australia as a whole.



06

On August 5, 2023: In commemoration of the 10th anniversary of the establishment of the Strategic Partnership between Vietnam and Indonesia, Speaker of the National Assembly Vuong Dinh Hue, alongside high-level representatives from Vietnam, Indonesia, and Vietjet, conducted the ceremonial inauguration of the direct flight route between Ho Chi Minh City and Jakarta. This route opens up substantial opportunities for the robust development of cooperative relations, investment attraction, and tourism between the "City Named after Uncle Ho" and the capital of the vast archipelago nation with over 280 million inhabitants.



07

On September 4, 2023: Vietjet announced the direct flight route connecting Hanoi, the capital of Vietnam, with the capital city of Jakarta, Indonesia, in the presence of Prime Minister Pham Minh Chinh and representatives of leadership from various ministries, agencies, and businesses of both countries. The Prime Minister and other leaders highly appreciated the new flight route linking the two capitals, contributing to the promotion of trade and investment between the two nations.

08

From September 17 to 26, 2023: Chairman of Sovico Group Nguyen Thanh Hung, along with Vietjet's CEO Dinh Viet Phuong and the Vietjet delegation, accompanied Prime Minister Pham Minh Chinh and the high-level Vietnamese leadership on a visit to and working trip in the United States and Brazil. The Vietjet leadership participated in various events and held working sessions to explore cooperation opportunities with companies such as Boeing, Carlyle, CFM, and GE Aviation.





09

On September 11, 2023: In conjunction with the official visit of President Joe Biden to Vietnam, Vietjet and Boeing reached an agreement to supplement the contract for the purchase of 200 Boeing 737 Max aircraft valued at USD 25 billion, which will be delivered over the next five years. This aircraft order is significant and represents one of the largest commercial contracts, contributing significantly to the trade balance between Vietnam and the United States up to the present time.



13

On December 3, 2023: In the presence of Prime Minister Pham Minh Chinh at the COP28 Conference, Vietjet and Novus Aviation Capital - a leading aircraft leasing and financing company headquartered in the United Arab Emirates (UAE) - reached an agreement to establish a joint aviation finance venture and aircraft financing partnership. Additionally, Vietjet collaborated with SAF One, a UAE-based Sustainable Aviation Fuel (SAF) company, to ensure a sustainable supply of aviation fuel.



10

On October 11, 2023: At the event where the Prime Minister met with the business community, Chairwoman Nguyen Thi Phuong Thao attended and shared the excitement and honor felt by the business community upon receiving Resolution 41 from the Politburo regarding the promotion of the role of Vietnamese entrepreneurs in the new era.

14

On December 4, 2023: During the visit and working trip of Speaker of the National Assembly Vuong Dinh Hue to Laos, Vietjet signed a comprehensive cooperation agreement with Lao Airlines and announced the launch of a new flight route connecting the capital city, Vientiane, Laos, with Ho Chi Minh City, Vietnam. This milestone is considered significant not only for the two enterprises but also for Vietnam and Laos, two fraternal neighboring countries with a long-standing tradition of cooperative development.



11

On November 3, 2023: Speaker of the National Assembly Vuong Dinh Hue hosted a meeting with representatives of exemplary Vietnamese businesses and entrepreneurial families. Chairwoman Nguyen Thi Phuong Thao attended the event and expressed to the Speaker of the National Assembly her business philosophy centered around benevolent practices, aspiring to contribute towards bringing forth new, positive values for the community and its people. She emphasized her desire to build and develop a close-knit team and foster the growth of a robust business community.



15

On December 12, 2023: Within the framework of the Vietnam-Cambodia Investment and Trade Promotion Forum, the Prime Ministers of Vietnam and Cambodia congratulated the inauguration of Vietjet's Hanoi-Siem Reap flight route. They expressed confidence that the new route will contribute to the expansion and strengthening of connectivity between the two friendly neighboring countries.



12

On November 15, 2023: At the "Vietnam Tourism Development Conference: Fast and Sustainable Growth" chaired by Prime Minister Pham Minh Chinh, Chairwoman Nguyen Thi Phuong Thao participated and delivered a speech proposing, "Let Vietnam become a distinctive international tourism destination, rich in culture, cuisine, and relaxation... Each region and locality possesses its own unique charm."



2023 HIGHLIGHTS AND PROMINENT AWARDS

PROMINENT AWARDS

CAPA
CENTRE FOR AVIATION

Asia Pacific Low Cost Airline of the Year – Center for Asia Pacific Aviation (CAPA)



The world's best super-saving airline in 2020

AIRFINANCE JOURNAL

Top 50 best airlines in the world in terms of operational and financial health indicators



Best low-cost airline in Vietnam – SkyTrax 2019 World Airline Awards

Vietnam
Timeless Charm

The airline with the fastest growth in tourists – Vietnam National Administration of Tourism



Best airline in Southeast Asia in 2019 – ASEAN Business Advisory Council (ASEAN – BAC)

Service Quality Brand - Korea Prestigious Brand Award 2019



Top 50 best listed companies in Vietnam – Forbes



Top 50 most valuable enterprise brands in Vietnam – Brand Finance



Top 50 most effective companies in Vietnam - Nhip Cau Dau Tu Magazine



Top 10 enterprises with the best management capacity on the Vietnam stock exchange – VCCI



Top 10 reputable listed companies – Vietnam Report



Top 10 low-cost airlines – Smart travel asia



Top 100 best places to work in Vietnam – Anphabe and Market Research Intage

Best place to work in Asia 2019 – HR Asia Awards



Best Brand in Asia – CMO Asia

Merit Certificate from the Government for the contributions to the community – Prime Minister Nguyen Xuan Phuc



“Best Cargo Airline of the Year”

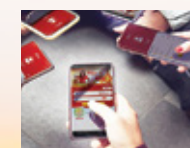
“Low-Cost Airline with Best Cargo Operations of the Year”



Top 10 safest low-cost airlines in the world in 2022

The best value airline for global customers 2022

Top 10 best low-cost airlines in the world 2022



The best new Fintech product 2022 ‘Fly Now - Pay Later’ cooperated with MOVI



The airline that brings the best value to customers in Asia 2022

The airline with the best flight attendant service in Asia 2022



Best Low-Cost Airline in Vietnam – World Airline Awards 2022



For the fourth year in a row since listing on the stock exchange, Vietjet was voted in the TOP50 list with the prestigious “billion dollar” brands in the country.



Top 50 Vietnamese excellent brands 2023



Korea Consumer Best Brand Awards 2023



The Ministry of Culture, Sports and Tourism awarded a Certificate of Merit to Vietjet in recognition of Vietjet's contributions in tourism development activities.



The World's Top 10 Safest & Best Low-cost Airlines 2023

Best Low-Cost Airline Onboard Hospitality 2023

Best Ultra Low-Cost Airline 2023



Top 5 best workplaces and a leading employer in Vietnam



Best Companies to Work for in Asia 2023



Best Low-Cost Airline in Vietnam 2023



Asia's Leading Airline for Customer Experience



Top 100 most valuable and strongest brands 2023

OUR FORMATION AND DEVELOPMENT

2007

- » Received the Air Transport Business Registration Certificate No. 01/0103018458 and was the first private airline in Vietnam licensed to operate on domestic and international routes.

2013

- » Vietjet made **the first international flight** from Ho Chi Minh City to Bangkok, Thailand on February 10.
- » Signed a cooperation agreement with Lufthansa Technik AG. Lufthansa Technik which provided Vietjet with leading solutions in technology, maintenance services, technical project consultation, employee technical training as well as other consulting services.
- » Opened **4 new domestic routes** and **2 new destinations** including Quy Nhon, Buon Me Thuot.

2015

- » The Training Center (VJAA) was approved by the CAAV as a qualified facility for aviation personnel training.
- » Received **IOSA Operational Safety certification** by the International Air Transport Association (IATA).
- » Opened **9 domestic routes** and **3 new destinations** including Dong Hoi, Chu Lai and Pleiku.
- » Opened **2 new international routes** and **1 new destination** in Yangon (Myanmar)

2017

- » **Listed on the Ho Chi Minh City Stock Exchange.**
- » Groundbreaking ceremony of the **Vietjet Aviation Academy** project.
- » Participated in the **APEC Summit** in Da Nang.
- » Opened new routes to bring the total number of **domestic routes to 38.**
- » Opened a new international flight network to many destinations in Thailand, China, Cambodia, Taiwan, Korea, Myanmar, bringing the total number of **international routes to 44 routes.**

2021

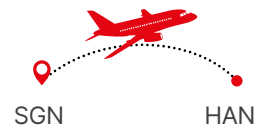
- » The **10th anniversary** since the first flight operated (December 24, 2011 - December 24, 2021).
- » Welcomed the **first wide-body Airbus A330 aircraft.**
- » Signed a strategic partnership agreement with Airbus on implementing a contract order for 119 aircraft and cooperating in the development of a wide-body aircraft.

2022

- » Signed an cooperation agreement to deploy **AVIATAR's Technical Logbook application** with Lufthansa Technik Group which helped with the technical data management, coordination between Vietjet's flight crew and technical maintenance team to become more transparent and efficient.
- » Signed a Memorandum of Understanding on strategic cooperation that worths **USD 1.5 billion** with Changi International Airport Company for the development in providing aviation services at airports in Vietnam and in the region.
- » Received **two additional wide-body A330** aircraft to join the fleet.

2011

- » Opened the first commercial flight from Ho Chi Minh City to Hanoi on December 24.

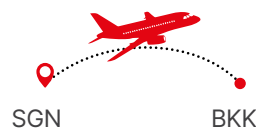


2012

- » Launched Vietjet's new slogan **"Enjoy Flying"**.
- » **Expanded domestic flight network to 7 new destinations** including: Vinh, Da Nang, Nha Trang, Da Lat, Phu Quoc, Hai Phong.

2014

- » Signed an agreement to buy 200 aircraft from Airbus. Received the first aircraft in the purchase agreement with Airbus.
- » Launched Vietjet Cargo Joint Stock Company and ThaiVietjet Joint Stock Company.
- » Opened 5 domestic routes and 2 new destinations including Thanh Hoa, Can Tho.
- » Opened 3 new international routes to Singapore, Korea, and Taiwan.



2016

- » Signed a cooperation agreement to build an aviation training center with Airbus.
- » Signed an additional order for **20 new-generation A321 CEO** and NEO engines with Airbus.
- » Became an official member of the International Aviation Association (IATA).
- » Opened **9 new domestic routes** and **2 new destinations** including Can Tho and Hue.
- » Opened new international routes to new destinations in China, Taiwan, Korea and Malaysia.



2018

- » **Opened flight routes to Tokyo and Osaka - Japan.**
- » Signed a memorandum of understanding for long-term engine maintenance support with CFM International. Signed a USD 7.3 billion agreement with Safran - CFM, GECAS in France.
- » Signed an agreement to open a direct route connecting Vietnam and Australia **in Sydney, Australia.**

2019

- » Opened additional routes for the Vietnam - Japan flight network
- » Reached the milestone of **100 million domestic and international passengers.**
- » Reached a total of **139 routes** including **48 domestic routes** and **91 international routes.**
- » The fleet was developed to reach **71 aircraft** with the average age of **2.82 years old.**
- » Signed an agreement to buy **20 new-generation A321XLR aircraft** with Airbus.
- » Became an official member of the Economic Federation of Japan - Keidanren.

2020

- » Self-implemented the ground services at Noi Bai Airport (Hanoi) since September 4, 2020 instead of having to contract out to the third party as before.
- » Honored by Air Transport magazine Payload Asia as **"Best Cargo Airline of the Year"** and **"Low-Cost Airline with Best Cargo Operations of the Year"**.
- » The airline safety was rated at the highest globally with **7 stars** by AirlineRatings.com - a prestigious organization that evaluates the safety and products of global airlines.
- » Became one of the airlines that was able to ensure job stability for more than 5,000 employees while ensured reaching the targets assigned by the General Meeting of Shareholders in 2020 which was to create a profitable consolidated business.

2023

- » Expanding its flight routes from Vietnam to Australia, including Sydney, Melbourne, Brisbane, Perth, and Adelaide
- » Vietjet has become the first airline to establish connections between Vietnam and the five largest cities in Australia. Furthermore, the airline stands as the leading carrier operating numerous routes between Vietnam and India.
- » During the COP28 Conference, Vietjet forged agreements with Novus Aviation Capital, a premier aircraft finance and leasing company based in the United Arab Emirates (UAE), to establish a joint aviation finance venture and aircraft financing sponsorship. Additionally, collaboration was initiated for the provision of Sustainable Aviation Fuel (SAF) between Vietjet and UAE's SAF One company.

BUSINESS LINES AND OPERATING BUSINESS LOCATIONS

BUSINESS LINES

Vietjet's core business is to provide passenger and cargo transportation services on the domestic and international routes in addition to the related support services that focus on 5 main groups:

AIRCRAFT COMMERCIAL ACTIVITIES

- » Aircraft purchasing, selling
- » Leasing, renting aircraft
- » Aircraft transferring

ANCILLARY SERVICES

- » In-flight seat selection
- » Food pre-ordering
- » Luggage services
- » Duty-free product selling
- » Travel insurance
- » Shuttle bus from the airport to the city center services



AIR TRANSPORTATION SERVICES

- » Domestic, international passengers and cargo
- » Tourism advertisement and organization

AVIATION TRAINING

- » Pilots training
- » Flight attendants training
- » Technicians and support personnel training

AIR FREIGHT DIRECT SUPPORT SERVICES

- » Ground services
- » Technical assistance
- » Periodic and irregular aircraft maintenance
- » Aircraft spare parts supply services
- » Aircraft fuel supply services



In order to improve the business efficiency and bring the best customers experience on every flight, Vietjet has actively built and gradually completed the Company's closed service value chain from ordering aircraft to ticket agents in order to serve customers' demand during the formation and development over the past 15 years, specifically:

UPSTREAM ACTIVITIES

MANUFACTURER

Vietjet has established strategic relationships with Airbus and Boeing - the world's two largest civil aircraft manufacturers, through signing strategic cooperation, highly valuable commercial contracts with embedded incentives.

AIRCRAFT LEASING

Vietjet has established subsidiaries in countries that imposed preferential tax policies and comprehensive regulations related to the commercial activities and aircraft leasing activities to perform transactions.

AIRPORT SERVICES

Vietjet is always seeking for investment opportunities to proactively provide ground services at airports, payment services, repair services and specialized aviation training.

AIRPORTS/ TERMINALS

Vietjet undertakes leasing or investing partially on the terminals at major airports: Tan Son Nhat and Noi Bai to proactively and better serve the customers as well as to save cost.

CORE ACTIVITIES

AIR TRANSPORTATION

Passenger and cargo transportation services are the core segment adhering to the airline's consistent direction from the early establishment day until today, including ancillary activities for passengers.

DOWNSTREAM ACTIVITIES

DISTRIBUTION SERVICES

Vietjet has invested in high-tech forwarding companies to serve its closed service processes, including agents across the country with smart web and mobile applications.

BUSINESS LINES AND OPERATING BUSINESS LOCATIONS

PRODUCTS AND SERVICES

SKYJOY – Accumulating points on every flight

Vietjet's brand new loyalty program with unlimited redemption from Vietjet air tickets. Members are able to earn SkyPoints based on the total spending on airfares and purchased ancillary services. The accumulated SkyPoint point is calculated based on the membership class and the flight ticket class that the member selects. SkyPoint calculation = (Eligible spending amount/10,000) x SkyPoint accumulation rate that corresponds to the membership class and selected flight ticket class.



Diverse in-flight cuisine

Vietjet has offered an in-flight food diversity including 9 hot dishes, ready-to-eat dishes, different snack and more than 20 European and Asian style of hot and cold drinks being prepared by c 5-star restaurant chefs. Passengers can request vegetarian dishes or special diet dishes. The menu is also modified by seasonality.



SKYBOSS – Wings for Leaders

» It is Vietjet's premium airline service. Vietjet offers modern and luxurious lounges exclusively for SkyBoss passengers. Being fully-equipped with convenient services, passengers are able to relax, entertain or work within a private space. In addition to the flight information screen, the lounge also includes utilities such as diverse buffet counters, bars, newspapers/magazines, complimentary Internet/Wi-Fi and others to serve the business and leisure demands from passengers:

- » Priority at check-in ;
- » Access to luxury lounge;
- » Priority for seat selection;
- » Flight ticket is eligible for schedule changes;
- » Private shuttle service between the departure or arrival gate and the aircraft;
- » Complimentary food & beverage are served onboard ;
- » 30kg of checked baggage and 1 golf club set.



In-flight entertainment

Vietjet has deployed many entertainment activities and interactions with on-board passengers such as Carnival style dancing, Gangnam style dancing and in-flight wedding ceremony, etc. with famous artists' participation. Moreover, during the holidays, Vietjet also organized gift-giving programs, for example, New Year's lucky money, Christmas gifts and special gifts for women and children along with the free airfare programs for customers.



Marketing and sales

Vietjet has the following major distribution channels:

- » Internet and mobile phones;
- » Ticket sales agents;
- » Vietjet's ticket office;
- » Vietjet's call center;
- » Retailers and associated banks connecting with more than 3,000 transaction points.



"Fly Now - Pay Later" MOVI - Vietjet

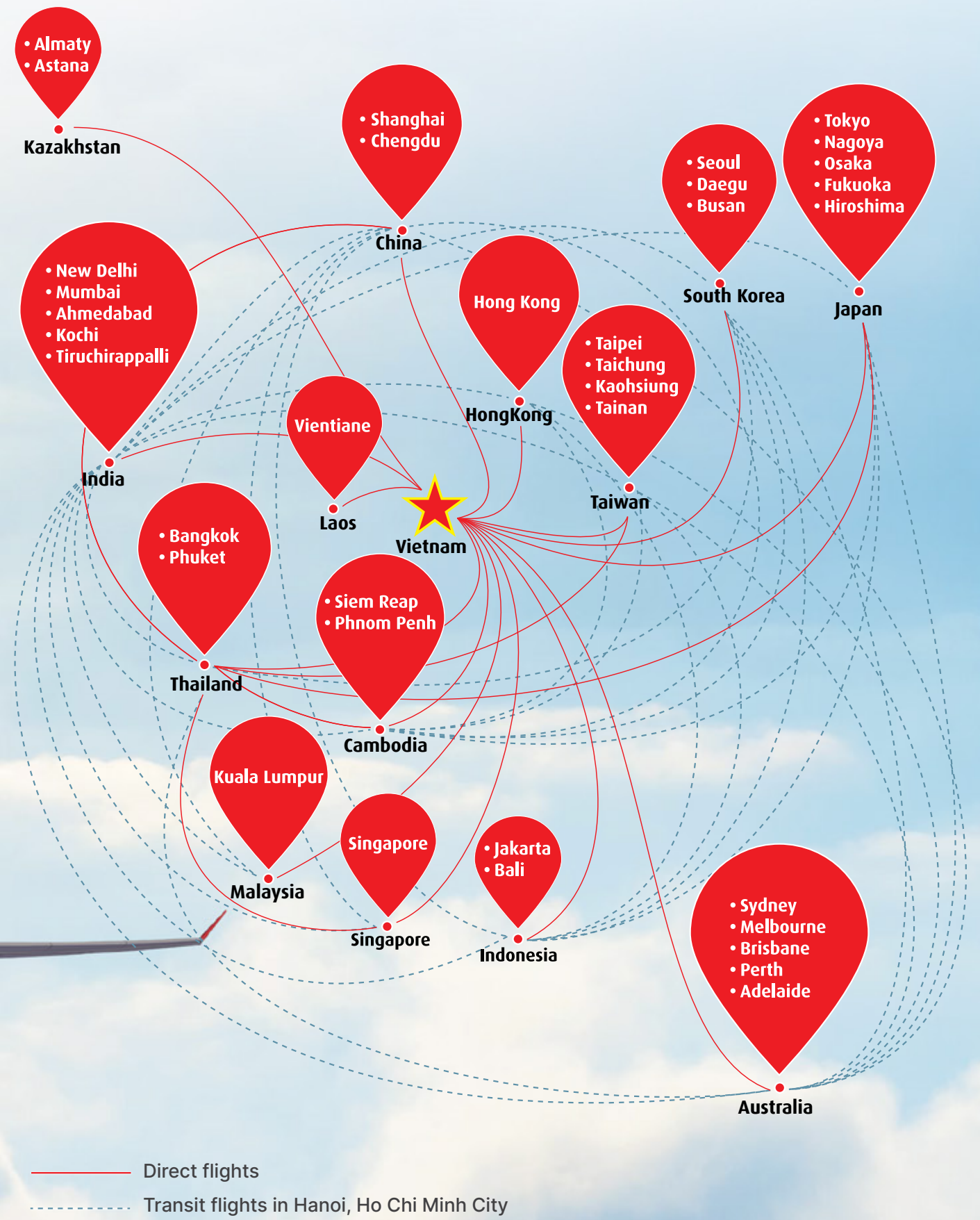
"Fly Now - Pay Later" is a unique synthesis between the the new-generation airline Vietjet's flight service and consumer finance solutions from the MOVI Welfare Program. The services included many benefits to ease customers in registering, booking and paying for the tickets.

- » Pay later, credit limit related to airfare is provided up to VND 10 million;
- » Flexible selection of installment terms up to 6 months;
- » Simplified paperwork (only ID card is required);
- » Register and pay online in only 3 minutes;
- » Installment fees at no cost in the first payment period.



FLIGHT NETWORK

Vietjet boasts an extensive flight network spanning across Southeast Asia and Northeast Asia regions. Together with Thai Vietjet in Thailand, Vietjet operates a total of 45 domestic routes in Vietnam and Thailand, alongside over 80 international routes to destinations including Singapore, Malaysia, Myanmar, Indonesia, Cambodia, Taiwan, South Korea, China, Japan, and India.



VIETJET'S AIRCRAFT FLEET

Vietjet owns a new, modern, young and synchronous aircraft fleet that includes

20

A320 aircraft

36

A321ceo aircraft

24

A321neo aircraft

07

A330 aircraft



AIRBUS A321 NEO (24)

240
Number of seats

Advanced technology of the new-generation engine (PW-1133GA-JM) combined with Airbus's Sharklets design helps to increase the range up to 500 nm (900 km) or the payload by 2 tons. The "Sharklets" design on the wings and the fuel tanks provides an outstanding environmental performance with 20% lower fuel burn per aircraft per seat and 5,000 tons less CO₂ per year.

AIRBUS A321 CEO (36)

220
Number of seats

Airbus A321ceo is the most efficient narrow-body aircraft that is available today which helps to save fuel, reduce emission and keep noise to a minimum. The A321ceo is 146 feet longer than the A320. The aircraft is able to provide more seats and cargo space which increases the passenger's comfort while travel.

AIRBUS A320CEO (20)

180
Number of seats

Provide a versatile cabin that can be configured to accommodate the seat capacity of from 140 to 180 passengers.

The A320ceo shares the same digital flight control system and cabin management system. This consistency makes it easy for pilots and crew to coordinate and focus on taking care of the passengers. At the same time, training cost and maintenance cost can be minimized.

AIRBUS A330 (7)

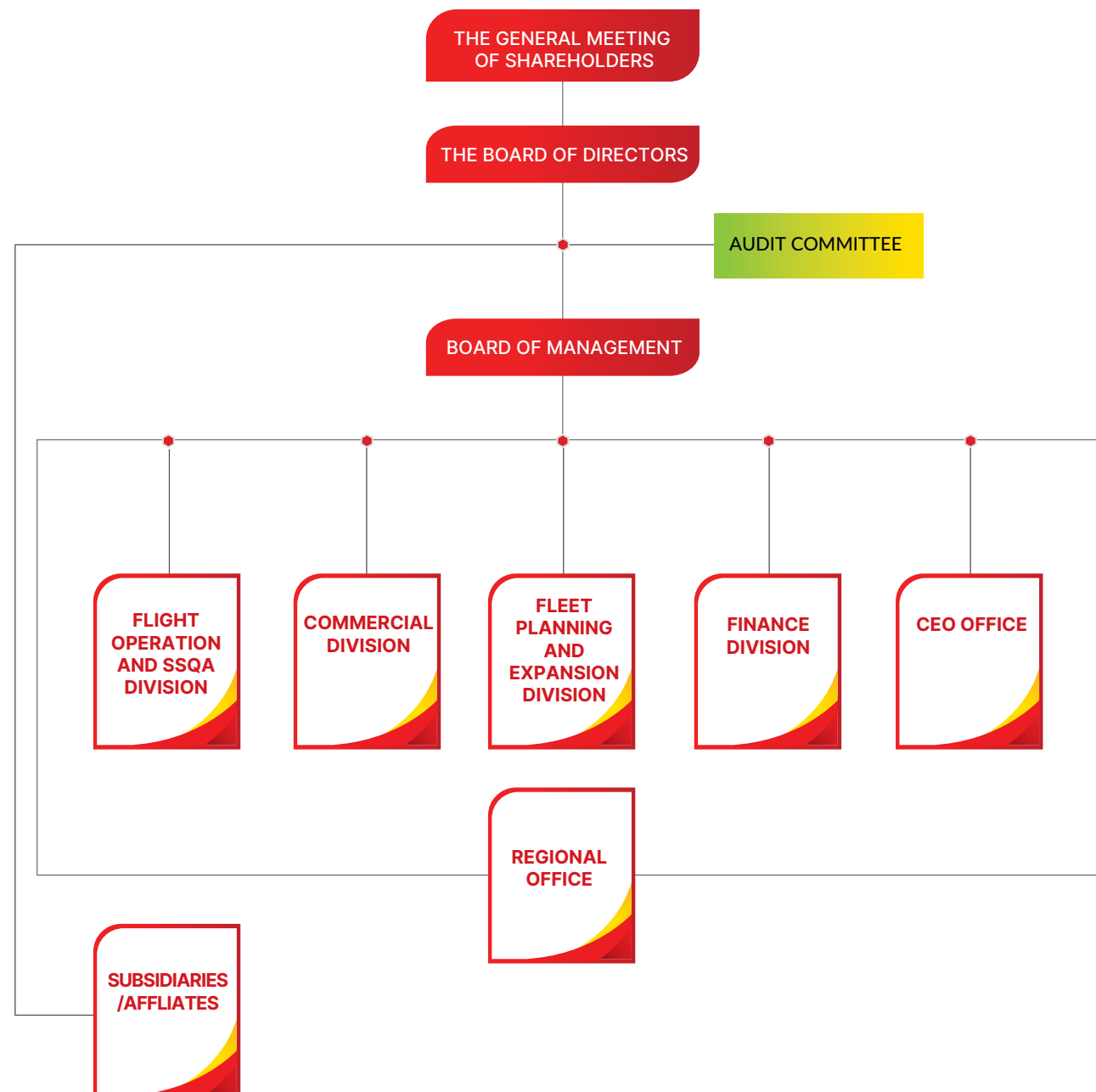
377
Number of seats

The Airbus A330 is a wide-body, twin-engine, single-deck, twin-aisle airliner developed and manufactured by the aircraft manufacturer Airbus. The A330 can fly within a range of 5,000 to 13,430 km, accommodating up to 377 passengers or carrying 70 tons of cargo.

GOVERNANCE MODEL AND MANAGEMENT STRUCTURE

ORGANIZATIONAL AND MANAGEMENT CHART

Vietjet Aviation Joint Stock Company operates under the governance model built and organized according to Point b, Clause 1, Article 137 of the Enterprise Law 2020, including the General Meeting of Shareholders, the Board of Directors, and the Board of Management.



SUBSIDIARIES AND AFFILIATES

Company Name	Place of Establishment	Main business lines	Charter Capital	Ownership rate
DIRECTLY-OWNED SUBSIDIARIES				
Swift 247 Joint Stock Company	Vietnam	Providing freight forwarding and related support services	47,000,000,000	67%
Vietjet Air IVB No. I Limited	British Virgin Islands	Trading and leasing aircraft and aircraft spare parts	-	100%
Vietjet Air IVB No. II Limited	British Virgin Islands	Trading and leasing aircraft	-	100%
Vietjet Air Singapore Pte. Ltd.	Singapore	Trading aircraft	-	100%
Vietjet Air Ireland No. 1 Limited	Ireland	Trading and leasing aircraft	-	100%
Galaxy Pay Company Limited	Viet Nam	Providing intermediate payment services	50,000,000,000	100%
VietJet Ground Services Limited Liability Company	Viet Nam	Providing direct support services for air freight	100,000,000,000	100%
INDIRECTLY-OWNED SUBSIDIARIES				
VietjetAir Cargo Joint Stock Company	Vietnam	Provide freight services and related support services	10,000,000,000	64%
Skymate Limited	Cayman Islands	Trading aircraft	-	100%
AFFILIATES				
Thai Vietjet Air Joint Stock Co. Ltd.	Thailand	Providing freight, passenger transportation and other related services	177,031,200,000	9%
Cam Ranh International Terminal Joint Stock Company	Vietnam	Providing direct support services to the air freight industry	750,000,000,000	10%

INTRODUCTION TO THE BOARD OF DIRECTORS



MDM. NGUYEN THI PHUONG THAO

Chairwoman

Year of birth: 1970

Position: Chairwoman

Qualification: Doctor of the Mendeleev Academy, Bachelor of the Moscow Commercial Academy, Bachelor of National Economic School of Moscow, Founding Member of the System Research Academy of the Russian Federation.

Share ownership: 47,470,914 VJC shares, accounting for 8.76% of Charter Capital

She is one of Vietjet's Founding Members and was elected as the Vice Chairman since 2007 and is currently the Chairwoman of the Company. She also joined HDBank in 2008 and is currently the Standing Vice Chairwoman of the HDBank's Board of Directors, overseeing innovation and reform programs at HDBank, bringing HDBank to gradually become one of the leading commercial banks in Vietnam. Before joining HDBank, she was a founding member of several commercial banks in Vietnam.

Position in other organisations::

- » Standing Vice Chairwoman of HDBank
- » Chairwoman, CEO of Sovico Group Joint Stock Company
- » Chairwoman of Sovico Aviation Joint Stock Company
- » Chairwoman of Galaxyone Company Limited
- » Chairwoman of Sunflower Sunny Investment Company Limited



MDM. NGUYEN THANH HA

Vice Chairwoman

Year of birth: 1950

Position: Vice Chairwoman

Qualification: Master of Economics, Bachelor of Physics from Hanoi University, Bachelor of Economics from National Economics University

Share ownership: 297,984 VJC shares, accounting for 0.06% of Charter Capital

She is one of Vietjet's Founding Members and was elected as the Chairwoman of the Board of Directors in 2007. She is an expert, an experienced manager in the aviation industry in Vietnam.

Prior to her tenure at Vietjet, she held the position of Deputy Director of the Civil Aviation Authority of Vietnam from 1999-2005. Preceding this role, she served as the Head of Investment Planning Department of Vietnam Airlines Corporation and the Head of Labor and Salary Department under the Ministry of National Defense.

Position in other organisations: None



MR. NGUYEN THANH HUNG

BOD Member

Year of birth: 1967

Position: BOD Member since 2007

Qualification: Doctor in automation from the Academy of Sciences of the Russian Federation. Electromagnetic Engineer Degree from Kharkov State University of Ukraine

Share ownership: 5,358,076 VJC shares, accounting for 0.99% of Charter Capital

He is the Founding Chairman of the Board of Directors of Sovico Group, specializing in investments in the fields of Finance, Banking, Real Estate Investment and Hospitality, Aviation, Electricity and Energy. He is also a Member of the APEC Business Advisory Council (ABAC Vietnam) approved by the Prime Minister of Vietnam in 2006 and was honored as a Young Global Leader at the World Economic Forum in Davos, Switzerland in 2007.

Position in other organisations::

- » Managing Director of Sovico Holdings Company
- » Vice Chairman of Vietnam - Japan Business Forum
- » Member of the Executive Committee of the Vietnam - USA Friendship Association.

INTRODUCTION TO THE BOARD OF DIRECTORS



MR. NGUYEN ANH TUAN

Vice Chairman, Independent BOD Member

Year of birth: 1960

Position: Independent Member of the Board of Directors and Chairman of the Audit Committee since 2022

Qualification: Master of Economics from Colorado Institute of Economics (USA), Master of Business Administration from University of Hawaii, Master of Business Administration from Asian Institute of Technology - AIT

Share ownership: 0 VJC share, accounting for 0% of Charter Capital

He has many years of experience in oil & gas services, oil & gas technology and insurance. He held the position of Chairman of the Board of Directors of PetroVietnam Insurance Joint Stock Company (PVI), a member of the Vietnam Oil and Gas Group. Together with members of PVI's Management Board, Mr. Nguyen Anh Tuan has made a great contribution in restructuring PVI according to the financial insurance group model and rebuilding the governance model with the international standard, helping PVI to become one of the first enterprises in Vietnam to carry out an equitization in 2006 and to be listed on the stock exchange in 2007.

Position in other organisations::

- » Vice Chairman of HDI Insurance Company, under Sovico Group.



MR. DINH VIET PHUONG

BOD Member, Chief Executive Officer

Year of birth: 1969

Position: Member of the Board of Directors since 2017, Vice President since 2012 and Managing Director since October 2020. Chief Executive Officer since April 2023.

Qualification: Doctor of Transport at the Moscow National Academy, Master of Business Administration from CFVG in Vietnam, Engineer from the Vietnam Maritime University.

Share ownership: 657,000 VJC shares, accounting for 0.12% of Charter Capital

He was the Vice President in charge of the business development for Vietjet since 2012. Preceding this role, he was the Vice President, Member of the Board of Directors of Vietnam Automobile Industry Corporation (Vinamotor) since 2006. He was also a former Head of Representative Office of Sovico in Vietnam, Vice President in charge of investment activities of Sovico Holdings Company, Member of the Board of Directors of Petroleum Trading Joint Stock Company (Petechim JSC) and Member of the Board of Directors of Dai A Commercial Joint Stock Bank.

Position in other organisations: None



MDM. HO NGOC YEN PHUONG

BOD Member, Vice President - CFO

Year of birth: 1967

Position: Member of the Board of Directors since 2023

Qualification: Master of International Finance and Accounting from Swinburne University - Australia. Bachelor of International Business from Foreign Trade University (FTU). In addition, she acquired the Certificate of Chief Accountant, Certificate of American Accounting, Certificate of Securities and Capital Markets, Certificate of Import-Export Business and Certificate of The Linkage 20 Conversations for Leadership issued by the prestigious Harvard University

Share ownership: 0 VJC share, accounting for 0% of Charter Capital

With over 30 years of leadership experience in finance and corporate accounting across leading international conglomerates in various sectors such as Oil & Gas, Telecommunications, and Industrial Manufacturing, Mdm. Yen Phuong brings a wealth of expertise to Vietjet's Board of Directors. Prior to joining Vietjet's Board of Management, she held pivotal positions as Group CFO of PetroVietnam (PVN) and served on the Board of Directors at the Vietnam Oil Drilling and Well Services Corporation (PVDrilling).

Furthermore, Mdm. Phuong served as Vice President Finance at PVDrilling from 2007 to 2016, followed by her tenure as Chairwoman of the Board at PVD Deepwater from 2016 to 2019. Additionally, she contributed as Vice President Finance at Stelecom - SKTelecom, Finance Controller at the Holcim Vietnam Joint Venture, and Chief Accountant at FDP VMEI (SYM).

Position in other organisations:

- » Chairwoman and CEO of Galaxy Pay Company Limited
- » Chairwoman of Victoria Academy Company Limited



MR. DONAL JOSEPH BOYLAN

Independent BOD Member

Year of birth: 1960

Position: Independent Member of the Board of Directors since 2019

Qualification: Bachelor at University College Dublin. Certificate in Management Accounting, Leadership Excellence Program of Harvard School of Business.

Share ownership: 0 VJC shares, accounting for 0% of Charter Capital

He has over 30 years of experience in senior technical and commercial positions in the aerospace industry including aircraft manufacturers, airlines and lessors. He served as the CEO of Bohai Leasing Co., Ltd, Hong Kong Aviation Capital Company, Non-Executive Chairman of Niche Group Plc, Director of Odyssey Aviation and Head of Corporate Banking for Aviation and Defence of the Royal Bank of Scotland.

Position in other organisations:

- » Founding member of - BCAP Holdings

INTRODUCTION TO THE BOARD OF MANAGEMENT



MR. LUU DUC KHANH
BOD Member

Year of birth: 1960

Position: Member of the Board of Directors since 2011 and Member of the Audit Committee since 2021.

Qualification: Master of International Business Administration, University of New England, Master of Banking, Bachelor of Economics, University of Economics in Ho Chi Minh City.

Share ownership: 904,440 VJC shares, accounting for 0.17% of Charter Capital

He was in the CEO role of Vietjet from 2011 to October 2020 and also a dedicated Vice Chairman of the Board of Directors of HDBank since 2009. He is an experienced professional with more than 30 years of holding senior positions in large entities such as: CEO of Sovico Holdings Company, CEO of ABBank, Vice President of Techcombank, Chief Strategy Officer of HSBC and Vice President of CCL Saigon Company.

Position in other organisations::

- » Vice Chairman of the Board of Directors of HDBank
- » Member of the Board of Directors of Sovico Holdings Company
- » Member of the Board of Directors of Saigon Ground Services Company (SGN)



MR. CHU VIET CUONG
BOD Member

Year of birth: 1961

Position: Member of the Board of Directors since 2017 and Member of Audit Committee since 2022

Qualification: Master of International Economics from the University of Sussex (UK), Master of Science from Kharkov University (Ukraine), Master of Business Administration from MIT (USA).

Share ownership: 68,000 VJC shares, accounting for 0.01% of Charter Capital.

He was the Chairman of Dai A Commercial Joint Stock Bank, CEO of the Joint Venture of BNP Paribas and Prevoir, Vice President of Prudential Vietnam Insurance Co., Ltd., Head of Division in charge of E-Banking, Personal Banking of ANZ Banking Branch in Vietnam, Vice President of Vietnam Center for Socio-Economic Development, Assistant to Chief Executive Officer of Marubeni Corporation of Japan and former Officer of Southeast Asia Institute.

Position in other organisations::

- » Member of the Board of Directors cum Vice President of Sovico Holdings Company



MR. DINH VIET PHUONG
BOD Member, Chief Executive Officer

Year of birth: 1969

Position: Member of the Board of Directors since 2017, Vice President since 2012 and Managing Director since October 2020. Chief Executive Officer since April 2023.

Qualification: Doctor of Transport at the Moscow National Academy, Master of Business Administration from CFVG in Vietnam, Engineer from the Vietnam Maritime University.

Share ownership: 657,000 VJC shares, accounting for 0.12% of Charter Capital

He was the Vice President in charge of the business development for Vietjet since 2012. Preceding this role, he was the Vice President, Member of the Board of Directors of Vietnam Automobile Industry Corporation (Vinamotor) since 2006. He was also a former Head of Representative Office of Sovico in Vietnam, Vice President in charge of investment activities of Sovico Holdings Company, Member of the Board of Directors of Petroleum Trading Joint Stock Company (Petechim JSC) and Member of the Board of Directors of Dai A Commercial Joint Stock Bank.

Position in other organisations: None



MDM. HO NGOC YEN PHUONG
BOD Member, Vice President - CFO

Year of birth: 1967

Position: Member of the Board of Directors since 2023

Qualification: Master of International Finance and Accounting from Swinburne University - Australia. Bachelor of International Business from Foreign Trade University (FTU). In addition, she acquired the Certificate of Chief Accountant, Certificate of American Accounting, Certificate of Securities and Capital Markets, Certificate of Import-Export Business and Certificate of The Linkage 20 Conversations for Leadership issued by the prestigious Harvard University

Share ownership: 0 VJC shares, accounting for 0% of Charter Capital

With over 30 years of leadership experience in finance and corporate accounting across leading international conglomerates in various sectors such as Oil & Gas, Telecommunications, and Industrial Manufacturing, Mdm. Yen Phuong brings a wealth of expertise to Vietjet's Board of Directors. Prior to joining Vietjet's Board of Management, she held pivotal positions as Group CFO of PetroVietnam (PVN) and served on the Board of Directors at the Vietnam Oil Drilling and Well Services Corporation (PVDrilling).

Furthermore, Mdm. Phuong served as Vice President Finance at PVDrilling from 2007 to 2016, followed by her tenure as Chairwoman of the Board at PVD Deepwater from 2016 to 2019. Additionally, she contributed as Vice President Finance at Stelecom - SKTelecom, Finance Controller at the Holcim Vietnam Joint Venture, and Chief Accountant at FDP VMEI (SYM).

Position in other organisations:

- » Chairwoman and CEO of Galaxy Pay Company Limited
- » Chairwoman of Victoria Academy Company Limited

INTRODUCTION TO THE BOARD OF MANAGEMENT



MR. MICHAEL HICKEY

Vice President – Chief Operating Officer

Year of birth: 1963

Position: Chief Operating Officer since 2022

Qualification: Master of Aviation Safety Administration from University of London.

Share ownership: 0 VJC shares, accounting for 0% of Charter Capital

With over 40 years in the aviation industry, Michael Hickey is an experienced senior professional with unique skills in Commercial, Engineering and Flight Operations. The experience and knowledge were gained mostly from his over 30 years of working with Ryanair until it became Europe's largest low-cost airline. Michael has demonstrated a unique ability in growing successfully and safely a large organization as well as supporting infrastructure within limited financials while still delivering operational efficiency to save millions of dollars.

Position in other organisations: None



MR. TO VIET THANG

Vice President in charge of administrative management

Year of birth: 1968

Position: Vice President in charge of Safety, Security Quality and Assurance.

Qualification: Aeronautical Engineer (with distinction) from Czech Technical University, Certificate of IATA, Lufthansa and AQS in safety, security, airline administration and quality assurance management

Share ownership: 134,500 VJC shares accounted for 0.02% Charter Capital

He is the Vice President and Head of the company's Safety, Quality and Assurance (SSQA) Division. He is the Project Manager to help the company achieve IOSA certification and become a member of IATA. He has nearly 20 years of experience in the aviation industry, including his time at Vietnam Airlines. He graduated with an aeronautical engineer degree from the Technical University of the Czech Republic with distinction, obtained IATA, Lufthansa and AQS certificates related to safety, security, airline management and quality assurance management.

Position in other organisations: None



MR. NGUYEN THANH SON

Vice President - Chief Commercial Officer

Year of birth: 1971

Position: Vice President in charge of Commercial and Marketing since 2018

Qualification: Master of Business Administration, Bachelor of Economics from Ho Chi Minh City University and Certificates in Leadership, Coaching, and Creative Thinking.

Share ownership: 71,000 VJC shares, accounting for 0.01% of Charter Capital

Mr. Nguyen Thanh Son is the Company's Vice President in charge of commercial activities including flight-related product development, distribution channels as well as promotional activities and revenue management. Mr. Son was appointed as Vice President of Commercial on April 1, 2018. Mr. Son has more than 20 years of experience in the commercial area at both domestic and international airlines. Mr. Son graduated with a Master's degree in Business Administration from the University of Economics in Ho Chi Minh City.

Position in other organisations: None

STRATEGIC DEVELOPMENT OF VIETJET



**EXPANDING FLIGHT NETWORK
CREATING MOMENTUM
FOR GROWTH**

OVERVIEW OF THE GLOBAL AVIATION INDUSTRY IN 2023

THANKS TO THE RESURGENCE IN TRAVEL DEMAND, AIRLINES AND AIRCRAFT LEASING COMPANIES HAVE SEEN RECORD-BREAKING ORDER VOLUMES, PUSHING THE NUMBER OF UNFULFILLED ORDERS TO AN ALL-TIME HIGH OF NEARLY 16,000 AIRCRAFT.

After the significant impacts of the Covid-19 pandemic, the global aviation industry has witnessed a remarkable recovery in 2023. The available seat kilometers (ASK) of airlines reached 99% compared to the pre-pandemic level of 2019. Revenue passenger kilometers (RPK) rebounded to 94.1% of the 2019 level, soaring from 68.7% in 2022. Most airlines have surpassed the most challenging phase, with domestic markets experiencing growth far beyond pre-pandemic levels.

Thanks to the resurgence in travel demand, airlines and aircraft leasing companies have seen record-breaking order volumes, pushing the number of unfulfilled orders to an all-time high of nearly 16,000 aircraft.

The financial outlook for the aviation industry is forecasted to be optimistic for 2023, with a projected net profit of USD 23.3 billion on record revenue of USD 896 billion, offsetting the heavy losses during the pandemic era. However, the net profit margin remains modest at 2.6%.

North America continues to lead in financial performance, spearheading the profit recovery trend. Europe is also expected to achieve favorable results despite supply challenges. Meanwhile, the financial prospects of Asia-Pacific, Latin America, and Africa remain cautious.

Airlines still face numerous challenges in 2023, such as soaring fuel costs, labor shortages, inflation, and political instability. Additionally, the pressure to reduce carbon emissions and transition to clean energy is increasing.

Nevertheless, with the renewed trust and openness of passengers, the aviation industry has demonstrated remarkable resilience and adaptability, swiftly regaining growth momentum after the shock of the pandemic. To build a more sustainable future, airlines need to strive for profitability improvement, protect consumer interests, and address long-term financial and environmental challenges.

OVERVIEW OF THE DOMESTIC AVIATION MARKET

Total passenger volume **73** million passengers
Increase compared to 2022 **35%**



In 2023, the Vietnamese aviation industry reached a significant milestone in its journey of recovery following the Covid-19 pandemic. While the pace of recovery has not matched the global average, especially in the international passenger transportation sector, the Vietnamese aviation industry has shown positive signs and optimistic prospects.

According to data from the Civil Aviation Authority of Vietnam, the total passenger volume for the entire industry in 2023 reached 73 million passengers, an increase of nearly 35% compared to 2022. This figure reflects the increasing demand for travel and passengers' confidence in the aviation industry, which is gradually recovering after a prolonged period of stagnation caused by the pandemic.

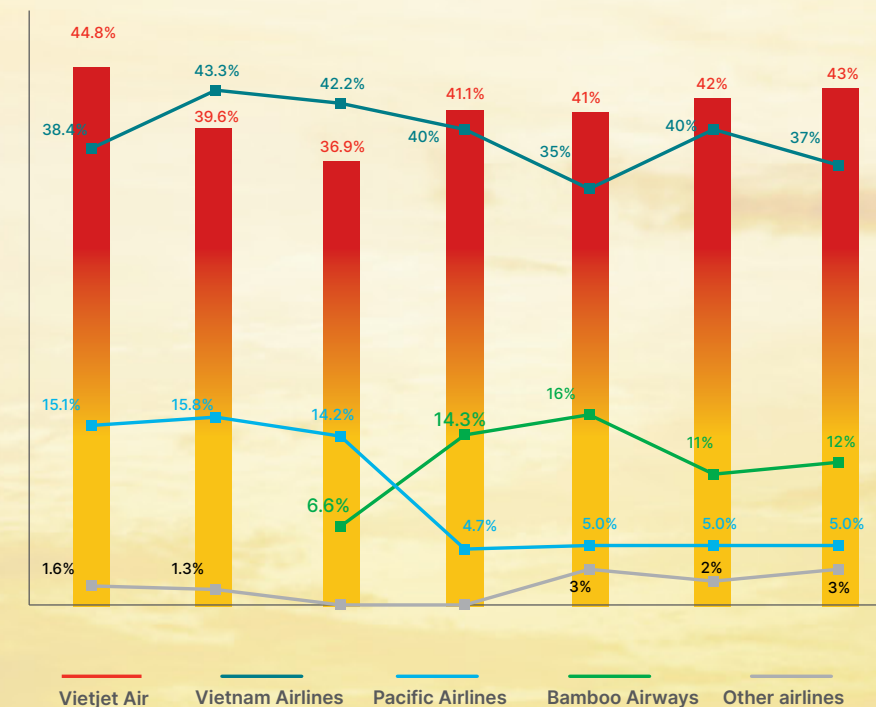
The domestic market shines brightly with 40 million passengers, exceeding 10% compared to pre-pandemic levels, demonstrating a strong recovery in domestic tourism and travel. Although the international market has not yet reached expected levels with 33 million passengers,

only 80% compared to 2019, Vietnamese airlines have made relentless efforts to gradually restore and expand international flight networks, connecting with many new potential markets.

Despite challenges from the international market's incomplete recovery, especially from the Northeast Asia region, and the impact of difficult economic conditions, Vietnamese airlines have proactively adapted to unfavorable factors such as rising fuel prices or exchange rate fluctuations.

In 2023, the Vietnamese aviation industry also witnessed significant progress with plans to expand and upgrade many key airports, laying a solid foundation for future development.

With positive support from the government and the relentless efforts of airlines, the Vietnamese aviation industry is gradually regaining momentum and aiming for full recovery in 2024.



SWOT ANALYSIS



STRENGTHS

- » **Vietjet Air currently leads the domestic aviation market in Vietnam** with a competitive advantage attributed to its low-cost carrier business model, the largest fleet size in Vietnam, and consistently maintaining an average market share of 40% from 2018 to 2023 (according to data from the Civil Aviation Authority of Vietnam).
- » **The low cost per available seat kilometer (CASK)** allows Vietjet to implement pricing policies with lower fares than the market average, increasing revenue while still achieving a favorable profit margin. This enhances competitiveness against domestic and international airlines. As Vietjet's fleet size increases in the future, the scale advantage will further reduce CASK significantly.
- » **The Vietjet Air brand is renowned** for its strong marketing activities, having evolved over 15 years to become the fastest-growing airline in Southeast Asia. In 2023, the company was honored as the Most Valuable Brand in Vietnam (according to Brand Finance).
- » **The airline boasts a modern and synchronized fleet** consisting of 20 A320s, 36 A321neos, 24 A321neos, and 7 A330s, effectively reducing operating costs. Additionally, ongoing fleet expansion from previous orders will increase Vietjet's operational capacity and global flight coverage.
- » **With an extensive distribution network**, Vietjet utilizes various channels including online travel agencies (OTA) via its e-commerce platform (both website and mobile app) and the hotline 19001886, allowing customers worldwide to easily and quickly book tickets and services for themselves and their loved ones. Vietjet also operates nearly 40,000 offline agents and sales points domestically and internationally.



WEAKNESSES

- » **The brand and distribution network have yet to establish a strong presence in the international market.** Despite being a strong brand with a wide distribution network in Vietnam and Southeast Asia, Vietjet remains a newcomer in international markets such as the Americas, Europe, and Australia. Therefore, the company needs to focus on and is implementing strategies to enhance its brand presence in these countries and regions.
- » **Joint venture strategies to penetrate and expand into international markets face numerous obstacles** due to extremely fierce competition and a large number of competitors in the low-cost airline segment similar to Vietjet.



OPPORTUNITIES

- » **The tourism industry is rebounding, with continued strong growth prospects** due to increased travel and tourism demand from both domestic and international markets post-pandemic. With a stable macroeconomic foundation and effective pandemic control measures, Vietnam remains one of the most attractive destinations in the Southeast Asian region. Increased partnerships and joint ventures offer Vietjet numerous opportunities to expand its route network and increase market share in international markets.
- » **The government has introduced significant policies and investment plans in the aviation sector**, including the allocation of USD 43-65 billion for the development and upgrading of transportation infrastructure, including roads, railways, inland waterways, maritime routes, and aviation infrastructure from 2021 to 2030. These efforts aim to develop Vietnam's aviation industry to meet the strong growth demand of the sector in the future.
- » **The company's leadership has robust plans and directives for the digital transformation process**, leveraging modern science and technology into management systems, flight operations, and corporate governance. This has injected new vitality and served as a significant catalyst for Vietjet's sustainable growth in the digital age.



CHALLENGES

- » **The competitive environment is intensifying** as both domestic and international airlines vie for market share in an increasingly attractive market.
- » **Rising fuel prices** are putting pressure on the profitability of transportation operations.
- » **Airport infrastructure projects are progressing slower than expected**, and airlines continue to face airport congestion issues, reducing operational efficiency and impacting the company's recovery timeline and growth plans.

DEVELOPMENT ORIENTATION



MAIN GOALS

The operations and expansions of both domestic and international flight network continue to be Vietjet's missions in 2023. At the same time, with a focus on improving customer experience, Vietjet is committed to provide high-quality services through the implementation of comprehensive digital transformation of the Company's management, operation and service systems. The main goals for 2023 are as follows:



Increasing operational efficiency and maintain leadership position

- » Focusing on maintaining domestic market share, promoting cooperation and joint ventures to expand international routes.
- » Continuing to maintain a low-cost business model with a young fleet of aircraft in order to maximize cost savings and improve the aircraft utilization rate.



Implementing digital transformation to increase customer experience

- » Applying information technology and automation to sales, customer services, in-flight e-commerce and spare parts maintenance management processes to reduce at least 30% of staff operations when compared to the current rate.



Enhance customer experience, brand recognition

- » Improving operational reliability such as on-time take-off time, customer service quality.
- » Increasing customer's direct interactions in order to understand customers' needs and feedbacks.



Human resources

- » Strengthen employee's engagement and make human become the core competitive factor.
- » Train, improve the professional skills of each working group.
- » Enhance open and transparent dialogues.
- » Develop management policies and work performance evaluation.



BUSINESS OPERATIONS STRATEGY

Vietjet's business development strategy continues to focus on 3 big criteria: standardized and flexible business model, innovative human resources and platform technology.

Mid and long-term development strategies:



Business model

- » Operation: low-cost, safe, punctual and value-added airline.
- » Customers: focus on bringing more values to self-financed passengers, passengers with a travelling demand to visit friends and relatives.



Human resources

- » It is a central foundation of all the business activities and an inspiration for all creativity and innovation of Vietjet.
- » A place to convey Vietjet's service quality and image to passengers.



Technology

- » It is a core foundation of all business activities in the digital age, especially artificial intelligence in the digital age
- » It is Vietjet's competitive advantage because the Company effectively uses 4.0 Technology and applies artificial intelligence in business activities.

MID AND LONG-TERM DEVELOPMENT STRATEGIES

The company sets operational goals and orientations as follows:

» Expanding Domestic Route Network. Sustaining a leading position in the domestic market while progressively maximizing international market penetration. Developing robust and efficient international routes. Ensuring profitable flight operations.

» Ensuring Absolute Flight Safety.

» Maintaining a Strong Brand Policy based on superior service quality in catering, beverages, and wireless connectivity; enhancing business class services; focusing on ground services and cabin amenities.

» Expanding service companies and suppliers to drive high-value revenue and profits.

» Establishing effective business strategies, with customer service quality as the focal point, product diversification, and revenue enhancement.

» Optimizing fuel costs; enhancing operational automation, engaging in the development of airport capacity optimization policies, and operating according to international standards.

» Enhancing the application of high technology, automation, innovation, and creativity. Promoting digitalization in aviation business operations, cargo transportation, and logistics.



» Implementing diversified financial mobilization channels for financial efficiency.

» Deploying digital transformation plans and completing Information Technology projects to increase revenue and optimize operational costs.

» Strengthening and expanding aviation service businesses such as ground handling services, training services, financial services, and other aviation services.

» Developing a wide-body aircraft route network to reach further markets.

THE ORIENTATION FOR AN ENVIRONMENTALLY, SOCIALLY SUSTAINABLE DEVELOPMENT

We are proud to carry the national brand name and contribute to the growth of the domestic aviation industry as well as the mission to develop Vietnam's tourism sector. Vietjet sets a goal of a sustainable development that is closely associated with values, responsibilities to the community and society.

Our goal is to contribute to the growth of local, national and territorial communities in which Vietjet has been operating, especially promoting the image of Vietnam's tourism to reach out globally. In addition, the Company is always aware and focuses on implementing programs to protect the environment, save fuel and energy, and to perform waste management effectively while operate to minimize the negative impact on the environment.



THE OPERATIONAL PERFORMANCE IN 2023



**APPLYING TECHNOLOGY,
CONTINUOUSLY REACHING
NEW HEIGHTS**

VIETJET'S PERFORMANCE RESULTS

OPERATING BUSINESS RESULTS

Criteria	Unit	2017	2018	2019	2020	2021	2022	2023	2023/2022
Number of flights	Flight	97,302	118,555	137,835	76,097	40,805	116,261	132,942	14%
Number of block hours	Hour	200,129	261,639	320,962	142,182	70,055	225,294	282,484	47%
Number of passengers	Million passengers	16.7	21.3	23.7	12.1	5.4	20.6	25.3	23%
Load factor	%	84.3%	83.0%	81.9%	74.2%	67.7%	80.2%	85.0%	4.8%

In 2023, Vietjet operated 133 thousand safe flights, transporting 25.3 million passengers (excluding Vietjet Thailand), including over 7.6 million international passengers, marking a remarkable 183% increase compared to 2022.

To support our strategy of expanding and developing the medium-haul international flight network, Vietjet expanded its fleet with 7 wide-body A330 aircraft. Throughout 2023, Vietjet continued to focus on developing its flight network, opening 33 new international and domestic routes in Vietnam, bringing the total number of routes to 125, comprising 80 international and 45 domestic routes. Notable additions include routes such as Ho Chi Minh City - Shanghai (China), Ho Chi Minh City - Vientiane (Laos), Hanoi - Siem Reap (Cambodia), Hanoi - Hong Kong (China), and Phu Quoc - Busan (South Korea). As of December 31, 2023, Vietjet operated a total of 125 routes.

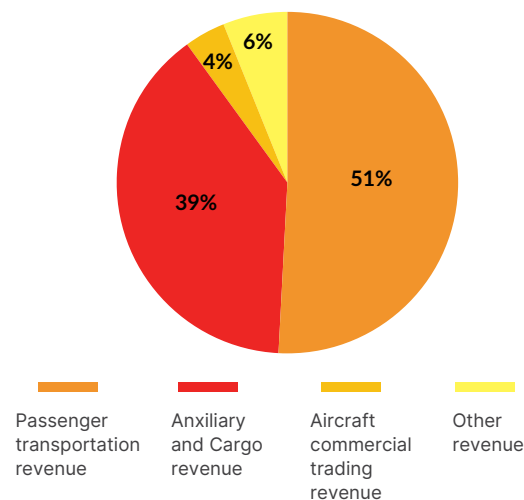
Vietjet became the first airline to connect Vietnam with the five largest cities in Australia. Additionally, it operated the most routes between Vietnam and India, reinforcing its position as a leading player in the region's aviation industry.

REVENUE STRUCTURE

20,888
billion VND

AUXILIARY REVENUE
increase of over **60%** compared to 2022

In 2023, Vietjet continued to vigorously expand the auxiliary revenue streams, including cargo transportation, which yielded high profit margins. These efforts contributed significantly to the company's financial performance, with auxiliary revenue accounting for 39% of the total aviation transport revenue and reaching VND 20.9 trillion, marking a remarkable increase of over 60% compared to the previous year. Auxiliary revenue primarily consists of income from baggage consignment and surcharges, cargo transportation revenue, onboard sales (food, beverages, souvenirs), duty-free sales, and advertising revenue.



These diverse revenue sources not only enhance the company's financial stability but also reflect Vietjet's commitment to maximizing revenue opportunities across various operational aspects.

THE PLAN VS ACTUAL PERFORMANCE

Unit: VND billion

Criteria	2019	2020	2021	2022	2023	2023 Plan	Actual/Plan 2023
Separate Basis							
Net Revenue	41,252	15,203	9,065	33,077	53,691	41,347	130%
Net Income	3,109	-1,453	-7	-2,593	163	800	20%
Consolidated Basis							
Net Revenue	50,603	18,220	12,875	40,142	58,341	50,178	116%
Net Income	3,807	69	80	-2,262	231	1,000	23%

58,341
billion VND

CONSOLIDATED REVENUE

increase **45%** compared to 2022

Vietjet's 2023 business results report revealed strong revenue growth and exceeded the revenue plan for the separate and consolidated statements, 130% and 116% respectively compared to the plan. Vietjet's 2023 business results recorded revenue of VND 53.7 trillion (separate) and VND 58.3 trillion (consolidated), an increase of 62% and 45% respectively compared to 2022. Separate and Consolidated post-tax profit in 2023 reached VND 163 billion and VND 231 billion, respectively.



ORGANIZATION AND PERSONNEL

MEMBER LIST OF THE BOARD OF MANAGEMENT

Board of Management

No.	Member	Position	Number of share owned	Ownership ratio
1	Mr. Dinh Viet Phuong	Chief Executive Officer	657,000	0.121%
2	Mr. Michael Hickey	Vice President - Chief Operating Officer	-	-
3	Mdm. Ho Ngoc Yen Phuong	Vice President - Chief Finance Officer	-	-
4	Mr. To Viet Thang	Vice President	134,500	0.025%
5	Mr. Nguyen Thanh Son	Vice President	71,000	0.013%

The Vice Presidents in charge of functional departments

No.	Member	Position	Number of share owned	Ownership ratio
1	Mr. Luong The Phuc	Vice President	-	-
2	Mdm. Nguyen Thi Thuy Binh	Vice President	150,000	0.028%
3	Mr. Nguyen Duc Thinh	Vice President	410,000	0.076%
4	Mr. Do Xuan Quang	Vice President	20,240	0.004%
5	Mdm Nguyen Thi Thanh Nga	Chief Accountant	-	-

CHANGES IN THE BOARD OF MANAGEMENT IN 2023

No.	Member	Appointment	Resignation	Effective Date
1	Mr. Dinh Viet Phuong	Chief Executive Officer		06/4/2023

NUMBER OF EMPLOYEES

Personnel structure

As of December 31, 2023

No.	Category	Number of personnel (people)	Percentage
A	By education level	5,729	100%
1	Postgraduate degree	231	4.03%
2	College or university degree	3,967	69.24%
3	Intermediate level	348	6.07%
4	Technical worker	0	0%
5	General labor	1,183	20.65%
B	By gender	5,729	100%
1	Male	3,668	64.03%
2	Female	2,061	35.97%
C	By nationality	5,729	100%
1	Vietnam	5,025	87.71%
2	Foreign	704	12.29%
D	By job classification	5,729	100%
1	Pilot	820	14.31%
2	Flight attendant	1,944	33.93%
3	Other personnel	2,965	51.75%

Average income

No.	Year	Number of employees (people)	Average income (million VND/person/month)	Employee Turnover rate (%)
1	2020	5,467	23.0	10.82%
2	2021	5,338	14.2	9.60%
3	2022	5,701	38.1	16.66%
4	2023	5,729	46.1	8.82%

EMPLOYEES POLICIES

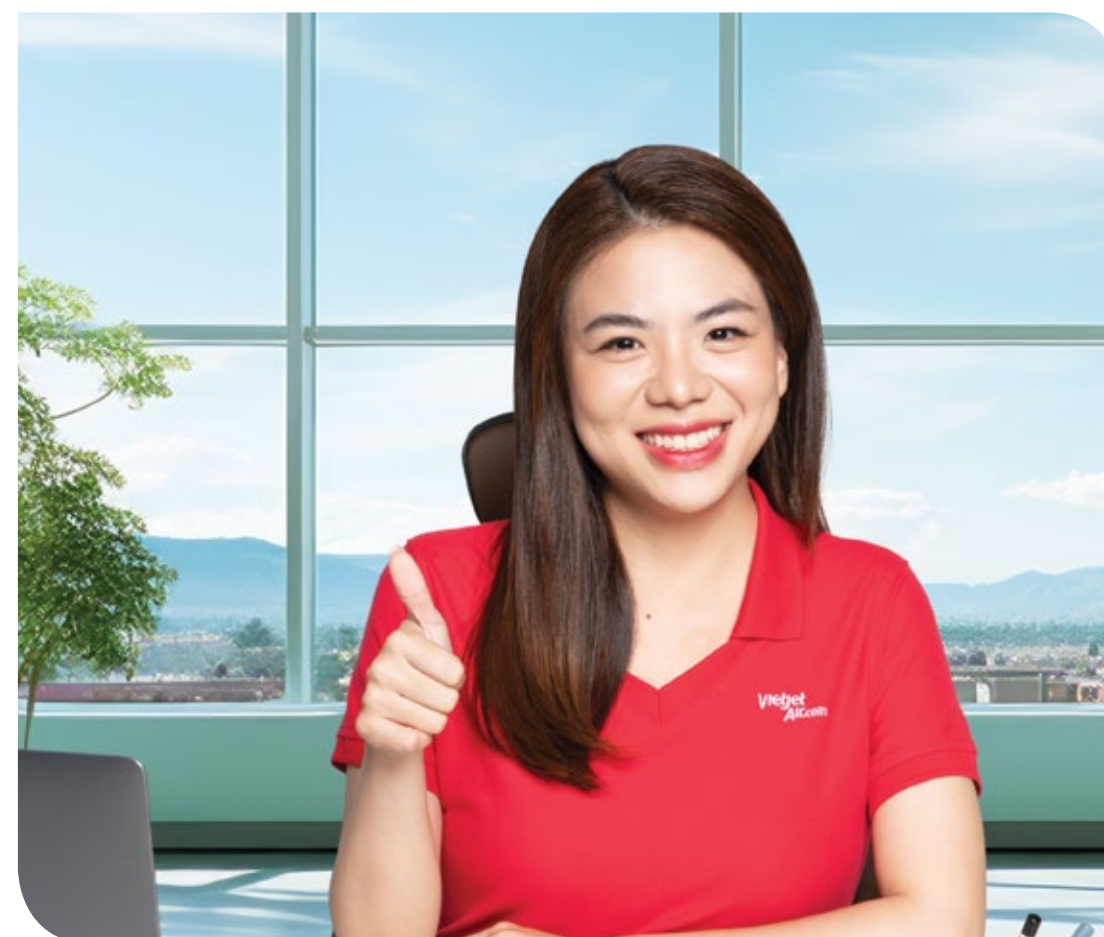
Vietjet always puts the first priority on the development of human resources and considers humans as the most fundamental factor in the development process and future orientation of the company. The company has been and continues to improve its remuneration policy, and create a professional, healthy, and friendly working environment, which helps to attract top-notch talents in domestic and international markets.

The basic welfare regimes such as insurance, suitable New Year holidays and annual leaves, periodic salary increase and KPIs bonus every 6 months/12 months, etc. are always properly maintained and implemented by the Company. In addition to the basic welfare regimes, to strengthen employees' attachment to the company, it is very important to evaluate employees' contributions and reward them in a timely manner. Therefore, the Company regularly evaluates and rewards employees who have made outstanding contributions to the company's business.

In the aviation industry, recruiting high-quality human resources, especially pilots and skilled technicians, is facing many difficulties with high competition in both domestic and foreign markets. In order to avoid labor shortage, Vietjet has implemented many solutions to enhance the efficiency of human resources management. The company has built and perfected the mechanism and policy of remuneration, evaluation, and reward of employees, as well as standardized recruitment processes, training, transferring, appointing, and evaluating performance, based on market principles and meritocracy.

In order to cultivate a workforce capable of meeting strategic objectives and seizing opportunities, Vietjet has proactively outlined personnel strategies across all levels through recruitment, training and development, establishment of policies and welfare systems, as well as enhancing the material and spiritual well-being for all employees. This initiative aims to foster a healthy and professional work environment, attracting high-quality human resources both domestically and internationally. Vietjet is also actively engaged in implementing professional training programs and practical experience initiatives to enhance management expertise, while fostering partnerships with esteemed institutions such as Ho Chi Minh City University of Technology, Hanoi University of Science and Technology, and the Vietnam Aviation Academy, strategically recruiting graduates from these prestigious universities.

The aviation industry is facing a significant shortage of high-quality human resources, particularly pilots and skilled technical personnel, leading to intense competition both domestically and internationally, resulting in high employee turnover rates. The turnover rate in the tourism sector as a whole, and specifically in the aviation industry, has witnessed a remarkable increase. However, at Vietjet, the turnover rate over the past year remained below 9%, a testament to our commitment to retaining talent and fostering a conducive working environment.



STATUS OF INVESTMENT AND IMPLEMENTING PROJECTS

SIGNIFICANT INVESTMENTS

1 VIETJET AVIATION ACADEMY (VJAA) PROJECT

In 2023, Vietjet successfully installed and commissioned its third A320/A321 flight simulator, enhancing its training capabilities. With this addition, VJAA has become one of the largest aviation training facilities in Vietnam and the region, boasting a total of 3 simulators. Furthermore, VJAA stands as the sole Airbus conversion center in Vietnam, featuring the highest number of Airbus A320 cockpit simulators in the country.

In the second quarter of 2023, Vietjet completed the construction and inauguration of a basketball court at the Vietjet Aviation Academy, with a total investment of VND 1.2 billion from Vietjet's development fund. This project complements existing sports facilities including

football and tennis courts, as well as a swimming pool, catering to the training and recreational needs of academy students.

Throughout 2023, Vietjet continued to advance its 1/500 Master Plan for the Vietjet Aviation Technology Center. This included the design phase for the Test Manufacturing Area and Warehouse, with an estimated investment of approximately VND 35 billion, and the Construction of the Operations Building, with an estimated investment of around VND 80 billion. These projects are currently in progress, with construction slated to commence in the first quarter of 2024 and completion expected by the end of 2024.



2 TENDER PROJECTS FOR INVESTOR SELECTION AT LONG THANH INTERNATIONAL AIRPORT

In 2023, Vietjet participated in tender processes to select investors for various construction components under Package 4 of the Long Thanh International Airport project, ensuring Vietjet's presence and smooth operations at the country's largest airport. These projects include:

- Construction of Ground Service Equipment Maintenance and Aircraft Cleaning Facilities for Hangars 1 and 2.
- Construction of Aircraft Maintenance Hangars (Hangars 3 and 4).
- Construction of the Airline Operations Control Center.
- Construction of Inflight Catering Facilities.

If awarded the contracts, these projects will be implemented and construction will commence in 2024. The specifics of each project are outlined as follows:

Project Name	Objective	Total Investment for Each Area (as per tender documents)	Tender Submission Completion Time
Ground Service Equipment Maintenance and Aircraft Cleaning Facilities	To serve maintenance and cleaning needs of Vietjet's ground service equipment and aircraft at Long Thanh International Airport	VND 145 billion	2024
Aircraft Maintenance Hangars	To provide aircraft maintenance services for Vietjet with the capacity to perform up to C-Checks	VND 688 billion	2024
Airline Operations Control Center	To serve as the operations hub for flight operations and ground services at Long Thanh International Airport	VND 246 billion	2024
Inflight Catering Facilities	To supply inflight meals for airlines operating at Long Thanh International Airport	VND 362 billion	2024

3 PROJECTS AT NOI BAI INTERNATIONAL AIRPORT

In 2023, Vietjet successfully completed the construction, renovation, and operational deployment of the Vietjet Ground Services Office located in the basement of Terminal 1 at Noi Bai International Airport, with a total investment of VND 2.23 billion. This facility was established to support the company's ground operations activities.

Looking ahead to 2024, Vietjet is committed to further enhancing its infrastructure. Plans are underway to upgrade, renovate, and expand the Vietjet Ground Services Office situated on the 3rd floor of the E Hall at Noi Bai International Airport. This strategic initiative, with an anticipated investment of VND 1.5 billion, is slated to commence in February 2024. The objective is to strengthen operational capabilities and elevate Vietjet's presence at Noi Bai International Airport.

SIGNIFICANT INVESTMENTS

4 TUY HOA AIRPORT PLANNING ADJUSTMENT PROJECT

The Tuy Hoa Airport Planning Adjustment Project is currently being executed by the consortium of consultants ADCC-CPG. The consortium has successfully completed the midterm report and submitted it to the People's Committee of Phu Yen Province.

Objective: The goal is to sponsor the approval of the Tuy Hoa Airport planning adjustment dossier by the People's Committee of Phu Yen Province.

Funding: The project is funded by Sovico Corporation, providing financial support to Vietjet, with a total investment of VND 5 billion.

Approval Timeline: The adjustment planning for Tuy Hoa Airport is anticipated to finalize the dossier and submit it for approval in the second quarter of 2024.



5 AIRCRAFT MAINTENANCE HANGAR PROJECT AT DANANG INTERNATIONAL AIRPORT

In 2023, Vietjet signed a Memorandum of Understanding with Plant A32 to jointly invest in the construction of an Aircraft Maintenance Hangar for Vietjet on Plant A32's land, with a total investment of approximately VND 50 billion. Currently, all procedures related to land use plans have been completed by Plant A32 and submitted to the Ministry of National Defense for approval. The plan for 2024 is to continue finalizing the procedures to commence construction of the Hangar at Plant A32.

The plan for 2024 also includes the continuation of tendering activities to select investors for the Aircraft Maintenance Hangar project at Da Nang International Airport after the adjustment planning for Da Nang International Airport is approved (expected approval in the third quarter of 2024).

PERFORMANCE OF SUBSIDIARIES AND AFFILIATES

In the business development strategy, Vietjet is constantly looking for opportunities to complete the aviation supply chain.



A. VIETJET AIR CARGO (SUBSIDIARY)

Unit: VND

Performance indicator	2022	2023	% 2023/2022
Total Assets	674,779,236,974	630,087,860,010	93%
Charter Capital	10,000,000,000	10,000,000,000	100%
Net Revenue	1,501,773,269,273	1,504,795,715,870	100%
Net Profit After Tax	708,063,431	918,121,785	130%

In 2023 Vietjet has transported more than 81.5 thousand tons of cargo, increasing by 73% compared to the previous year. In 2023, Vietjet has increased to launch cargo flights to Japan, India, etc. Through codeshare agreements, Vietjet's cargo has gone to the Americas and Europe - the destination that the airline had only previously planned.



STATUS OF INVESTMENT AND IMPLEMENTING PROJECTS

SIGNIFICANT INVESTMENTS

B. GALAXY PAY CO., LTD (SUBSIDIARY)

Unit: VND

Performance indicator	2022	2023	% 2023/2022
Total Assets	64,344,289,598	104,055,874,640	162%
Charter Capital	50,000,000,000	50,000,000,000	100%
Net Revenue	9,910,640,257	24,402,881,567	246%
Net Profit After Tax	516,903,969	916,787,508	177%

This is a 100% owned subsidiary of Vietjet which has been established under the business registration certificate number: 0316368255 issued by the Department of Planning and Investment of Ho Chi Minh City, Vietnam, issued on July 8, 2020, with the address located at 60A Truong Son, Ward 2, Tan Binh District, Ho Chi Minh City, Vietnam. Galaxy Pay provides intermediary payment services (including payment intermediary gateways, e-wallets, support services for collection and payment, etc...), providing customers with convenient and efficient payment solutions.

C. SWIFT247 JOINT STOCK COMPANY (SUBSIDIARY)

Unit: VND

Performance indicator	2022	2023	% 2023/2022
Total Assets	516,205,044,686	89,628,737,239	17%
Charter Capital	47,000,000,000	47,000,000,000	100%
Net Revenue	518,025,443,822	1,512,149,972,374	17261%
Net Profit After Tax	809,394,978	1,482,696,807	456%

As a 67% owned subsidiary of Vietjet which has been established under the business registration certificate number: 0315524536 issued by the Department of Planning and Investment of Ho Chi Minh City, Vietnam, issued on February 23, 2019, with the address located at 60A Truong Son, Ward 2, Tan Binh District, Ho Chi Minh City, Vietnam. Swift247 provides a range of support services related to transportation activities.

D. VIETJET THAILAND (AFFILIATE)

In 2023, the tourism sector witnessed a robust resurgence, marked by the resumption of domestic and international flights alongside stimulating travel policies, igniting a surge in demand following a prolonged period of citizen isolation. During the fiscal year 2023, Thai Vietjet (Thai VZ) operated 18 aircraft, expanding its domestic network to 22 routes and inaugurating 22 new international routes.

In the same year, ThaiVietjet soared to the forefront in domestic market share within Thailand, achieving a total passenger carriage of 6.2 million across its network. Thailand remains an enticing destination, drawing substantial international footfall, thereby fostering a favorable business landscape for Thai Vietjet. In addition to passenger transport, Thai Vietjet upheld and flourished its cargo transportation operations between Thailand and countries such as Vietnam, China, Singapore, as well as domestic cargo services, elevating the total cargo volume to 10.6 thousand tons, a 10% increase compared to 2022.

The airline concentrated on advancing its e-commerce applications and digitalization efforts in operational management, introducing and implementing six new technologies in human resources, office management, financial accounting, and flight operations.



E. OTHER SUBSIDIARIES AND AFFILIATES

Vietjet Air IVB No. I Limited

- » It is a 100% owned subsidiary of Vietjet established under the registration certificate number: 1825671 issued on 27/05/2014. Registered address is in the British Virgin Islands.
- » To trade and lease aircraft and civil commercial aircraft components.

Vietjet Air Singapore Pte Limited

- » It is a 100% owned subsidiary of Vietjet established under the registration certificate number: 201400849N issued on 27/03/2014. Registered address is in Singapore.
- » To trade and lease commercial and civil aircraft.

Skymate Limited

- » It is a 100% owned subsidiary of Vietjet established under the registration certificate number: 327015 issued on September 15, 2017. Registered address is in the Cayman Islands, a British Overseas Territory.
- » To trade and lease commercial and civil aircraft.

Vietjet Air IVB No. II Limited

- » It is a 100% owned subsidiary of Vietjet established under the registration certificate number: 1825613 issued on 27/05/2014. Registered address is in the British Virgin Islands.
- » To trade and lease commercial and civil aircraft.

Vietjet Air Ireland No. I Limited

- » It is a 100% owned subsidiary of Vietjet established under the registration certificate number: 544879 issued on 03/06/2014. Registered address is in the Republic of Ireland.
- » To trade and lease commercial and civil aircraft.

Cam Ranh International Terminal Joint Stock Company (Affiliate)

- » It is a Vietjet's partner in which Vietjet owns 10% of the shares, established under the registration certificate number: 4201676638 issued on February 5, 2016. Cam Ranh International Airport is located in Cam Nghia Ward, Cam Ranh City, Khanh Hoa.
- » To provide direct support services for airline transportation and ground services.

FINANCIAL SITUATION

Criteria	2022 Actual	2023 Actual	% Growth 2023 vs 2022	2023 Plan	% Growth 2023 Actual / 2023 Plan	2024 Plan	% Growth 2024 Plan vs 2023 Actual
Fleet	75	87	16.0%	87(*)	0.0%	95	9.2%
Aircraft in operation	56.3	72.2	28.2%	77.1	-6.4%	75.1	4.0%
Number of flights	116,261	132,942	14.3%	139,513	-4.7%	141,998	6.8%
Passengers Carried (million)	20.6	25.3	22.8%	25.7	-1.6%	27.4	8.3%
RPK (Million Km)	22,634	38,566	70.4%	32,389	19.1%	50,848	31.8%
Load Factor	85.0%	87.0%	2.4%	87.0%	0.0%	87.0%	0.0%
Separate Revenue (billion VND)	33,077	53,691	62.3%	41,347	29.9%	59,066	10.0%
Consolidated Revenue (billion VND)	40,142	58,341	45.3%	50,178	16.3%	65,566	12.4%
Separate Pre-tax Profit (billion VND)	(2,982)	471	115.8%	n.a	n.a	831	76.4%
Consolidated Pre-tax Profit (billion VND)	(2,649)	606	122.9%	n.a	n.a	1,081	78.4%
Debt/Equity Ratio	1.27	2.02	0.75	1.30	0.72	2.04	0.02

(*) Excluding 18 aircraft of Vietjet Thailand



SHAREHOLDER STRUCTURE, CHANGE IN OWNER'S INVESTMENT CAPITAL

STOCK INFORMATION



CHARTER CAPITAL 5,416,113,340,000 VND

Number of shares issued: 541,611,334 shares

Par value: VND 10,000 /share

Ordinary share: 541,611,334 shares

Preferred shares: 0 share

Number of outstanding shares: 541,611,334 shares

Number of treasury shares: 0 share

SHAREHOLDER STRUCTURE

As of February 29, 2024

No.	Type of shareholder	Number of shareholders	Number of shares	Value (million VND)	Ratio (%)
I	Domestic shareholders	4,996	447,781,369	4,477,814	82.68%
1	State	-	-	-	-
2	Institutions	74	335,785,849	3,357,858	62.00%
3	Individuals	4,922	111,995,520	1,119,955	20.68%
II	Foreign shareholders	1,071	93,829,965	938,230	17.32%
1	Individuals	989	583,191	5,831	0.11%
2	Institutions	82	93,246,774	932,467,740	17.22%
III	Treasury shares	-	-	-	-
Total		6,067	541,611,334	5,416,114	100%

LIST OF MAJOR SHAREHOLDERS

As of February 29, 2024

No.	Name	Number of shares	Ownership Ratio (%)
1	Sunflower Sunny Investment Co., Ltd	154,740,160	28.57%
2	Nguyen Thi Phuong Thao	47,470,914	8.76%
3	Sovico Holdings Company	41,106,000	7.59%

CHANGE IN THE OWNER'S EQUITY

THE PROCESS OF INCREASING THE COMPANY'S CHARTER CAPITAL

Period	Additional capital (VND)	Charter capital (VND)	Method
2007	-	600,000,000,000	» Established Vietjet Aviation Joint Stock Company
05/2013	200,000,000,000	800,000,000,000	» Issued shares to existing shareholders, ratio 3:1
3/2015	200,000,000,000	1,000,000,000,000	» Paid shares dividend, portion of 25%
10/2015	450,000,000,000	1,450,000,000,000	» Paid cash dividend, ratio 100:45; Issued shares to existing shareholders, portion of 45% (and offset with the above-mentioned cash dividend)
6/2016	550,000,000,000	2,000,000,000,000	» Issued shares to existing shareholders from equity, ratio 100:33 (bonus shares) » Issued 7,150,000 shares via Employee Stock Ownership Plan.
9/2016	500,000,000,000	2,500,000,000,000	» Paid cash dividend, portion 25%; » Issued shares to existing shareholders, portion of 25% (and offset against the above-mentioned cash dividend)
11/2016	500,000,000,000	3,000,000,000,000	» Issued shares from equity to existing shareholders, portion 20% (bonus shares)
2017	1,513,432,840,000	4,513,432,840,000	» Private placement of 22,388,060 shares to Sunflower Sunny Investment Co., Ltd to increase capital by VND 223,880,600,000. » Increased in capital shares from owner's equity by 40%, equivalent to VND 1,289,552,240,000. Vietjet's charter capital increased to VND 4,513,432,840,000.
2018	902,680,500,000	5,416,113,340,000	» Issued shares from equity to existing shareholders, portion of 20% (bonus shares)

TRADING TREASURY SHARES: NONE

OTHER SECURITIES: NONE



**ELEVATING SERVICE
ENHANCING EXPERIENCE**

GENERAL BUSINESS REPORT IN 2023

Entering 2023, Vietjet continued its robust growth and strong recovery momentum, with a focus on expanding its international routes, particularly to promising markets such as China, India, and Australia. Additionally, the airline continued to enhance.

BUSINESS ACTIVITIES OF THE PARENT COMPANY

In 2023, Vietjet maintained its position as the leading low-cost carrier in the domestic market of Vietnam. With a remarkable 41% domestic market share, Vietjet's achievements reflect the concerted efforts and steadfastness of the management team in pursuing set goals and plans. The airline recorded aviation transport revenue of VND 53,691 billion, marking a 62% growth compared to the previous year. Throughout 2023, Vietjet transported 25.3 million passengers on 133 thousand flights, achieving an 87% seat utilization rate and a 99.72% technical reliability rate.

During the year, Vietjet continued to prioritize network expansion with the introduction of 33 new domestic and international routes in Vietnam, bringing the total to 125 routes, including 80 international and 45 domestic routes. Notable additions include routes such as Ho Chi Minh City - Shanghai (China), Ho Chi Minh City - Vientiane (Laos), Hanoi - Siem Reap (Cambodia), Hanoi - Hong Kong (China), and Phu Quoc - Busan (South Korea). Vietjet became the first airline to connect Vietnam with the five largest cities in Australia and operated the most routes between Vietnam and India.

Vietjet actively diversified its aviation revenue sources through ancillary services, including baggage fees, cargo transport, onboard sales (food, beverages, souvenirs), and advertising revenue. In 2023, Vietjet's ancillary revenue reached nearly VND 21 trillion, a 60% increase from 2022 (VND 12,988 billion).

Furthermore, Vietjet achieved commendable results in cost optimization, maintaining its position as a new-generation airline with low operating costs. With a fleet of modern aircraft averaging 5.5 years in age, Vietjet effectively managed aircraft operating costs, achieving fuel cost savings of up to 15-20%. These efforts in cost optimization and service product diversification resulted in a net cash flow of VND 3,195 billion in 2023, compared to a negative cash flow of VND 27.3 billion in 2022.



COMMERCIAL ACTIVITIES

As a dynamic and innovative airline, Vietjet leads in leveraging information technology in the aviation industry, envisioning a future as a "Digital Airline". In 2023, online business and sales activities continued to thrive, progressively contributing to changes in sales channel structures and overall revenue. Notably, online sales channels accounted for over 30% of total revenue.

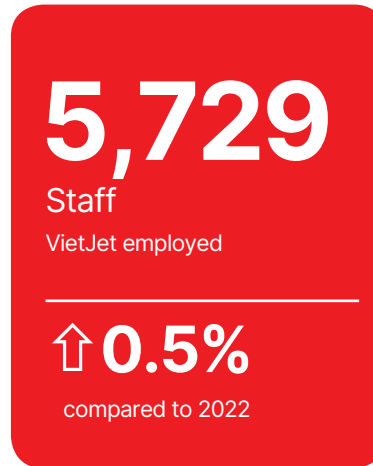


PERSONNEL ORGANIZATION

HUMAN RESOURCES POLICIES

As of December 31, 2023, Vietjet employed 5,729 staff, representing a 0.5% increase from 2022, including 820 pilots and 1,944 cabin crew members.

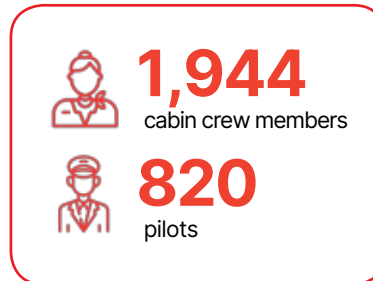
Foreign labor accounted for over 12% of Vietjet's total workforce, with over 60% of the flight crew being foreign pilots. This diverse workforce, consisting of experienced professionals from various backgrounds, fosters a multicultural environment that promotes knowledge sharing, skill development, and contributes positively to the company's rapid and sustainable growth.



REWARDS AND RECOGNITION PROGRAM

Vietjet places great emphasis on human resource development, recognizing employees as key drivers of the company's growth and stability. Given the shortage of high-quality aviation personnel, particularly pilots and skilled technical personnel, both domestically and internationally, Vietjet has implemented a series of initiatives to enhance human resource management effectiveness. These include the establishment and refinement of mechanisms, remuneration policies, employee evaluation, and recognition programs, along with standardization of recruitment, training, rotation, appointment, and performance evaluation processes, based on market principles and talent appreciation.

Through improved and tailored remuneration policies, Vietjet has fostered a conducive, professional, and increasingly attractive work environment for employees, both domestically and internationally. In addition to basic welfare benefits such as insurance, public holidays, annual leave, periodic salary increases, and biannual KPI bonuses, employees also enjoy perks that demonstrate the company's care and commitment, such as free air tickets for employees and their families (SFC program) and team-building activities.



TRAINING PROGRAM

Training is an important policy to help improve the quality of human resources, and is one of Vietjet's priority policies for employees, meeting the Company's development needs and employees' career orientation. In the past years, Vietjet has trained 8,727 hours for pilots, 21,025 hours for cabin crew, 9,948 hours for technical staff and 388 hours for Vietjet employees.

Vietjet continued to expand and upgrade online training, which is effective, time-saving, and cost-effective, with 2,213 courses, 95,870 turns of trainees, reaching the rate of 54%.

In 2023, Vietjet continued to invest and receive the third flight simulator of the A320/321 aircraft generation, besides 2 existing simulators to train pilots/engineers. And as planned, in the future, Vietjet will receive 02 more simulators of the A330 and B737 aircraft, which increases the total number of simulators to 05, promising a bright future in affirming Vietjet's position in the high-quality pilot/engineer training, not only in the aviation industry in domestic but also in the region.



SECURITY – SAFETY ACTIVITIES

At Vietjet, ensuring safety, security, and service quality is always a top priority on the flight operation management. Vietjet actively improves its competencies to ensure quality - safety - security aviation through good management of resource organization, effective quality management systems, data analysis and safety management systems to ensure the proactive safety is achieved. Throughout the years, Vietjet is proud of being the leader in applying flight data analysis systems and actively cooperating with Airbus in implementing the Safety Management System (SMS) to meet aviation safety regulations and standards in accordance with ICAO regulations, aviation authorities, associations and alliances that Vietjet joined as a member in order to minimize potential risks to ensure the incidents prevention related to the flight operations.

Vietjet consistently prioritizes safety, security, and quality assurance, particularly in the management of flight operation. Vietjet still ensures to maintain the ISO:27001 information security systems and the certification renewal assessment results was highly appreciated by IATA. Vietjet has also effectively applied the CORUSON system in quality safety management and electronic document management to improve the effectiveness of safety reporting and risk management.



SAFETY ACTIVITIES

- » Implementing the air safety assessment, the flight data monitoring system assessed the quality index at 96.79% and implemented the safety promotion by conducting the safety culture survey.
- » Successfully deploying and effectively using the CORUSON software system in operations to ensure safety - quality. CORUSON is a database management software that is being used by applications to improve safety and ensure operation quality.

QUALITY ASSURANCE ACTIVITIES

- » AOC activities: Successfully renewing AOC certificate, adding A330 aircraft to operation materials.
- » Maintenance activities: Successfully renewing AMO certificate.
- » Successfully renewing IOSA 2021. This is the IATA Operational Safety Audit. IOSA certification confirms an airline's highest commitment level to ensure the operating safety based on the IATA framework.

SECURITY ACTIVITIES

- » Coordinating to implement activities to review and improve the information security system to meet the requirements of ISO 27001 certification.
- » Implementing the Aviation Safety Program to entities inside and outside Vietjet.
- » Implementing activities of Vietjet Corona Prevention and Control Committee.
- » Implementing activities of "Emergency Response".
- » Developing the Aviation Security Quality Control Plan.
- » Implementing activities to enhance security, supervise to ensure cargo security.

TYPICAL SAFETY PERFORMANCE RESULTS THAT VIETJET HAS ACHIEVED IN 2023

- » SSQA has evaluated the LOSA cockpit and LOSA cabin for flights to improve the effectiveness of risk management.
- » Conducting Safety observations on SIM training for pilots.
- » Vietjet has made mandatory Safety incident reports to the Civil Aviation Authority of Vietnam.
- » Vietjet has received and handled safety incident reports throughout the operation.
- » 100% of new employees were trained on awareness of SMS.
- » 100% of aviation personnel undergo initial and periodic training on SMS.

SSQA has issued warnings, recommendations and directives for safety to the entire Vietjet operating systems in order to raise safety awareness and compliance in operations.

TECHNICAL – MAINTENANCE ACTIVITIES

Vietjet has well-trained technical staff and engineers in accordance with the Civil Aviation Authority of Vietnam Standards, aircraft manufacturers, engine manufacturers, the authorities of the United States Federal Aviation Administration (FAA), and the European Aviation Safety Agency (EASA). Vietjet's technical department regularly participates in professional training courses, continuously updates information about aircraft and engine manufacturers, and implements appropriate improvement solutions to improve service life and operating quality, enhancing the reliability of aircraft, engines, and aircraft components.

Vietjet continues to apply advanced technologies in aircraft technical management such as AMOS and AIMS systems to the management of failures, supplies, maintenance, and automatic data transmission from the aircraft. To meet the ever-increasing requirements for optimal services and product quality for passengers, the

technical department always aims to improve capacity by self-training to improve qualifications. Along with that is the development and strengthening of periodic maintenance such as periodic C checks, and maintaining passenger cabin equipment to help optimize costs and speed up aircraft turnaround time and meet transportation needs in a timely manner. In addition, the application of digital technology in technical operations and management plays an important role. Engineering will focus on developing the 4.0 technology on the integrated application platform AMOS-AIMS.

In the past years, Vietjet has ensured safe and effective flights through technical works to serve the company's operating needs. The technical department performed aircraft maintenance, to ensure the best technical condition and optimize the maintenance of the entire fleet, prepared for the campaign "Towards the global sky" when the aviation market recovers.

OUTSTANDING TECHNICAL AND MAINTENANCE JOBS IN 2023

- Implementing the upgrade of C Check maintenance for A321/A320 and A Check for A330 at the new base in VTE (Laos) phase 4.
- Deploying projects such as the Electronic Technical Log, Mobile AMOS, and Skywise Core to enhance the efficiency of aircraft management and maintenance.
- Ensuring technical support for newly opened international routes such as Australia, China, India, Japan, Indonesia, and Malaysia.
- Executing the Miss Airbus program, actively addressing cabin defects, enhancing interior and exterior cleanliness to improve aircraft image and service quality.
- Recruiting, training, and delegating authority to the CRS (Crew Resource Scheduler) team to meet the operational needs of A330 aircraft and implementing the AMOS Mobile program for the entire CRS.
- Effectively controlling and ensuring airworthiness of the entire fleet after the Civil Aviation Authority of Vietnam tightened regulations on spare parts from aircraft.
- Collaborating with departments to implement fuel-saving programs and enhance the use of GPU (Ground Power Unit) in maintenance operations.



DEVELOPMENT COOPERATION

COOPERATION IN CARGO TRANSPORTATION

The logistics industry was expected to soon contribute 15% to Vietnam's GDP. This is a great opportunity for investors and organizations to cooperate and make breakthroughs. Seizing this opportunity, Vietjet has actively cooperated with domestic and international carriers to extend the supply chains of safe, fast, and economical cargo transportation.

Vietjet and UPS, the biggest global shipping and logistics group, have signed an agreement for cargo services from Asia to international destinations through the regional and global extensive network and delivery infrastructure. Specifically, Vietjet can access UPS's global transportation network using its "brown-tail" fleet, and UPS can take

advantage of Vietjet's comprehensive flight network within Vietnam, Thailand, and Asia to serve customers faster at more delivery points.

Vietjet and Viettel Post - the leading shipping and forwarding group in Vietnam, have signed a cooperation agreement to exploit Land-Air multimodal transportation service from 2020 and cooperate in operating freighter flights on domestic and international routes. The cooperation of the two organizations brings customers in Vietnam and around the world a multi-modal, convenient and economical transportation service on the high-tech platform.

COOPERATION AND GROWTH

During the pandemic, the Government, local authorities, and businesses have realized that the domestic market is the foundation for stable and long-term business operations. With the government leadership, local authorities, and related parties, Vietjet has actively participated in cooperating activities to promote development cooperation in 2023.



IT APPLICATIONS

Vietjet is the leader in technology application in the aviation industry, towards the "Digital Airline" model on the basis of modern information technology systems development, Vietjet deployed e-wallet solutions, Mobile App, Web combines e-commerce with consumer systems.

In 2023, ICT successfully developed a tablet check-in project, helped the GO department be flexible in supporting customers to check-in, and at the same time integrated systems such as HD Insurance, e-wallet Movi... making customers more choices in Vietjet Air's services. Besides, ICT has also implemented a Web/App Agency system for agents, helped entities to access Vietjet's booking system faster and more smoothly.

In order to optimize operations, Vietjet implemented the SAP system with the goal of connecting and merging Vietjet's operating data from AIMS, AMOS, Airphase,

Jeppesen systems, etc. to form a unified, cost-saving data system, ensuring transparency, improving performance, enhancing security capabilities, and customizing to specific operations easily.

To simplify administrative procedures, through the Paperless project, ICT successfully implemented the Base system, which helped to reduce complex documents by up to 90%, saving 80% on costs of purchasing related stationary, at the same time deployed the People App system, centralized all internal services into the system, helped employees to be proactive from online time attendance to online leave application, Management can proactively approve online, helped operations run more smoothly and faster, improved the service quality.

FINANCIAL SITUATION

ASSETS

Unit: Billion VND

Indicators	31/12/2022		31/12/2023		2023 vs. 2022
	Value	Percentage	Value	Percentage	
Short-term Assets	33,587	49%	40,827	47%	22%
Long-term Assets	34,449	51%	46,098	53%	34%
Total Assets	68,037	100%	86,925	100%	28%

86,925 Billion

The company's total assets as of December 31, 2023

The company's total assets as of December 31, 2023, reached VND 86,925 billion, marking a 28% increase compared to December 31, 2022.

↑ **28%**

compared to December 31, 2022

Unit: Billion VND

Fixed Assets	Historical cost as of 1 st January 2023	Historical cost as of 31 st December 2023	Net book value as of 31 st December 2023	Net book value/ Historical cost as of 31 st December 2023
Tangible Fixed Assets	6,114	4,639	3,991	86%
Aircrafts and aircraft engines	5,457	3,931	3,454	88%
Buildings and structures	409	411	376	92%
Machinery and Equipment	119	135	69	51%
Motor vehicles	71	99	66	67%
Office Equipment	58	62	25	40%
Finance lease fixed assets	-	6,181	6,135	99%
Aircraft	-	6,181	6,135	99%
Intangible Fixed Assets	62	89	47	53%
Software	62	89	47	53%
Total Fixed Assets (*)	6,176	10,909	10,173	93%

(*) In 2023, Vietjet engaged in financial leasing to acquire three (03) aircraft with a total value of VND, 6,181 billion, increasing Vietjet's total fixed assets to VND 10,173 billion (a 78% increase compared to 2022)

FINANCIAL INDICATORS

Indicators	Unit	2022	2023
Liquidity Ratio			
Short-term Solvency Ratio	Times	1.4	1.3
Quick Ratio	Times	1.3	1.3
Capital structure Ratio			
Debt-to-Equity Ratio	Times	1.3	2.0
Net Debt-to-Equity Ratio	Times	1.1	1.7
Operational Capacity Ratio			
Total Asset Turnover Ratio	Times	0.7	0.8
Profitability Ratio			
EBITDAR	VND Billion	4,706	11,194
EBITDAR Margin	%	11.7%	19.2%
EBITDAR-to-Total Asset Ratio	%	6.9%	12.9%
EBITDAR-to-Total Equity Ratio	%	31.6%	73.4%



IMPROVEMENTS IN ORGANIZATION STRUCTURE, POLICIES, AND MANAGEMENT

ORGANIZATION STRUCTURE, MANAGEMENT, AND ADMINISTRATION POLICIES

In 2023, Vietjet continued to promote the application of information technology in the Company's management, operation and business activities and toward comprehensive digital transformation:

GOVERNANCE

Continuing to maximize the information resources effectiveness, taking advantage of the SAP-ERP infrastructure system, specifically by deploying the SAP S4/HANA system, Vietjet can simplify procedures, create a seamless management system to quickly synthesize information and analyze management data;

Continuing to review, develop and complete the internal management regulations and policies of the Parent Company in accordance with the laws. Subsidiaries and Affiliates actively reviewed and supplemented internal management documents in order to synchronize and ensure compliance with the regulations of Vietnam and entities' located countries.



BUSINESS

Deploying the AVIATAR's Technical Logbook application to help manage technical data and coordinate between fleet team and technical crews. The company's technical maintenance became smoother and more efficient. The application was integrated across all Vietjet's fleet, replacing the manual recording and paperwork updating, making data processing faster and more accurately. This event was the turning point that helped Vietjet the first airline to apply AVIATAR electronic technical diary in the Asia-Pacific region.

Vietjet launched the new product "Fly Now - Pay Later" in cooperation with MOVI, bringing a new experience to customers with the policy of free the first installment costs and flexible installment term of up to 6 months from MOVI, to help customers remove all barriers and financial pressure in airline traveling needs on holidays, and the Tet holidays.

RISK MANAGEMENT, ENHANCING OPERATIONAL EFFICIENCY

In 2023, under the direction of the Board of Management, Vietjet reviewed the Company's risk portfolio, in order to identify, evaluate and focus on effective control of material risks affecting the Company's business. The internal control system was also regularly reviewed and thoroughly evaluated to ensure effective prevention and treatment of risk assessment.

Vietjet signed with ST Engineering an agreement on comprehensive Maintenance-By-the-Hour (MBH™) for all Vietjet's aircraft. Accordingly, ST Engineering provides Vietjet with comprehensive solutions for aircraft equipment maintenance, including equipment

supply, repair, overhaul, upgrade, improvement, warehouses for main maintenance stations, equipment monitoring status and logistics services for the aircraft. Thereby helping to reduce the risk of incidents during operation and improve the aircraft operational efficiency.

On the reasonable resource allocation basis, the Company implemented many action plans focusing on fuel management, fire and explosion safety management, environmental safety, cockpit system, information technology systems, automation, etc., contributing to firmly strengthening Vietjet's risk management system.

BUSINESS PLAN IN 2024

MACROECONOMICS FACTORS

POLICY STABILITY

Vietnam's socio-economic development policies have remained stable and consistent, rooted in tradition and carried forward through generations of leadership.

GDP GROWTH

Economic growth in 2023 is estimated at 5.05%, lower than in 2022 (8.12%) and below the set growth target (6.5%). This is primarily due to the slow recovery of production capacity and consumer demand following the COVID-19 pandemic. Additionally, global economic instability, with no clear signs of recovery, has impacted Vietnam's economy, which has a large degree of openness.

STABILITY OF VND

In 2023, the VND/USD exchange rate fluctuated around 23,000-24,000 VND/USD. The import turnover in 2023 reached USD 327.5 billion, a decrease of 8.9% compared to 2022. Similarly, the export turnover of goods in 2023 increased by 8.4% compared to 2021. In 2023, the United States continued to be Vietnam's largest export market, estimated at USD 96.8 billion, and China remained the largest import market, estimated at USD 111.6 billion. In 2023, the trade balance of goods achieved a surplus of USD 28 billion, higher than the USD 12.1 billion surplus in 2022.

DEPOSIT INTEREST RATES

In 2023, the interest rates for 12-month deposits continued to increase and fluctuated between 7% to 10%, with forecasts of gradual decrease from 2024 onwards.

TRADE AGREEMENTS

Vietnam is currently a member of over 15 international trade organizations, with 2 new agreements awaiting negotiation. This positions Vietnam competitively in attracting foreign investment, particularly in labor-intensive industries such as processing, manufacturing, industrial production, and related business sectors like real estate and retail.



BUSINESS PLAN IN 2024

BUSINESS PLAN INDICATORS

Indicators	Unit	2023 Plan	2023 Actual	2024 Plan	% Growth 2024 Plan/2023 Actual
No. of Fleet at the end of the year	Aircraft	87	87	95	9.2%
Sector Flown (whole network)	Flights	139,513	132,942	134,541	6.8%
Passengers (whole network)	Million passengers	25.7	25.3	27.4	12.5%
Load Factor	%	87%	85%	87%	8.8%
Passenger Transportation Revenue – Parent Company	VND Billion	41,347	53,691	59,066	10.0%
Consolidated Revenue	VND Billion	50,178	58,341	65,566	12.4%
Parent Company's Profit Before Tax	VND Billion	n.a	471	831	76.4%
Consolidated Profit Before Tax	VND Billion	n.a	606	1,081	78.4%

Entering 2024, facing the high fluctuations in the world political economy and Vietnam, it will also have a significant impact on the economy, at the same time, the aviation industry is also the industry that has been affected most heavily, Vietjet has determined its strategic goal is to continue growing up, be flexible, and respond quickly with market changes, and lead in trends, and create new opportunities in terms of business models, markets and customer segments. Vietjet maintains stability in the domestic market as the leader; The international market fully recovers the pre-Covid frequency and expands to South Asia, Central Asia, Australia, and Europe. The route network system is expanded, flexible, and cost-effective, transforms technology sales channel systems, and develops strongly along with the speed of product and network development.

In addition, Vietjet also enhances customer services by implementing programs such as after-flight online surveys, comprehensively evaluating service quality from internal and external customers, and promoting to understand of passenger needs in order to meet and improve customer services quality, strengthen after-sales services programs, investing in aircraft equipment and entertaining facilities for long-haul flights.



BUSINESS PLAN INDICATORS

Specific areas of business strategy are as follows:

1 ROUTE NETWORK:

- Building and stabilizing the domestic routes in 2024, increasing frequency and capacity in the peak summer period, optimizing operations on international routes in which frequency coordination between regions market to take advantage of the operational load, especially when the A330 wide-body aircraft commenced operation.
- The combined domestic and international route network, short and long distances to ensure optimizing flight hours and maintenance of aircraft, creating connecting products between feed-in customer markets.
- The work and process of opening, maintaining and applying for licenses for domestic and international routes are reviewed, evaluated and refined for the purpose of good keeping slots historical data, keeping frequencies and helping to rotate Vietjet's return in the future has advantages in terms of exploitation and commercial efficiency.

2 BUILDING HIGH YIELD PRODUCTS

- Increasing in sales of SkyBoss Business and SkyBoss high revenue products.
- Creating upgraded products with Deluxe package for the traditional airline customer segment.
- SkyBoss Business, SkyBoss and Deluxe products continuing to be supplemented with services, conditions and communication oriented towards the development of high revenue customers.

3 BUILDING CONNECTING FLIGHTS

- Creating connecting flights from regions through Vietnam's transshipment hubs (HCMC/ Hanoi) to/from domestic destinations and connections for South Asia, Southeast Asia, Northeast Asia and Australia markets.
- Building voluntary and involuntary add-on products for connecting flights at reasonable costs and useful to customers.
- Multilateral/bilateral cooperation with international airlines such as interline/codeshare in order to expand route network, customers and supply services to passengers.

4 REGULAR CUSTOMER PROGRAM

- Developing and implementing the frequent flyer program for Vietjet's customers
- Forming a cohesive system and incentives for customers/flyers through the corporate ecosystem including airlines, banks, real estate....

5 SALES SYSTEM

- The sales systems were transformed, standardized and centralized, increasing reach out to customers needs, applied practically at all points of sale, partners and operations.
- Distribution policies for domestic and international agents and partners were focused on reviewing, developing and completely supplementing; Sales and promotion programs were built flexibly to market quickly at any time to achieve Vietjet's goals.
- Promoting digital transformation and diversifying distribution system with modern new sales forms associated with e-commerce such as OTA/API, E-commerce platform, Apps, Metasearch, Affiliated...

6 ANCILLARY DISTRIBUTION BUSINESS PROGRAMS AND STRATEGIES

- Building and developing ancillary revenue to reach at least 40% of total revenue in 2024 when the basic ticket price is always fluctuating at a low level.
- Campaign-based and targeted promotions are the key to attracting customers and navigating the distribution system according to Vietjet's product system that is built and upgraded every year.
- Taking full advantage of the corporate ecosystem using high technology and initially researching Vietjet's big data program and creating value from exploiting customer data.
- Coordinating with all localities domestic and international, the partners have signed strategic cooperation agreements in the content preparation, highlights and progress for the recovery period of the following years.

BUSINESS PLAN INDICATORS

7

BRAND DEVELOPMENT

In 2024, despite facing numerous difficulties and challenges, Vietjet has overcome all obstacles, experienced robust growth, and achieved remarkable success, enhancing Vietnam's image prominently on the international stage.

With the aim of boosting tourism demand and diversifying domestic flight networks to meet the increasing travel needs of passengers, Vietjet continues to expand its routes to various destinations within Vietnam, such as Dien Bien, Thanh Hoa, Quang Binh, Pleiku, Can Tho, and Phu Quoc.

In addition to maintaining and restoring domestic flight networks, recognizing the growing trade demand between Vietnam and other countries, Vietjet has pioneered the opening of new international routes, attracting investment and tourism from abroad to Vietnam. Furthermore, the airline has expanded its operations to new destinations in markets where it operates effectively, such as Japan, South Korea, Thailand, and Indonesia.

The successful consecutive opening of international routes affirms Vietjet's sharpness, flexibility, and foresight in the midst of many airlines worldwide still grappling with recovery efforts after the pandemic.

Thanks to its extensive international flight network, Vietjet has also introduced connecting international routes to the market. Passengers from India or Australia can book Vietjet tickets to fly to Japan, South Korea, Bali, and vice versa through transit airports such as Noi Bai and Tan Son Nhat.

With groundbreaking strategies, Vietjet continues to maintain and develop its brand identity as a safe, friendly airline, delivering superior, luxurious services, and warm smiles to customers.

Leveraging modern digital technology platforms and comprehensive aviation service ecosystems, the airline consistently introduces new and innovative service products, relentlessly striving to enhance the passenger experience to bring joy and satisfaction to everyone flying with Vietjet.

The success of Vietjet has positioned the airline as an "aviation ambassador," affirming the role of a new-generation airline that is pioneering and actively connecting Vietnam with the world.



8

INCREASE CUSTOMER EXPERIENCES

Vietjet has constantly improved the quality of products and services provided to passengers in accordance with the spirit of the slogan "Enjoy flying" through the following specific programs:

- New website with a beautiful, friendly and convenient interface to help customers actively choose services: adding optional combo packages, group tickets for families, and services and features, and simple and fast payment methods.
- Increasing mobile applications: supporting touchless transactions (voice), advertising features through messages (push notification), services.
- Deploying customer services without going through a switchboard operator such as checking flight time, flight, boarding gate through transaction methods on popular social networking applications such as Zalo, Viber.
- Equipping more self-service check-in counters at airports.
- Applying artificial intelligence for customer services such as facial recognition when checking in at the counter, reducing queuing time and increasing connectivity.
- Enhancing in-flight services such as in-flight shopping and goods, and wifi service during the flight.
- Increasing the quality of SkyBoss and Deluxe services through investment in upgrading and expanding facilities and enhancing the image at airport lounges.
- Deploying customer services without going through the call center staff in actively changing the itinerary on the website, proactively requesting to reserve voluntary identity online.
- Applying E-voucher for goodwill expenses for passengers.
- Deploying foods, drinks and rest services for passengers with long connecting time.
- Deploying the E-menu in flights.
- Enhancing ancillary product services such as online duty-free shopping and onboard delivery.

THE SPECIFIC OPERATIONAL PLANS OF THE DEPARTMENTS ARE AS FOLLOWS:

Operational safety

Continuously improving operational performance indicators to reduce costs and increase customer services quality through the following criteria: Organization of effective monitoring of the implementation of aviation safety indicators:

- Effectively maintaining the Safety Management System and strengthen proactive risk management.
- Strengthening international cooperation (IATA, AAPA, Airbus, Boeing, etc.) on safety.
- Continuing to improve the safety management system, the FDM flight data monitoring system.
- Developing the internal SMS teachers team and improving the SMS curriculum.
- Continuing to effectively implement the program LOA Cabin, Cockpit.
- Applying AIMS, advancing Fatigue Management monitoring.
- Continuing to implement effective HIRA (03 Safety Action Teams).
- Deploying CEFA to support investigation and training in flight operations.
- Effectively deploying safety management support functions on Safety - Quality Management Software (CORUSON).
- Implementing the ATCL 2023 evaluation program effectively and in line with Vietjet's operational situation.
- Leading the update of ISM Ed.15 and Ed.16, and organizing to train on IATA's new assessment approach on "Risk based approach"
- Organizing and coordinating entities applying for AOC Ops-spec approval of special exploitation forms: EDTO, CPDLC for A330 and concurrently with projects (CAT II for A330; CAT III for A320/321; EFF, eDoc, e-Techlog).
- Coordinating with Ground Operations Department to implement the ATCL Monitoring Program at the airport.
- Coordinating with Mining Division and Technical Division to implement CBTA program.
- Monitoring the compliance and effectiveness of AOC and AMO organizations.
- Organizing and coordinating with entities to continue implementing the emission reporting program (CORSIA).
- Participating in the service quality assessment program chaired by CS Department - Commercial Division.
- Continuing to deploy training and guidance on centralized management of the department's own document system on CORUSON.
- Continuing to centralize external document management related to CORUSON flight safety.
- Conducting regular reviews or inspections to effectively monitor service quality, while ensuring good turnaround time.
- Evaluating or testing the effectiveness of Information Technology application in exploitation, maintenance, safety and quality activities.

Vietjet Aviation Academy

- Continuing to promote the provision of external training services: basic pilot training courses, aircraft conversion, cabin crew, basic techniques, ground operations and other training courses.
- Aiming at the goal of educational development, implementing career orientation courses for learners - students in order to create job opportunities and attract labor.
- Pilot: Continuing to add more training ratings.
 - Converting in the type of Pilot A330 – A320.
 - Theoretical training of Commercial Pilots in the form of online/distance.
 - Training of SFI teachers.
- Technicals:
 - Implementing CAT B project.
 - Linking universities with dual degree training (University degree in Aviation Engineering and certificate of aviation staff).
 - Adding A330 aircraft type conversion rating.
 - Developing a plan to apply for EASA - Part 147 approval for A320/321 aircraft type conversion.



BUSINESS PLAN INDICATORS

HUMAN RESOURCES

Strengthening human resource management

- Standardizing recruitment, training, transfer, appointment, and performance evaluation processes, following market principles and employing talented people.
- Developing and perfecting mechanisms and remuneration policies, evaluating and rewarding employees, including policies and salary systems to ensure competitiveness in the labor market, capacity-based assessment systems for employees (competency dictionary), performance appraisal (KPIs), salary policy, salary regulations, working conditions improvement and work quality improvement at Vietjet.
- Focusing on training, periodical training, reclassification, employees promotion and improving the qualifications of the management team in

accordance with international standards, focusing on improving foreign language and handling skills with passengers.

- Maintaining corporate culture, creating cohesive strengths.
- In addition to the business strategy, the strength of the enterprise from the corporate culture brings competitive advantages and promotes development. Vietjet focuses on perfecting Corporate Culture as an identity and belief that permeates each employee. Which improves the spirit of dedication and loyalty of each employee in the company, the cohesive teamwork in each job and the employees' trust in Vietjet's decisions and policies. Besides, Vietjet's culture will bring its own identity and be a competitive advantage in the aviation human resources market.

Strengthening human resource development

- Recruiting pilots through socialization policy, linking with companies providing pilot rental services, direct recruitment, continuing to maintain the policy of fully paying for training courses change types, periodically for pilots.
- Developing cooperation programs with universities, colleges, domestic and foreign training centers, and having policies to invest and foster students at universities and colleges in order to timely supply human resources of engineers and technicians with quality. In addition, Vietjet also cooperates with other foreign organizations in recruiting skilled professionals.

Enhancing employee's capability and investment in developing training organizations:

- Vietjet has developed a Training Center that is certified as "Aeronautical Training Organization Level 2" - an organization that uses a satisfactory simulator and is approved by the CAAV and is a test center of the CAAV. In addition to recruiting and developing a team of qualified staff, teachers and employees to meet the training, management and human resource development needs of Vietjet, in the past 2022, Vietjet added modern training equipment to support the training of resources for the A330 fleet being operated such as: A330 aircraft door opening and closing training device (Door trainer A330), A330 pontoon slide device (CEET A330).

- For technical training, Vietjet continues its plan to build a practical training workshop for engineers to repair and maintain aircraft B1/B2, continue to invest in central training lecture halls, standard classrooms, and modern teaching equipment up to the standards of training facilities of the European Aviation Safety Agency (EASA).
- In 2023, Vietjet Aviation Academy focused on successfully implementing the initial "Project on organizing basic pilot training", which is one of the key tasks of the Academy to bring in revenue as well as expanding cooperation with prestigious flight schools & organizations in the world. Stepping through 2024, following the success of the Basic Pilot Training project, Vietjet will continue to improve and promote its strengths, not only in the field of pilot training but also in other fields such as aviation engineering, aviation career guidance for students of prestigious universities/colleges in the country.
- Standardizing recruitment, training, rotation, promotion, performance evaluation processes based on market principles and talent recognition.
- Establishing and refining remuneration, evaluation, and reward mechanisms for employees, including competitive salary policies, competency-based evaluation systems (competency dictionaries), job performance evaluation (KPIs), salary policies, salary payment regulations, improving working conditions, and enhancing job quality at Vietjet.
- Emphasizing training, regular training, reclassification, promotion for employees, and enhancing the qualifications of management staff to international standards, focusing on improving language skills and customer handling skills for frontline staff.

Maintaining corporate culture, fostering unity.

- In addition to business strategies, the strength of a business comes from its corporate culture, providing a competitive advantage for development. Vietjet focuses on building and perfecting Corporate Culture as a distinctive identity and deeply ingrained belief in every employee. The dedication and loyalty of each employee, team spirit in every task, and employee trust in Vietjet's decisions and policies. In doing so, Vietjet's culture will create differentiation and be a competitive advantage in the aviation labor market.

Financial plan

Vietjet builds a cash flow plan, a capital arrangement plan for the period 2022-2023 with the goal of maintaining healthy financial health, ensuring operating capital and development investment capital at the most competitive costs. Solutions to ensure financial resources include:

- o Optimizing working capital and cash flow through the implementation of comprehensive and advanced integrated payment and cash flow management solutions based on modern technology platforms of leading international banks head.
- o Flexible use of capital market tools (stocks, bonds, loans, etc.) to diversify short, medium and long-term capital arrangement options to serve Vietjet's capital needs.
- o Deploying effective aircraft financing options according to advanced models in the world such as SLB, JOLCO, ECA, insurance financing from manufacturers... through banks, international financial institutions with high reputation and long operating history such as JPM, Citibank, HSBC, Credit Union, ING, SMBC, MUFG...
- o Taking advantage of the Government's support for the aviation industry.



Cargo transportation

In 2023, Vietjet transported more than 81.5 thousand tons of goods, increasing by 73% compared to 2022. Through the above positive results, Vietjet approved code-share agreement. Vietjet's goods have gone to the Americas and Europe - destinations that the airline had only previously planned.

Based on that situation, VietjetAir Cargo sets out the goal of strengthening the domestic freight market share of at least 34% and expanding the international freight market with superior capacity compared to the common ground with a team of experienced aircraft and staff:

- ➔ Building and expanding distribution channels and implementing transparent and competitive sales policies.
- ➔ Focusing on developing a system of agents and partners who are big companies in Vietnam and around the world to expand the market with a wide network.
- ➔ Accelerating digital transformation and applying 4.0 technology to management and payment to increase service quality and control costs.

- ➔ Focusing on coordinating and working with related departments such as Operation Division, Safety - Security Department to organize and consolidate service quality, ensure maximum exploitation of supply load, increase revenue, ensure goods safety.
- ➔ Effectively coordinating with ground service providers to streamline the freight forwarding management process to ensure the quality of services provided to the market.
- ➔ International cooperating with partners UPS, DHL, FedEx, Turkish Airlines, Qatar Airways, Lufthansa Cargo, ... to expand international market routes, deploy cross-selling products on cargo flights of partners.
- ➔ Investing in warehouse and aircraft infrastructure to increase cargo capacity including the use of wide-body aircraft and the project of loading ULD on the belly of the aircraft.
- ➔ Focusing on investing in training for the entire VietjetAir Cargo company, developing abundant and capable human resources to develop in accordance with the direction set by the Board of Directors.

Information technology and digital transformation

The Board of Management has determined that the development strategy of Information Technology and digital transformation is a decisive factor to help the Company's business development plan be implemented effectively and minimize business risks. Vietjet's IT development and digital transformation plan includes three main areas: Commerce, operation and management based on the digital transformation plan, 4.0 technology and application of artificial intelligence.

In 2024, the ICT department will focus on developing the following specific projects:

- ➔ Product: Developing e-commerce management software to serve the program to increase revenue from ancillary services on board integrated with travel, insurance, and real estate service packages.

- ➔ Automating ground service systems (kiosk check-in, online check-in).
- ➔ Deploying Loyalty programs to increase customer experience.
- ➔ Upgrading the Contact Center system to help connect customers closer.
- ➔ Implementing information security programs that meet GDPR standards to facilitate the expansion of international routes.

Technical - Maintenance Activities

In 2024, Vietjet sets plans to improve technical and maintenance work as follows:

- ➔ Implementing the AMOS Center project
- ➔ Upgrading EDTO operational capability for new A321 aircraft in the future in Q4/2024
- ➔ Completing the design and commencing construction of Hangar and auxiliary workshops at Long Thanh Airport
- ➔ Digitizing aircraft documents and technical logs
- ➔ Constructing a new warehouse for aircraft equipment storage and engine preservation

EXPLANATION OF THE BOARD OF MANAGEMENT ON THE AUDIT OPINION: None





**MULTIPLE DESTINATIONS
INCREASED OPPORTUNITIES**

EVALUATION OF THE BOARD OF DIRECTORS ON ALL ASPECTS OF THE COMPANY'S ACTIVITIES

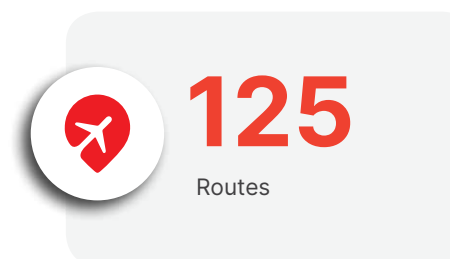
BRAND DEVELOPMENT COMPANY'S ACTIVITIES

As one of the airlines with the leading recognition in Southeast Asia, Vietjet focused on expanding and developing its international flight network associated with outstanding service quality and reasonable fares to new markets and regions.

Exploring the new India market with a series of routes connecting many Indian cities, Vietjet developed and associated branding with the Vietnam routes in the Indian's minds. The airline was also the first Vietnamese airline to open a regular route to Kazakhstan, marking Vietjet's first step in exploring the European market, and especially the Australian market in 2023.

Besides, in the conventional market, the airline also accelerated the recovery of flight networks before the pandemic as well as added new routes, introduced, developed, and maintained brand recognition with both loyal customers as well as new and potential customers, towards a future of strong growth, explosive development after the pandemic.

BUSINESS ACTIVITIES



In the year 2023, marked a significant growth trajectory within the aviation sector. Specifically, Vietjet proudly facilitated the transportation of 25.3 million passengers across 133 thousand flights, with over 7.6 million international passengers, reflecting a remarkable surge of over 180% compared to the preceding year of 2022. Despite encountering challenges amidst favorable conditions, the business environment of 2022 presented hurdles, notably with the slow recovery of the Chinese tourism market - a substantial sector for Vietnam's aviation industry, alongside sustained high fuel costs. Nonetheless, leveraging a flexible business strategy, Vietjet successfully navigated the expansion of new flight routes

throughout the year. Noteworthy additions include routes such as Ho Chi Minh City - Shanghai (China), Ho Chi Minh City - Vientiane (Laos), Hanoi - Siem Reap (Cambodia), Hanoi - Hong Kong (China), Phu Quoc - Busan (South Korea), among others. Vietjet proudly emerged as the first airline to connect Vietnam with the five largest cities in Australia, and further solidified its position as the airline with the most extensive flight operations between Vietnam and India. As of December 31, 2023, Vietjet operated a total of 125 flight routes. Furthermore, in alignment with its strategic expansion initiatives and the development of an intermediate international flight network, Vietjet expanded its fleet by acquiring an additional four wide-body A330 aircraft in 2023, bringing the total fleet count to seven.



Amidst adversities and opportunities intertwined, Vietjet and its subsidiary entities exhibited proactive resilience, crafting apt, resolute, flexible, and timely business solutions to culminate the year 2023 with outstanding business performance, as follows:



- ➔ Number of routes: 125 routes.
- ➔ 25.3 million passengers on 133 thousand flights, up 23% and 14% respectively compared to 2022.
- ➔ In 2023, the parent company's revenue achieved VND 53,691 billion



- ➔ Consolidated revenue reached VND 58,341 billion, achieving 116% the annual plan, consolidated profit after tax reached VND 231 billion.





SOCIAL AND ENVIRONMENTAL RESPONSIBILITY ASSESSMENT

In addition to excelling in its core business objectives, Vietjet consistently prioritizes the corporate responsibility towards communities and society through various social welfare activities. This commitment is deemed integral to the company's overarching mission of sustainable development.

Throughout its nearly two-decade journey of formation and growth, Vietjet has remained conscientious and aligned its development policies with community-centric goals. Over the past year, alongside its aim to expand and develop international flight routes, notably to destinations like Astana, Almaty (Kazakhstan), Melbourne, and Sydney (Australia), Vietjet has relentlessly endeavored to lead in driving economic, commercial, and touristic ties between Vietnam and these nations. This effort not only contributes to promoting Vietnam's image but also facilitates domestic and international tourism, thereby bolstering local economies and supporting community initiatives.

Vietjet continues to stand in solidarity with charitable programs, extending aid to individuals in remote areas, impoverished yet industrious children, long-term migrant workers, and children orphaned due to the Covid-19 pandemic. Embodying the corporate culture of Vietjet, which emphasizes collective assistance and community support, the airline has donated billions of dong worth of gifts to adolescents over the years. During the Tet holiday, Vietjet continued its tradition of offering free flights to underprivileged laborers, Covid-affected boarding school students, enabling them to reunite with their families for the festive season.

As a youthful and dynamic airline, Vietjet also promotes sportsmanship across all age groups, notably through its inaugural sponsorship of water running events and contributions to the Vietnamese men's and women's football teams in gratitude for their gold medal achievements, which garnered immense support from millions of fans.

In line with its commitment to community welfare, Vietjet Thailand actively participates in and sponsors a range of community events in Thailand, including waste cleanup campaigns, environmental conservation efforts, blood donation drives, and tree planting projects.

Despite encountering numerous challenges, Vietjet's spirit of volunteerism continues to burn brightly, serving as a testament to the company's commitment to social contribution and gratitude towards local communities, not only in Vietnam but also in every market where the airline operates and conducts business.



INTERNAL MANAGEMENT ACTIVITIES

Internal governance

Focusing on consolidating the organizational structure, perfecting and promulgating a system of internal governance regulations such as the revised Charter, Internal Governance Regulations, Set of Production Processes, Financial regulations and a series of procedures guiding the Company's operations such as accounting processes, human resource processes, administrative processes, etc.

Information disclosure

The Company strictly complies with information disclosure obligations as prescribed in Circular 96/2020/TTBTC of the Ministry of Finance on information disclosure on the stock market.

Complying with the law, ensuring the interests of shareholders and employees

Regarding to the tax obligations to the State budget in accordance with regulations, Vietjet has recorded and paid taxes, fees and charges to the State budget directly and indirectly with VND 5,200 billion. For employees, the Company paid full social insurance, health insurance and unemployment insurance for employees in accordance with the law. The Company also ensured the strict implementation of the rights of shareholders to access information, answered questions from shareholders, and planned to issue shares to existing shareholders and employees of the Company.

EVALUATION OF THE BOARD OF DIRECTORS ON THE OPERATION OF THE BOARD OF MANAGEMENT OF THE COMPANY

The CEO, Vice Presidents and HODs have strictly implemented the resolutions and decisions of the Board of Directors. During the management process, the President and members of the Board of Management have complied with the provisions in the Charter, and internal management regulations of the Group. The CFO promoted well the roles and responsibilities as a leader; directed and oriented important and core issues of the Group and effectively coordinated the activities of the Board of Management. The Vice Presidents have actively implemented and completed the tasks according to their assigned fields. The Board of Management has implemented many synchronous, drastic and timely solutions for business support in line with the guidelines and orientations of the Board of Directors and market developments. The Board of Management also played an important and decisive role in exceeding the basic targets assigned by the General Meeting of Shareholders.

For the 2023 overall assessment, the Board of Management has successfully, responsibly and effectively implemented the resolutions and decisions of the General Meeting of Shareholders and the Board of Directors.

For the 2023 overall assessment, the Board of Management has successfully, responsibly and effectively implemented the resolutions and decisions of the General Meeting of Shareholders and the Board of Directors.

ORIENTATION IN 2024

In 2024, Vietjet continues to set a target of high growth in revenue thanks to the opening of the Chinese market and promoting the exploitation of potential international markets including India, Korea, Japan, Australia...

With the theme "A Whold New World – A Whole New Me" in 2024, Vietjet will continue to research and invest in building digital infrastructure (mobile apps, moving from paper tickets to electronic tickets, developing payment intermediary services, loyalty programs, developing logistics systems for delivery, express delivery, etc.) and implementing comprehensive technology application of digital transformation in all business activities including commerce, customer service, flight safety, flight operations management, engineering management, financial management etc,... Vietjet is committed to further expanding its international flight network with the aim of covering all continents, thereby providing millions of people with access to air travel opportunities.



**CONNECTING EXPERIENCES
TRANSFORMING OURSELVES**



BOARD OF DIRECTOR

LIST AND STRUCTURE OF THE BOARD OF DIRECTORS

VJC's Board of Directors has 09 members, including 02 independent BOD members, details are as follows:

No.	Member	Position	Number of shares owned	Ratio
1	Mdm. Nguyen Thi Phuong Thao	BOD Chairwoman	47,470,914	8.76%
2	Mdm. Nguyen Thanh Ha	BOD Vice Chairwoman	297,984	0.06%
3	Mr. Nguyen Anh Tuan	BOD Vice Chairman - Independent Member	-	-
4	Mr. Nguyen Thanh Hung	BOD Member	5,358,076	0.99%
5	Mr. Dinh Viet Phuong	BOD Member, CEO	657,000	0.12%
6	Mdm. Ho Ngoc Yen Phuong	BOD Member, CFO	-	-
7	Mr. Luu Duc Khanh	BOD Member	904,440	0.17%
8	Mr. Donal Joseph Boylan	BOD Independent Member	-	-
9	Mr. Chu Viet Cuong	BOD Member	68,000	0.01%



List of members of the Audit Committee under the Board of Directors

The Audit Committee has 03 members and all are members of the Board of Directors of VJC, details are as follows:

No.	Member	Position	Number of shares owned	Ratio
1	Mr. Nguyen Anh Tuan	Chairman of the Audit Committee	-	-
2	Mr. Luu Duc Khanh	Member of the Audit Committee	904,440	0.17%
3	Mr. Chu Viet Cuong	Member of the Audit Committee	68,000	0.01%

ACTIVITIES OF THE BOARD OF DIRECTORS

In 2023, the Board of Directors (BOD) effectively exercised its leadership role in guiding the establishment of objectives, strategies, and business plans for the year 2023 and the 2024 strategy, with a focus on mastering technology, enhancing efficiency in governance, and steering towards the implementation of growth and sustainable development strategies to elevate Vietjet's international stature.

The organization of the Annual General Meeting (AGM) and the submission of reports to solicit the opinions of the shareholders on matters within its jurisdiction were pivotal highlights of the year.

In 2023, Vietjet's BOD convened one annual AGM in April 2023 to discuss and approve nine critical agenda items for the year 2023. The assembly proceeded in accordance with the prescribed steps outlined in the Enterprise Law, the Company's Charter, and other relevant regulations. Ahead of the AGM, the Company duly disseminated information regarding the assembly, notified shareholders of the deadline for participation, issued meeting invitations, and disclosed the documents to be presented at the AGM. Subsequently, upon the completion of the assembly, all necessary post-AGM procedures were diligently fulfilled in compliance with regulatory requirements.

Furthermore, in 2023, Vietjet conducted shareholder solicitation via written communication in December 2023 to seek approval on two significant agenda items.

The resolutions passed at the AGM in 2023 are as follows:

No.	The contents
A Resolution of the General Meeting of Shareholders No. 01-23/VJC-DHCĐ-NQ dated April 26, 2023	
1	Approving the reports of the Board of Directors, the Audit Committee, the Board of Management and Vietjet's 2022 Audited Financial Statements.
2	Approving the profit distribution plan.
3	Approving total remuneration and allowances of the Board of Directors, Fund for activities and social work of the Board of Directors in 2023 and to authorize the Chairperson of the Board of Directors to decide on the form, remuneration and specific allowances of each member of the Board of Directors.
4	Approving to authorize the Board of Directors to select an independent auditor to review and audit the Company's 2023 Financial Statements.
5	Approving new share issuance plan and Appendix of dividend preferred share issuance.
6	Approving the issuance plan of convertible bond (or bond with warrants).
7	Approving the Employee Stock Ownership Plan – ESOP.
8	Approving the additional member of the Board of Directors' Member and the nomination of Members of the Board of Directors for the term 2022 – 2027.
9	Approving the authorization of the General Meeting of Shareholders to the Board of Directors to perform a number of works.
B Resolution of the General Meeting of Shareholders No. 02-23/VJC-DHCĐ-NQ dated December 15, 2023 in the form of written opinions	
1	Approving to temporarily postpone the share issuance plan to pay dividends 2021 to prioritize the implementation of private placement plan.
2	Approving the Plan for Private Placement of Shares to Investors

Based on the Resolution of the General Meeting of Shareholders, the Board of Directors implemented the issues approved by the General Meeting of Shareholders.

Periodic meetings of the Board of Directors to evaluate the operation situation and give development orientations of Vietjet.

Complying with the provisions of the Enterprise Law, the Company's Charter and the operation regulations of the Board of Directors, in 2023, the Board of Directors held 04 quarterly meetings to discuss, exchange, agreed and promptly gave directions in operating Vietjet's business activities. The Members of the Board of Directors seriously attended directly the meetings or authorized members of the Board of Directors to attend and vote, specifically as follows:

NO.	BOD's Member	Number of BOD's meeting attended	Attendance rate	Reason for not attending
1	Mdm. Nguyen Thi Phuong Thao	4/4	100%	-
2	Mdm. Nguyen Thanh Ha	4/4	100%	-
3	Mr. Nguyen Anh Tuan	4/4	100%	-
4	Mr. Nguyen Thanh Hung	4/4	100%	-
5	Mr. Dinh Viet Phuong	4/4	100%	-
6	Mdm. Ho Ngoc Yen Phuong	3/4	100%	Appointed to be BOD member since April 26, 2023
7	Mr. Luu Duc Khanh	4/4	100%	-
8	Mr. Donal Joseph Boylan	4/4	100%	-
9	Mr. Chu Viet Cuong	4/4	100%	-

These Board of Directors meetings focused on resolving key issues related to the direction of the 2023 Annual General Meeting of Shareholders; building and implementing business plan in 2024; closely directing the implementation of the business plan, the key tasks and the resolutions of the Annual General Meeting of Shareholders in 2023. The resolutions agreed by the Board of Directors at the meetings are important orientations to help the Board of Management organize the implementation of Vietjet's business tasks in a synchronous and effective manner.

Collect written opinions of members of the Board of Directors to approve decisions within the authority of the Board of Directors

In addition to face-to-face meetings, the Board of Directors has approved decisions by way of collecting written opinions from members of the Board of Directors to direct the settlement of specific cases under the authority of the Board of Directors according to the report of the President and the Committees of the Board of Directors.

concentrated investment activities throughout the system, etc.; directed the adjustment of organizational structure and governance, closely monitored the activities of the Board of Management in the implementation of the resolutions and decisions of the General Meeting of Shareholders and the Board of Directors.

During the year, the Board of Directors resolved many issues related to major orientations on corporate governance, completed and promulgated internal regulations, invested in human resource development, consolidated the leadership apparatus, orientation of

Accordingly, in order to implement in-detail direction of the key contents approved by the General Meeting of Shareholders, all meetings of the Board of Directors discussed and 100% agreed on the issuance of 80 Resolutions and Decisions with the following contents:

No.	Resolutions	Date	Description	Voting rate
1	30a-22/VJC-HĐQT-NQ	01/12/2022	Resolution on approving the implementation of a loan agreement for investment in aviation specialized training field.	100%
2	63-22/VJC-HĐQT-NQ	29/12/2022	Resolution on approving the loan and credit limit renewal plan for 2022 – 2023.	100%
3	01- 23/VJC-HĐQT-NQ	02/01/2023	Resolution on the assignment of department management officer.	100%
4	02- 23/VJC-HĐQT-NQ	27/02/2023	Resolution on the assignment of department management officer.	100%
5	03- 23/VJC-HĐQT-NQ	28/02/2023	Resolution on the record date to attend the AGM 2023.	100%
6	04- 23/VJC-HĐQT-QĐ	28/02/2023	Resolution on establishing the organizing committee for the AGM 2023.	100%
7	05- 23/VJC-HĐQT-NQ	28/02/2023	Resolution on the establishment of a representative office in the Philippines.	100%
8	06- 23/VJC-HĐQT-NQ	16/3/2023	Resolution on approving authorization	100%
9	07 - 23/VJC-HĐQT-NQ	17/3/2023	Resolution on approving authorization.	100%
10	08 - 23/VJC-HĐQT-QĐ	18/3/2023	Resolution on approving the remuneration of Vice Presidents	100%
11	09- 23/VJC-HĐQT-NQ	25/3/2023	Resolution on approving the sale and leaseback transaction with purchase options for 02 A321-271NX aircraft	100%
12	10 - 23/VJC-HĐQT-NQ	31/3/2023	Resolution on the assignment of department management officer.	100%
13	11- 23/VJC-HĐQT-NQ	06/4/2023	Resolution on the appointment of the CEO.	100%
14	12- 23/VJC-HĐQT-NQ	06/4/2023	Resolution on the appointment of Chairwoman of the Board of Directors.	100%
15	12a-23/VJC-HĐQT-NQ	06/4/2023	Resolution on the appointment of the legal representative to manage the bank account.	100%
16	13- 23/VJC-HĐQT-NQ	11/4/2023	Resolution on the appointment of legal representatives.	100%
17	14 - 23/VJC-HĐQT-NQ	06/4/2023	Resolution on the dismissal senior management officers.	100%
18	15- 23/VJC-HĐQT-NQ	18/4/2023	Resolution on approving the selection of Carlyle Aviation Management Limited as the sale & leaseback partner for 03 A321-200NEO aircraft in 2023.	100%
19	16- 23/VJC-HĐQT-NQ	18/4/2023	Resolution on approving authorization.	100%
20	17- 23/VJC-HĐQT-NQ	18/4/2023	Resolution on the assignment of department management officer.	100%
21	18- 23/VJC-HĐQT-NQ	26/4/2023	Resolution on the assignment of tasks by the Board of Directors ("BOD") to 02 BOD members	100%

No.	Resolutions	Date	Description	Voting rate
22	19- 23/VJC-HĐQT-NQ	18/4/2023	Resolution on the appointment of personnel.	100%
23	20- 23/VJC-HĐQT-NQ	28/4/2023	Resolution on the dismissal of the Chief Accountant.	100%
24	21- 23/VJC-HĐQT-NQ	28/4/2023	Resolution on the appointment of the Chief Accountant.	100%
25	22- 23/VJC-HĐQT-QĐ	04/5/2023	Decision on remuneration of the Board of Directors.	100%
26	23 - 23/VJC-HĐQT- NQ	15/5/2023	Resolution on approving the loan and capital utilization plan for 2023-2024 at MBB.	100%
27	24- 23/VJC-HĐQT-NQ	29/5/2023	Resolution on approving the private bond issuance plan.	100%
28	25- 23/VJC-HĐQT-NQ	01/6/2023	Resolution on the appointment and dismissal of department management officer.	100%
29	26a-23/VJC-HĐQT-NQ	15/6/2023	Resolution on the assignment of department management officer.	100%
30	26- 23/VJC-HĐQT-NQ	20/6/2023	Resolution on approving the loan and utilization plan for 2023-2024.	100%
31	27- 23/VJC-HĐQT-NQ	29/6/2023	Resolution on the Board of Directors's commendation.	100%
32	27a-23/VJC-HĐQT-QĐ	01/7/2023	Resolution on safety rewards for Q2/2023	100%
33	27b-23/VJC-HĐQT-NQ	01/07/2023	Resolution on approving the investment and business cooperation plan.	100%
34	28- 23/VJC-HĐQT-QĐ	24/7/2023	Resolution on the appointment of the Chief Accountant.	100%
35	29-23/VJC-HĐQT- NQ	24/7/2023	Resolution on approving the issuance of VND-2,000-billion corporate bond.	100%
36	30 - 23/VJC-HĐQT- NQ	27/7/2023	Resolution on asset investment under finance lease.	100%
37	31 - 23/VJC-HĐQT- NQ	28/7/2023	Resolution on selecting the auditing company in 2023.	100%
38	31a-23/VJC-HĐQT-QĐ	01/8/2023	Resolution on the assignment of department management officer.	100%
39	31b - 23/VJC-HĐQT-QĐ	03/8/2023	Decision on rewards.	100%
40	31c-23/VJC-HĐQT-NQ	15/8/2023	Resolution on the appointment of department management officer.	100%
41	32- 23/VJC-HĐQT-NQ	21/8/2023	Resolution on the appointment of department management officer.	100%
42	33- 23/VJC-HĐQT-NQ	21/8/2023	Resolution on the appointment and dismissal of department management officer.	100%
43	34- 23/VJC-HĐQT-QĐ	28/8/2023	Resolution on the appointment and dismissal of head of Audit Committee.	100%
44	35- 23/VJC-HĐQT-NQ	06/11/2023	Resolution on the establishment and assignment of the Board of Management.	100%
45	35a- 23/VJC-HĐQT-NQ	13/9/2023	Resolution on the Issuance of Private Bonds (3rd issuance)	100%
46	36- 23/VJC-HĐQT-QĐ	18/9/2023	Resolution on the assignment of management personnel for Vietjet Ground Services Limited Liability Company (VJGS).	100%
47	37-23/VJC-HĐQT-NQ	01/10/2023	Resolution on the appointment of department management officer.	100%

No.	Resolutions	Date	Description	Voting rate
48	38- 23/VJC-HĐQT-QĐ	01/10/2023	Resolution on safety incentive awards for Q3/2023.	100%
49	38a- 23/VJC-HĐQT-NQ	10/10/2023	Resolution on the appointment and dismissal of department management officer.	100%
50	39- 23/VJC-HĐQT-NQ	16/10/2023	Resolution on the issuance of shares to pay dividend.	100%
51	40- 23/VJC-HĐQT-NQ	23/10/2023	Resolution on the trading registration of Vietjet Aviation Joint Stock Company's issued bonds.	100%
52	41- 23/VJC-HĐQT-NQ	23/10/2023	Resolution on clarifications of interest terms in the bond issuance plan.	100%
53	42- 23/VJC-HĐQT-NQ	30/10/2023	Resolution on the issuance plan of VND-3,000-billion corporate bonds.	100%
54	43- 23/VJC-HĐQT-NQ	01/11/2023	Resolution on the appointment of department management officer.	100%
55	44 - 23/VJC-HĐQT-NQ	01/11/2023	Resolution on the appointment of department management officer.	100%
56	45 - 23/VJC-HĐQT-NQ	01/11/2023	Resolution on the appointment of department management officer.	100%
57	46 - 23/VJC-HĐQT-NQ	02/11/2023	Resolution on the adjustment of interest term in the Bond Issuance Plan.	100%
58	47 - 23/VJC-HĐQT-NQ	02/11/2023	Resolution on Leasing 03 Freebird aircraft.	100%
59	48 - 23/VJC-HĐQT-NQ	02/11/2023	Resolution on Leasing 02 TUS aircraft.	100%
60	49 - 23/VJC-HĐQT-QĐ	09/11/2023	Resolution on the dismissal of department management officer.	100%
61	50- 23/VJC-HĐQT-NQ	03/11/2023	Resolution on approving the list of professional investors for the share offering.	100%
62	51 - 23/VJC-HĐQT-NQ	03/11/2023	Resolution on approving the detailed plan on use of proceeds from the private share offering.	100%
63	52- 23/VJC-HĐQT-NQ	03/11/2023	Resolution on approving the plan for private placement of shares, approving the plan. ensuring that the private placement of shares meets the foreign ownership ratio.	100%
64	53- 23/VJC-HĐQT-NQ	03/11/2023	Resolution on approving the dossiers of the share private placement.	100%
65	54 - 23/VJC-HĐQT-NQ	15/11/2023	Resolution on approving credit line at Siam Bank	100%
66	55- 23/VJC-HĐQT-NQ	15/11/2023	Resolution Approving the plan of wet leasing 01 Airbus A320-214 (180Y) with Freebird Airlines.	100%
67	56- 23/VJC-HĐQT-NQ	15/11/2023	Resolution on approving implementation plan of the self-serving ground handling.	100%
68	57- 23/VJC-HĐQT-NQ	16/11/2023	Resolution on approving adjustment of loan plan at Vietnam Maritime Commercial Joint Stock Bank - Branch 11.	100%
69	58- 23/VJC-HĐQT-NQ	16/11/2023	Resolution on the record date to obtain shareholders' opinions in writing.	100%
70	59 - 23/VJC-HĐQT-NQ	24/11/2023	Resolution on Registering for Project Implementation, Participating in Tendering for Construction Investment Project of Operations Center No. 3 at Long Thanh International Airport.	100%

No.	Resolutions	Date	Description	Voting rate
71	60- 23/VJC-HĐQT-NQ	24/11/2023	Resolution Approving Participation in Tendering for Construction Investment Project, Operation and Maintenance of Ground Service Vehicles and Handling of Aircraft Cleaning No. 1, 2 at Long Thanh International Airport.	100%
72	61 - 23/VJC-HĐQT-NQ	05/12/2023	Resolution on the materials to obtain shareholders' opinions in writing.	100%
73	62- 23/VJC-HĐQT-NQ	11/12/2023	Resolution on approving loan at MSB.	100%
74	63 - 23/VJC-HĐQT-NQ	15/12/2023	Resolution on establishing the vote counting committee to obtain shareholders' opinions in writing 2023.	100%
75	63a - 23/VJC-HĐQT-NQ	15/12/2023	Resolution on the appointment of department management officer.	100%
76	64- 23/VJC-HĐQT-NQ	26/12/2023	Resolution on approving to change from VTC's name to Vietjet Aviation Academy (VJAA).	100%
77	65 - 23/VJC-HĐQT-NQ	28/12/2023	Resolution on approving the list of professional investors for the offering.	100%
78	66- 23/VJC-HĐQT-NQ	28/12/2023	Resolution on approving the detailed capital use plan from the private stock offering.	100%
79	67 - 23/VJC-HĐQT-NQ	28/12/2023	Resolution on implementing the plan of private placement of shares.	100%
80	68- 23/VJC-HĐQT-NQ	28/12/2023	Resolution on approving private stock offering documents, approving the plan ensuring that the private placement of shares meets the foreign ownership ratio.	100%
81	69 - 23/VJC-HĐQT-QĐ	31/12/2023	Decision on Safety Bonus Distribution for Q4 to the Board of Directors.	100%

Simultaneously, the Board of Directors has fully and effectively performed the supervisory role of the Board of Directors over the Board of Management as detailed in the Company's Charter, Corporate Governance Regulations and other relevant regulations:

- » Organizing regular and extraordinary meetings from time to time in order to pass timely decisions to meet the work of planning, implementation and coordination with the Board of Management;
- » Giving correct, timely and effective directions to help the Board of Management promptly respond to the double difficulties of the market in 2023;
- » Preside over, direct and coordinate the Board of Management to successfully organize the 2023 Annual General Meeting of Shareholders;
- » Supervising the Board of Management in implementing the resolutions issued by the General Meeting of Shareholders and the Board of Directors;
- » Approving and supervising the implementation of the annual budget and business plan of the Board of Management;
- » Paying attention and supervise closely the preparation of reports and the implementation of information disclosure to ensure completeness and timeliness.

Supervisory activities of the Board of Directors to the Board of Management

In 2023, the Board of Directors has fully and effectively performed the role of strategic direction and supervision of the Board of Management as detailed in the Company's Charter, Corporate governance regulations and related regulations, specifically:

- » Reviewed the accuracy and legality of accounting work, including the preparation of accounting records and financial reports.
- » Reviewed the financial statements (Annual, Semi-annual, and Quarterly) and reports on the Internal Control and Internal Audit System before submitting them to the HĐQT.
- » Supervised investment expenditures, procurement, significant investments, and reviewed expenses for or related to the HĐQT and BDH.

- » Monitored potential conflicts of interest of HĐQT members, management departments, and shareholders holding 10% or more of the total outstanding common shares.
- » Supervised the disclosure and exchange of information processes.
- » Reviewed and evaluated the effectiveness of the Company's internal control system, internal audit, and risk management.
- » Recommended to the HĐQT the appointment of independent auditors, their remuneration, and related terms in the contract with the auditing company before submitting it to the Annual General Meeting of Shareholders for approval.



ACTIVITIES OF COMMITTEES UNDER THE BOARD OF DIRECTORS

The Committees are supporting units under the Board of Directors, accountable for strategic planning for the Board of Management and supervising the implementation of the strategy. The Committees held regular meetings with the Board of Directors to report the results of their work directly to the Board. The Committee Chairman and members of each Committee proactively and actively perform their responsibilities, making practical contributions to corporate governance as well as the overall development of the Company.

01 Aviation Safety and Security Committee

The Aviation Safety and Security Committee is responsible to the Board of Directors for ensuring aviation safety and security. The Committee has coordinated with relevant departments to monitor and implement the provisions of the Company's Safety Management System and Aviation Safety Security Program.

The Aviation Safety and Security Committee has continuously monitored aviation safety and assessed security reports periodically, always striving to ensure continuous fulfillment of the highest standards of aviation safety. In 2023, Vietjet has transported 25.3 million passengers, safely operated 133 thousand flights with technical reliability of 99.72%. Vietjet has been honored by Airline Ratings, a prestigious unit specializing in evaluating the world's aviation service and safety, in the top safest low-cost airlines in the world in 2024.

02 Strategy and Investment Committee

The Strategy and Investment Committee is responsible to the Board of Directors and is the key point for strategic orientation and investment plans. The Committee has worked closely with relevant divisions and departments to develop business proposals to the AGM, direct and approve investment transactions including financial investment and fleet investment to ensure business operation plans and develop the aviation - tourism ecosystem, optimizing the cash flow.

The Strategy and Investment Committee carries out investment strategies to direct aircraft planning, arrange capital sources, increase the proportion of asset ownership, reduce cash flow pressure to pay aircraft leasing and maintenance costs.

03 Organisation and Human Resource Committee

The Organisation and Human Resource Committee is responsible to the Board of

Directors for the work regarding the organization of human resources of the Company, including but not limited to the contents of reviewing and adjusting matters of organizational structure, salary, etc. to be suitable for the Company's development situation. In 2023, Vietjet has 5,972 employees, of which the total number of pilots and flight attendants reach more than 2,800.

With the strategy of building and developing international standard aviation human resources, Vietjet has constantly invested, upgraded infrastructure and developed the teaching staff of Vietjet Aviation Academy (VJAA). In 2023, Vietjet Aviation Academy (VJAA) has trained nearly 100,000 trainees with more than 6,000 training courses. The Academy has improved the quality of training by cooperating with IATA to provide IATA's international standard courses with the most cutting-edge equipment in the field of aviation.



04 Audit Committee

Supervision activities of the Audit Committee for the Board of Directors and the Board of Management

In 2023, following the provisions of the Enterprise Law and the Company's Charter, the Audit Committee held 03 meetings, specifically:

No.	Audit Committee	Number of meetings	Attendance rate	Voting rate	Reason for not attending
1	Mr. Nguyen Anh Tuan	03/03	100%	100%	-
2	Mr. Luu Duc Khanh	03/03	100%	100%	-
3	Mr. Chu Viet Cuong	03/03	100%	100%	-

In 2023, the Audit Committee has fully and effectively performed the supervisory role for the Board of Directors and the Board of Management in accordance with detailed regulations in the Company's Charter, Corporate Governance Regulations and other relevant regulations, specifically:

- ➔ Verifying the accuracy and legitimacy of the accounting work, including the preparation of accounting books and financial statements;
- ➔ Appraising the Financial Statements (Yearly, Semi-Annual and Quarterly) and Reports on the Internal Control and Audit System before submitting to the Board of Directors;
- ➔ Monitoring key investment, procurement and investment expenditures and reviewing expenses for or in connection with the Board of Directors and the Board of Management;

Coordination of activities between the Audit Committee for the activities of the Board of Directors, the Board of Management and other managers

In 2023, the Audit Committee succeeded in supervising and coordinating the activities of the Board of Directors and the Board of Management in compliance with the detailed provisions in the Company's Charter, Governance Regulations and other relevant laws, including:

- ➔ Successfully organizing the Annual General Meeting of Shareholders in 2023;
- ➔ Providing reports and information to the Board of Directors and Shareholders in accordance with regulations;
- ➔ Establishing a smooth and open information exchange channel to encourage members to exchange, give opinions and ideas.

- ➔ Monitoring potential conflicts of interest of members of the Board of Directors, management ministries and Shareholders holding 10% or more of the total number of ordinary shares;
- ➔ Monitoring the process of information disclosure and exchange;
- ➔ Reviewing and evaluating the effectiveness and efficiency of the Company's internal control, internal audit, and risk management systems;
- ➔ Proposing the independent auditing company, the remuneration level and related terms in the contract with the auditing company for the Board of Directors to approve before submitting it to the Annual General Meeting of Shareholders for approval.

Other activities of the Audit Committee

In addition to the functions on behalf of the General Meeting of Shareholders to monitor the compliance with the Company's Charter, relevant laws and regulations and the operation of the Board of Directors and the Board of Management, the Audit Committee also performed the following tasks:

- ➔ Reviewing and commenting on the Company's operating policies and procedures;
- ➔ Acting as an advisor on Governance, Finance and Legal when requested by the Board of Directors and the Board of Management.

ACTIVITIES OF INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

Like other members of the Board of Directors, independent members of the Board of Directors exercise their rights and obligations in accordance with the provisions of the company's charter, operational regulations of the Board of Directors and related documents through the process of participating in discussions and decision-making of the Board of Directors, while at the same time ensuring those decisions are made fairly and reasonably.

Independent members of the Board of Directors have the following obligations:

- Exercising the assigned rights and obligations honestly, carefully and in the best way to ensure the maximum legitimate interests of the company.
- Loyal to the interests of the company and its shareholders; not use information, know-how, business opportunities of the company, position, position and use the company's assets for personal gain or to serve the interests of other organizations and individuals.
- Timely, fully and accurately notifying the company about the enterprise that they and their related persons own or have a controlling capital contribution or share; This notice is posted at the head office and branches of the Company.
- Other obligations as prescribed by law and the company's charter, etc.

During the year, independent members of the Board of Directors attended 100% of the meetings of the Board of Directors and made important contributions to corporate governance. At the same time, the members of the Board of Directors also contributed to consulting and criticizing the decisions of the Board of Directors in the spirit of respecting the law and ensuring the best interests of the Company.

Also in the past year, independent members of the Board of Directors always monitored and supervised the activities of the Board of Management to ensure that the company always complied with legal regulations, at the same time, promote the Board of Management to perform its obligations honestly and effectively, ensure transparency in the use of company assets and distribute dividends among shareholders.

TRANSACTIONS, REMUNERATION AND BENEFITS OF THE BOARD OF DIRECTORS, THE BOARD OF MANAGEMENT AND THE AUDIT COMMITTEE

SALARY, BONUS, REMUNERATION AND BENEFITS

The Board of Directors, Supervisory Board, and Board of Management are entitled to remuneration, salary, bonus and other benefits in accordance with the Resolution passed at the General Meeting of Shareholders in 2023 based on the Company's performance, responsibilities, duties and results. individual results.

TRANSACTIONS, REMUNERATION AND BENEFITS OF THE BOARD OF DIRECTORS, THE BOARD OF MANAGEMENT AND AUDIT COMMITTEE

None

TRAINING ON CORPORATE GOVERNANCE

In 2023, Vietjet Aviation Joint Stock Company organized and created favorable conditions for members of the Board of Directors, members of the Audit Committee, President, CEO and other managers to participate in internal training courses on corporate governance and update relevant legal regulations.



CONTRACT OR TRANSACTION

TRANSACTIONS BETWEEN VIETJET AND RELATED PERSONS OF VIETJET; MAJOR SHAREHOLDER OF VIETJET, VIETJET INSIDER, RELATED PERSON OF VIETJET INSIDER

No.	Name of organisation	Description, number and value of transactions
1	Sovico Holdings Company	» Purchasing Vietjet's air ticket: VND 589 million
2	Ho Chi Minh City Development Joint Stock Commercial Bank (HDBank)	» Purchasing Vietjet's air ticket: VND 375 million » Vietjet provides marketing service: VND 3.1 billion » Vietjet's office rental expense: VND 1.2 billion » As of 31/12/2023, Vietjet's credit line at HDBank is VND 4,100 billion
3	Vietjet Air IVB No. I Limited	» Vietjet provides charter flights: VND 2,350 billion » Vietjet sells engines: VND 612 billion » Vietjet buys engines: VND 1,026 billion » Vietjet's marketing expenses: VND 115 billion
4	Vietjet Air Ireland No. I Limited	» Vietjet leases in aircraft: VND 1,252.1 billion
5	Galaxy Pay Company Limited	» Providing intermediary payment services for Vietjet with the transaction fees of VND 23.2 billion
6	Swift 247 Joint Stock Company	» Vietjet provides cargo transportation service via Vietjet Air Cargo: VND 1,293 billion » Commission fee: VND 157.7 billion
7	VietjetAir Cargo Joint Stock Company	» Vietjet's payment of domestic airport fees: VND 160 billion
8	VietJet Ground Services Limited Liability Company	» Vietjet's payment of the ground service fee: VND 385 billion
9	Sovico Group Joint Stock Company	» Purchasing Vietjet's air ticket: VND 01 billion
10	HD SAISON Finance Co., Ltd	» Purchasing Vietjet's air ticket: VND 54.7 million
11	HD Insurance Company Limited	» Vietjet's revenue from data processing services and insurance commissions: VND 23.5 billion » Vietjet's marketing revenue: VND 36 billion » Vietjet's payment of HD Insurance fee: VND 173 million » Vietjet's air ticket sales: VND 2.9 billion
12	GalaxyOne Company Limited	» Vietjet's payment of Web/App service: VND 19.4 billion
13	Thai Vietjet Air Joint Stock Co., Ltd.	» Vietjet leases aircraft to Vietjet Thailand: VND 58 billion » Vietjet's trademark and business service-related revenue: VND 79 billion
14	Victoria Academy Company Limited	» Vietjet's revenue from training cooperation: VND 56.2 billion » Vietjet leases training equipment: VND 228 million

No.	Name of organisation	Description, number and value of transactions
15	Indochina Beach Hotel Joint Stock Company	» Vietjet provides marketing service: VND 131.4 million » Purchasing Vietjet's air ticket: VND 55 million
16	Angelica Holding Limited	» Vietjet leases in engines: VND 64.1 billion
17	Apricot Holding Limited	» Vietjet leases in engines: VND 56.5 billion
18	Apricot Aircraft Assets Limited	» Vietjet leases in aircrafts: VND 131.8 billion
19	Angelica Aircraft Assets Limited	» Providing financial consulting service for Vietjet: VND 105.6 billion
20	Apricot Aircraft Company (Ireland) 8592 Limited	» Vietjet leases in aircrafts: VND 105.9 billion
21	Apricot Aircraft Company (Ireland) 8577 Limited	» Vietjet leases in aircrafts: VND 136 billion
22	Apricot Aircraft Company (Ireland) 8605 Limited	» Vietjet leases in aircrafts: VND 54.9 billion
23	Apricot Aircraft Company (Ireland) 8670 Limited	» Vietjet leases in aircrafts: VND 122.9 billion
24	Apricot Aircraft Company (Ireland) 8676 Limited	» Vietjet leases in aircrafts: VND 160 billion
25	Apricot Aircraft Assets No. 1 Limited	» Vietjet leases in aircrafts: VND 18.3 billion
26	AAA Golden Aircraft Star No. 1 Limited	» Vietjet leases in aircrafts: VND 57 billion
27	AAA Golden Aircraft Star No. 3 Limited	» Vietjet leases in aircrafts: VND 172 billion
28	AAA Golden Aircraft Star No. 4 Limited	» Vietjet leases in aircrafts: VND 165 billion
29	AAA Golden Aircraft Star No. 5 Limited	» Vietjet leases out aircrafts: VND 404 billion » Vietjet leases in aircrafts: VND 118 billion

In 2023, Vietjet did not have transactions with companies: Vietjet Air IVB No. II Limited, Vietjet Air Singapore Pre Limited, Sunflower Sunny Investment Company Limited, VietJet Ground Services Limited Liability Company, Skymate Limited, AAA Golden Aircraft Star No. 2 Limited.

TRANSACTIONS BETWEEN VIETJET'S INTERNAL PARTIES, RELATED PARTIES OF THE INTERNAL PARTIES AND SUBSIDIARIES, COMPANIES BEING CONTROLLED BY VIETJET

No.	Entity	Relationship	Description, amount, total transaction value
1	Ho Chi Minh City Development Joint Stock Commercial Bank (HDBank)	Related organisation	» Providing payment and credit services for VietjetAir Cargo Joint Stock Company: VND 312.7 million
2	HD Insurance Company Limited	Related organisation	» Providing health and accident insurance for Galaxy Pay Company Limited: VND 136 million

TRANSACTIONS BETWEEN VIETJET AND OTHER ENTITIES

- Transactions between Vietjet and companies where members of the Board of Directors, members of the Audit Committee, the CEO, Managing Director of Vietjet, and other senior management officers who have been founders or members of the Board of Directors, CEO, Managing Directors within the past three (03) years (as of the reporting date): Refer to the section above.
- Transactions between Vietjet and related person/organisation of members of the Board of Directors, members of the Audit Committee, the CEO, Managing Director of Vietjet, and other senior management officers who are members of the Board of Directors, CEO, Managing Directors of Vietjet: No transactions arise.
- Other transactions of the company (if any) that may bring material or non-material benefits to members of the Board of Directors, members of the Audit Committee, the CEO and other senior management : No transactions arise.

TRADING SHARES OF INTERNAL PARTY AND RELATED PARTIES OF INTERNAL PARTY

No.	Individual	Relationship with internal party	Number of shares Ownership at the beginning of the period		Number of shares owned at the end of the period		Reason to increase, decrease (buy, sell, convert, reward...)
			Number (shares)	Percentage owned(%)	Number (shares)	Percentage owned(%)	
1	Mdm. Nguyen Thi Thuy Binh	Internal person (Vice President)	170,000	0.03	150,000	0.027	Personal financial needs
2	Ho Chi Minh City Development Joint Stock Commercial Bank (HDBank)	Related organisation of the internal person (Chairwoman)	26,809,020	4.95	10,809,020	2.00	Sell at an appropriate price level to ensure the highest profit for HDBank

EVALUATION ON THE CORPORATE GOVERNANCE IMPLEMENTATION

In recent years, under the Board of Directors's directions, Vietjet has been applying good practices in corporate governance. The relevant governance principles have been actively referred by Vietjet in the process of building the internal management system at the Company, aiming to improve the quality of corporate governance, creating a premise for business development and achieving broader economic goals that are relevant to shareholders and investors' confidence, accumulating, accessing to the capital markets and allocating capital to expand business operations, specifically:

- ➔ Complying with regulations on transparency and information disclosure;
- ➔ Focusing on training the members of the Board of Directors and the secretariat in updating and improving knowledge via training courses on Corporate Governance.

ORIENTATION OF THE CORPORATE GOVERNANCE

With the goal of pioneering the application and gradually reaching to the corporate governance standards of the region and the world, Vietjet needs to continuously carry out the following tasks related to the corporate governance which aims to improve standards related to "Information Disclosure and Information Transparency", and strengthen the "Role of Stakeholders", specifically:

- ➔ Continuing to maintain compliance with regulations on information disclosure and transparency as required in Circular 96/2020/TT-BTC dated November 19, 2020 on disclosure of information on the stock market. Circular 116/2020/TT-BTC dated December 31, 2020 on public company governance applicable to public companies, Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government regulating detailing the implementation of a number of articles of the Securities Law and standards in the management scorecard (Scorecard)...
- ➔ Developing subsequent plans, orientation and training programs for new members of the Board of Directors and incumbent members to ensure that Vietjet's next leadership has the essential experience and skills to take on the task.
- ➔ Innovating Vietjet's website with a more user-friendly interface and features to update and fully disclose information to shareholders, customers, domestic and foreign investors to easily access.

ACTIVITIES OF THE GENERAL MEETING OF SHAREHOLDERS

The 2023 Annual General Meeting of Shareholders was held on April 26, 2023 in the form of a direct meeting and collected shareholders' opinions in writing on December 15, 2023.

ACTIVITIES OF THE BOARD OF DIRECTORS

Vietjet's Board of Directors has been active with an approach of responsibility and transparency in governance, strictly complying with regulations for public companies.

Issues related to business strategies, market expansion, technological investment and management system construction are regularly reviewed and evaluated by the Board of Directors in regular meetings.

Meetings of the Board of Directors were convened in a timely manner and conducted in accordance with the procedures specified in the Company's Charter, Internal Regulations on Corporate Governance, Operational Regulations of the Board of Directors and other relevant documents. The contents of the meetings were discussed and evaluated fully and carefully by the members of the Board of Directors in order to provide orientations and solutions that would bring the highest benefits to the Company. The decisions of the Board of Directors at the meetings are approved by the Board of Directors on the principle of majority, the minutes of the meeting are fully prepared and signed by the members of the Board of Directors attending the meeting.



INVESTOR RELATIONS



At Vietjet, the Investor Relations Department (IR) under the finance and accounting department has roles and functions related to information disclosure and information provision about the Company's business activities.

DISCLOSURE OF INFORMATION IN ACCORDANCE WITH THE REGULATIONS

In 2023, Vietjet has strictly complied with the regulations on information disclosure as required by Vietnamese law and international practices. In particular, the Company has actively implemented bilingual information disclosure to ensure that domestic and foreign shareholders/investors have access to information in a fair, timely and accurate manner and not being restricted by any language barrier.

In addition to the information disclosed to the SSC and the Stock Exchanges in accordance with the regulations, the Company has established a professional Investor Relations Department that is responsible for being the main information exchange point with shareholders and investors in order to provide information transparently and quickly to the market through press releases, investor meetings, quarterly performance reports and monthly investor newsletters...

At the same time, during the year, the Investor Relations Department also participated in propaganda and dissemination programs about the Law on Securities, Decrees and guiding circulars related to the responsibility

of information disclosure of public companies as well as updating the Information Disclosure Process to ensure that the information disclosure is in accordance with the regulations on time and content.

In addition, the Company also strives to improve the quality of the annual report by improving numerous content of the report, providing more detailed analyses and assessment of governance, economic, environmental and social activities. ... Information on salary and bonus of the Board of Directors, Supervisory Board and Board of Management is also specifically and widely disclosed by the Company in the documents of the General Meeting of Shareholders, Annual Report and Financial Statements.

According to the assessment of the TUVNORO (Germany) delegation, Vietjet's information security management system is being operated effectively, meeting the information security standards ISO27001:2013. Especially, in 2022, Vietjet has expanded the scope of application of the system to new departments such as FCD, CCD, OMC, FOE, GO, thereby ensuring the extensive monitoring and information management process within the Company.

INFORMATION PROVISION ON THE COMPANY'S BUSINESS ACTIVITIES

The Investor Relations Department, together with the Company's Communication Department, in collaboration with the Securities Trading Organizations conducted seminars with institutional investors to promptly provide business information for Investors.

RISK MANAGEMENT

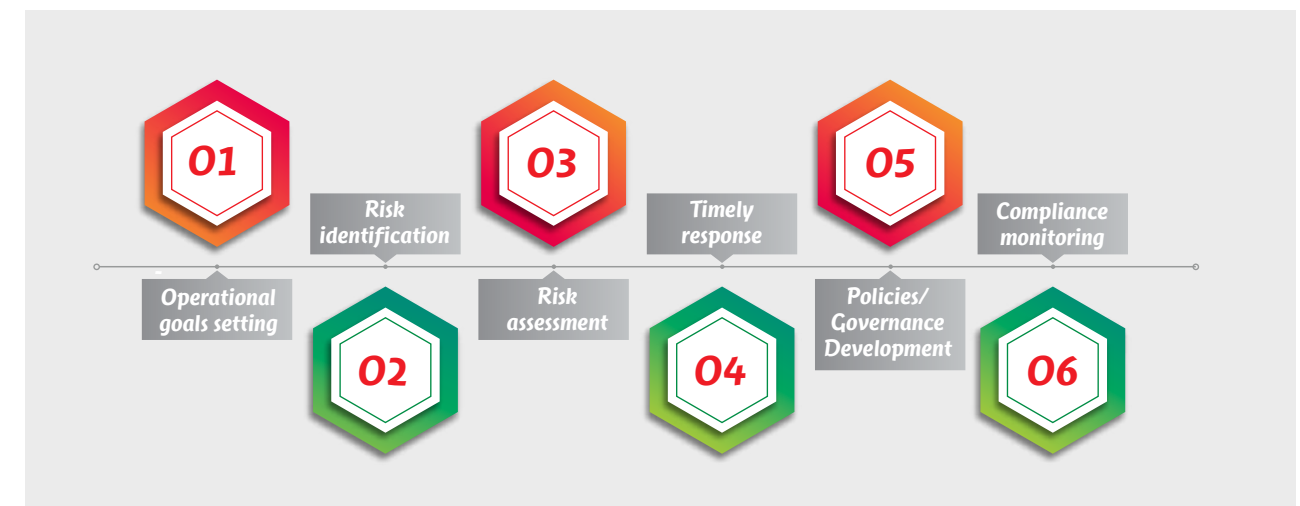
Operating in the aviation industry, an industry whose volatility is highly correlated with macro developments, Vietjet understands more than anyone else the importance of risk management. Accordingly, good "risk management" is not only for the purpose of predicting and limiting the impact of unexpected developments and implementing the most optimal treatment plan, but also for helping Vietjet identify opportunities for timely and correct decisions.

In the current volatile and unprecedented environment, Vietjet thoroughly pursues the strategy of "Conservative management", flexible response to ensure sustainable development, maximize benefits for shareholders and stakeholders.

RISK MANAGEMENT PROCESS

Vietjet's risk management process is built with 6 steps, ensuring inclusiveness and objectivity in order to support the Board of Directors and Board of Management in the risk management activities. Tasks and responsibilities for each level, each department are defined vertically (functional departments) and are independently supervised by the internal control department that is reporting directly to the audit subcommittee and the Board of Directors; it is essential to ensure the most effective risk management process, to ensure that the management process not only minimizes risks but is also consistent with the long-term development orientation.

VIETJET'S 6 STEPS OF RISK MANAGEMENT INCLUDES:



- » **Operational goals setting:** Setting clear operational objectives and strategies of the Company as a basis for determining the limits and levels of risk management (which activities need and do not need management).
- » **Risk identification:** Fully and promptly detecting events that may hinder or affect the implementation of the Company's operational objectives and strategies; thereby grouping risks to manage.
- » **Risk assessment:** Assessing the likelihood of occurrence and extent of the impact of risks on the Company's objectives and operational strategies, then rank these risks to determine treatment priority, acceptability of each type of risk and consider the most optimal risk control measures.
- » **Timely response:** Identifying measures, develop action plans and closely monitor each type of risk in an appropriate and timely manner in order to minimize the impact on the Company's operational goals and strategies.
- » **Policies/Governance Development:** Issuing detailed risk management policies and procedures to control and respond to risks.
- » **Compliance monitoring:** Checking, reporting on effectiveness assessment, proposing adjustment and improvement of risk management at the Company.

THE RISKS

The business environment in 2023 as well as the upcoming years will continue to face many unpredictable difficulties and challenges; Therefore, Vietjet always focuses and makes more efforts in risk management. Through the analysis of the business environment in the short, medium and long term as well as the key areas in business activities, the objectives and strategies of operation, Vietjet has identified important risks that the Company must prioritize to manage, including: (1) Economic risk, (2) Legal risk, (3) Specific risk, (4) Other risks.

Economic risk

Important economic factors of the economy such as economic growth rate, inflation, interest rates, exchange rates, etc., have a direct impact on the business results of the aviation industry in general and Vietjet in particular.

Economic growth

The economic growth rates of the world and Vietnam directly and strongly affect the production and business efficiency of air transport enterprises, including Vietjet. A stable economy will create an important development milestone for the air transport industry, specifically:

- People's income and living standards are improved to help promoting population growth, increase travel and tourism demand...
- The expansion of production, increased trade increases the solvency, time requirement becomes necessary, so the demand for air freight increases.
- The increase of state budget helps to supplement investment capital for the development of infrastructure and means of transportation such as airports, management systems, aircraft, etc.

In contrast, economic instability or recession affects the demand for infrastructure development, air transport and adversely affects Vietjet's production and business activities.

The GDP growth for the entire year of 2023 is estimated to reach approximately 5.05%, demonstrating a sustained upward trend throughout each quarter (3.41% in Q1, 4.25% in Q2, and 5.47% in Q3). Within the overall economic

growth, the agriculture, forestry, and fisheries sector increased by 3.83%, contributing 8.84% to the overall growth, serving as a cornerstone for the economy. The industrial and construction sector increased by 3.74%, contributing 28.87%, while the service sector grew by 6.82%, contributing 62.29%. Specifically, the value added to the industrial sector in 2023 increased by only 3.02% compared to the previous year, marking the lowest growth rate during the period from 2011 to 2023, contributing 1.0 percentage point to the overall GDP growth rate. The value added to the service sector in 2023 increased by 6.82% compared to the previous year, surpassing the growth rates of 2.01% and 1.75% recorded in 2020 and 2021, respectively. The GDP scale for 2023 at current prices is estimated to reach VND 10,221.8 trillion, equivalent to USD 430 billion, with a per capita GDP of VND 101.9 million, or USD4,284, representing an increase of USD160 compared to 2022. Consequently, the GDP growth rate for 2023 is lower than the target set by the National Assembly at the beginning of the year (approximately 6.5%) due to the following main reasons: 1 - Weak external demand caused by rapid global inflation, leading major economies to continuously raise interest rates to implement tighter monetary policies, thereby reducing consumer demand and investment expansion; 2 - Slow domestic recovery in both consumption and investment, as evidenced by the sluggish growth in retail sales of goods, service revenue, and credit growth, all of which achieved lower growth rates compared to the same period last year.

Vietnam's GDP Growth Rate (%)
(Source: GSO)

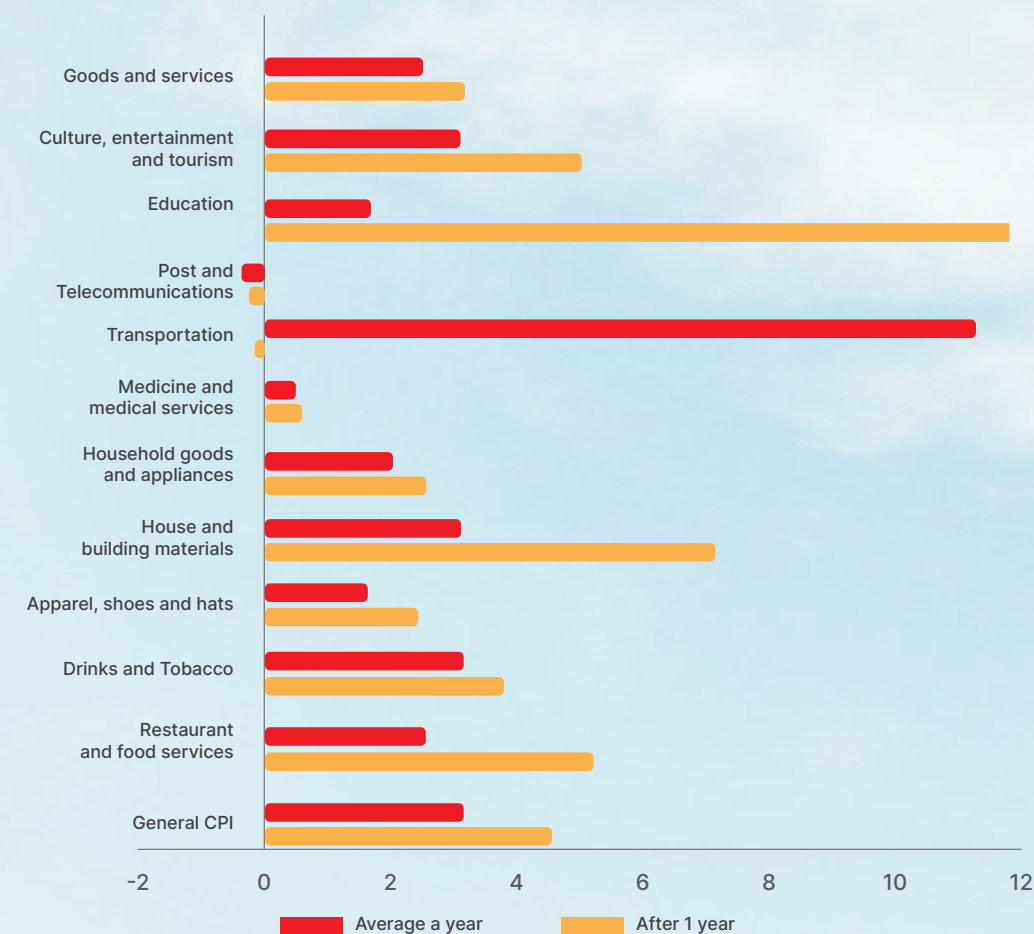


Inflation

In 2023, Vietnam's average inflation rate increased by 3.25%, achieving the National Assembly's target of keeping inflation at 4.5%. This marks the 12th consecutive year that Vietnam has maintained single-digit inflation since the surge in inflation in 2011, contributing to macroeconomic stability and providing a solid foundation for sustainable economic growth. It has also strengthened the confidence of the people, businesses, and foreign investors in the domestic currency and business environment in Vietnam.

The success in controlling inflation is the result of comprehensive coordination among monetary policy, fiscal policy, and other macroeconomic policies, as well as the collaboration between central and local economic management authorities in price management and market regulation. This includes ensuring the balance of supply and demand and the circulation of goods in the market, along with proactive, flexible, and timely responses from relevant agencies to new developments in both domestic and international markets.

The direct impact of inflation on business results is always a matter of close attention and careful monitoring by the company. This ensures timely and appropriate adjustments to align with macroeconomic factors



RISK MANAGEMENT

THE RISKS

Interest rate

The fluctuation of interest rates in the market due to the implementation of tight monetary policies, interest rate caps, and support policies can significantly impact the business operations of companies, especially those reliant on borrowing such as Vietjet.

For Vietjet, loans from domestic and international banks are primarily utilized for financial leasing and acquiring new aircraft. Although the banks and financial institutions providing credit to the Company often offer preferential interest rate policies, given their long-standing relationships and high creditworthiness, along with diversified financial activities, which help generate profits and save borrowing costs. However, interest rate fluctuations may still increase borrowing costs, thereby

affecting the Company's profitability. Therefore, to mitigate the impact of interest rates on the Company's expenses, the Board of Directors consistently strives to control financial indicators, particularly debt service coverage ratios, and debt control to ensure that the debt-to-equity ratio remains at a safe level lower than the industry average while adhering to the standards of leading airlines worldwide. Additionally, long-term financial plans of the Company are carefully evaluated and considered before making decisions to utilize loans from banks.

Exchange rate

The fluctuation of exchange rates between the Vietnamese dong and other currencies can affect the financial situation and business results of companies engaging in transactions in foreign currencies, including Vietjet.

Given the nature of the aviation industry, the majority of financial leases, loans to finance the fleet, and major expenses such as aircraft ownership costs are denominated in USD. However, Vietjet benefits from being a Vietnamese airline and enjoys advantages from the country's foreign exchange control policies. Furthermore, Vietjet is focused on developing international routes alongside a dense domestic network, resulting in foreign currency revenue gradually accounting for a significant portion of its total revenue, including revenue from the aircraft commercial segment. This has helped the Company balance the costs denominated in foreign currencies (natural hedging).

To minimize the impact of exchange rate fluctuations on the business operations, Vietjet has implemented various measures to tightly control foreign exchange risks, such as forecasting cash flows, payment needs on a daily/weekly/monthly/quarterly/annual basis, and using financial derivatives instruments like CCS, IRS, SWAP to hedge risks and enhance financial operating profit.

Vietjet always focuses, pays attention to and regularly monitors the fluctuation of basic economic factors such as economic growth rate, inflation, exchange rate...to promptly offer the most appropriate and effective change solutions. At the same time, proactively building budgets, monitoring cash flow plans and economic and financial fluctuations on a regular basis, and strict management policies on debt collection have helped the Company manage value the risk of difference in interest rates, exchange rates and optimize the use of loan capital from time to time.

Legal risks

Vietjet is currently operating as a public company and listed on the Ho Chi Minh City Stock Exchange (HOSE). Therefore, the Company is governed by many different legal documents such as: Law on Enterprises, Law on Securities, Law on Taxation, etc. In addition, with business characteristics in the field of air transport, the business activities of the Company is also influenced by relevant legal documents such as the Law on Civil Aviation, the Decree on Aviation Security... and other documents. Accordingly, changes in the legal system may directly or indirectly affect Vietjet's cost, flexibility, marketing strategy, business model and scalability, for example, the regulator may restrict the operation of airports operated by the Company through decision restrictions on take-off and landing hours, noise level restrictions, mandatory flight paths, road restrictions ice, limits on average daily departures...

Besides, Vietjet also provides international services, so in addition to being governed by Vietnamese law, the Company is also governed by the laws of some countries that the airline aims to exploit. Therefore, in some cases, fares and flight schedules must be approved by the Government of the relevant countries.

Vietjet always strictly complies with legal regulations, regularly monitors, studies and updates legal documents related to aviation activities; and at the same time update on changes in the law, promptly inform all officers, employees and shareholders of the Company and offer reasonable response solutions to take advantage of all opportunities, minimize risks arising from these regulatory changes.

In addition, Vietjet also has legal consulting contracts with law firms on legal issues of the Company; actively participate in contributing ideas to draft policies and regulations related to the aviation industry in Vietnam.



Specific risk

Competitiveness risk

Vietnam's aviation industry is growing strongly in many years with the growth rate for 5 consecutive years at double digits. However, the development of the market not only opens up many opportunities for airlines but also great challenges, because the market is increasingly competitive and fierce, which is reflected in many factors:

- » Number and size of airline companies: In recent years, in addition to the growth in fleet size of major airlines such as Vietnam Airlines, Bamboo Airways, Pacific Airlines, VASCO. There are a huge increase in number of new airlines that are established and entering the market. Typically, a series of new airlines such as: Vietravel Airlines, Vietstar, Vinpearl Air have registered to establish air transport businesses and are waiting for flight permits.
- » Diversity of the market: Currently, the aviation industry serves diverse needs of customers such as: purposes (travel, tourism...), objects (individuals, organizations, businesses...), territories (domestic, international), service class (popular, business...).
- » Price competition: Airline are striving to increase market shares through cutting ticket prices, increasing supply load, increasing promotional programs, increasing discounts...
- » Competition in service quality: Airlines focus and strive to improve and enhance service quality through factors such as: quality of seats, dining, staff, equipment bag...
- » International integration: In the process of international integration, besides potential growth opportunities, the aviation industry still faces many challenges in general and competition in particular, especially the ASEAN Open Skies (effective from 2016) through the removal of barriers on the number of routes, flight frequency, etc. between international airports in ASEAN countries with the aim of directing to a single aviation market in ASEAN.

The dynamic business environment and fierce competition factors are the driving force for Vietjet to constantly improve service quality and added value for customers, promoting the development of Vietnam's aviation industry.

In addition, Vietjet also faces competition from major international airlines on international routes to and from Vietnam such as:

- » Turkish Airlines is a 5-star national airline of Turkey with the largest flight network in the world, who entered the Vietnamese market in 2008 and officially opened a representative office in Hanoi in May 2019. In the Vietnamese market, the airline is leading in terms of routes and number of passengers from Vietnam to Europe.
- » Malaysia Air Asia is a famous Asian low-cost carrier based in Malaysia with flights from Kuala Lumpur to/ from Can Tho and is expected to open more routes from Can Tho to Bangkok.
- » Edelweiss Air is a leading Swiss airline based at Zurich Airport (ZRH), specializing in operating flights to the most beautiful tourist destinations in the world. In addition to connecting tourists from Switzerland and Europe to Vietnam, this new route also facilitates passengers to fly directly from Ho Chi Minh City to Europe quickly and conveniently, saving maximum time.
- » Air Seoul is a Korean low-cost carrier, owned by Asiana Airlines and headquartered at Incheon International Airport (Seoul) with flights from Korea to Da Nang.

Realizing the negative impacts of competitive factors in the aviation industry, Vietjet always focuses on building a development strategy in the form of low-cost carrier (LCC) by focusing on the segment of Ancillary revenue - an advantage of Vietjet, while improving service quality on flights by providing services such as SkyBoss and diverse dishes to suit all regions of the country as well as countries around the world.

In addition, in order to affirm a strong position in the aviation market, Vietjet always pays attention and prioritizes the application of innovative solutions through modern technologies following the current trend of digital transformation such as mobile apps, e-wallets... in order to create more utilities for customers, increase exploitation of new customers, provide convenient services...

- » Vietjet has cooperated with MOVI Welfare Program (Viet Phu Payment Services Support Corporation) to launch a new product called "Fly Now - Pay Later". The product has features and characteristics that meet travel needs and provide financial solutions for low-middle-income workers who need to travel domestically by plane. Flexible installment from 1 to 6 months.
- » Vietjet and Lufthansa Technik Group signed a cooperation agreement to deploy AVIATAR's Technical Logbook application to help transparently and efficiently manage technical data, coordinate between flight crew and technical maintenance team. The application will be integrated across the airline's entire fleet, replacing the manual recording and updating process with the previous paper logbook, making data processing faster and more accurate.
- » Vietjet officially introduced the product SKY HOLIDAYS at <http://skyholi-days.Vietjetair.com> from July 8, 2022 with the convenience of ticket and resort booking all over Vietnam.

Fuel risk

With the main characteristics of high stability, good heat resistance, Jet-A1 jet fuel is an oil-type fuel used in jet engines in general and is the main source of input fuel for the air transport industry in Vietnam.

Currently in Vietnam, there are only a few businesses supplying Jet-A1 gasoline to airlines such as Petrolimex Aviation, Skypec (a subsidiary of Vietnam Airlines), Tapetco. Jet-A1 gasoline is imported from abroad (mainly from Singapore) or taken from domestic Dung Quat oil refinery, then supplied to airlines through two methods: refuel by vehicle and loaded through the underground loading system. At foreign airports, Shell, Chevron and World Fuel are the three main suppliers of Jet-A1 gasoline for Vietjet Air and Vietnam Airlines.

At Vietjet, the cost of using Jet-A1 gasoline accounts for 30-40% of the total input costs, so the fluctuation of Jet-A1 gasoline price has a great influence on the Company's profit. However, it is difficult to control and forecast the price fluctuation of Jet-A1 gasoline because it depends on the world price of crude oil (Brent oil) - one of the sensitive commodities that is easily affected by the economic, political and social factors.

In order to limit the possibility of arising as well as reduce the impact of this risk, Vietjet has been proposing and implementing many effective measures such as: (1) Using a fleet of aircraft with a low average age to optimize fuel consumption; (2) Implementing fuel-saving program; (3) Operating the new generation fleet of Airbus A321 NEO.... This helps to minimize fuel consumption.



Specific risk

Risks of airport infrastructure limitations and air traffic control

Vietnam currently has 22 airports in operation. In which, Airports Corporation of Vietnam (ACV) is the only airport owner and operator in Vietnam. With a strategic geographical location, comprehensively invested infrastructure, a large number of passengers along with development investment priorities from the Government, despite the location of airports stretching from North to South. However, airport operations in Vietnam are concentrated at only three airports: Tan Son Nhat, Noi Bai and Da Nang International Airport.

In recent years, along with the establishment, operation and development of new airlines and the increasing demand for air transport have been upgraded. However, the large difference in the progress of infrastructure construction investment and the airport's capacity expansion has created overload both in the air and on the ground, which can affect flight safety. To reduce this pressure, the Government has focused on implementing the Resolution to expand Long Thanh airport, expand the construction of Tan Son Nhat T3 Terminal, and cooperate and expand private investment in new airports. (Van Don airport...), further enhancing airport quality with high international standards to attract and distribute loads at Tan Son Nhat and Noi Bai International Airports.

While the solution to reducing turn-around times at airports increases aircraft efficiency, handling disruptions and providing reliable service allows the Company to reduce unit costs, thereby generate more revenue from flight activities, save fixed costs, increase Company's profits. However, limited airport infrastructure and air traffic control can still affect the ability to maximize aircraft performance, increase aircraft turnaround time, adversely affecting the Company's financial results. Therefore, in order to limit this risk, the Company always focuses on the following activities: (1) Actively developing the aircraft fleet and allocating reasonable flight schedules during the operation; (2) Cooperating with ground service providers at airports to create favorable conditions for operation; (3) Launching the ground self-service to enhance service quality and save direct costs by investing in developing airport infrastructure to create favorable conditions for operation; (4) Joint venture with partners in building and expanding new airports...

Risks associated with aircraft manufacturers

Currently, airlines in Vietnam purchase aircraft from major aircraft manufacturers in the world such as Boeing, Airbus, and ATR. Thanks to its design suitable for low-cost airlines with short-haul domestic and international flights, Airbus holds the majority of market share in Vietnam with the most commonly used aircraft, the A320 family, with the ability to fill seats higher than other large aircraft (designed with a single aisle, capacity from 180 to 220 seats ...). Domestic aircraft production capacity is a big challenge for Vietnam's aviation industry, especially the price of aircraft and spare parts has continuously increased in recent years. Although the increase of the aircraft purchase price is stable with a certain delay and especially the predictability that helps airlines to estimate costs and adjust development plans, fluctuations in input prices still significantly affect Vietjet's business results.

Thanks to the advantage of credibility and scale, Vietjet has the ability to negotiate the purchase, sale and lease prices of aircraft, and better discounts from manufacturers, not only helping the Company secure good commercial terms but also receive multiple programs of technical support, warranty, maintenance, training ... from domestic and foreign aircraft manufacturers.



Risks associated with third-party distribution systems

Although there is a strategy to increase the online ticket booking channel, the sales channel through Vietjet's agents is currently still an extremely important distribution channel, specifically:

- » The relationship between the Company and the ticketing agency system may be affected by the commercial terms that other airlines apply to these agents.
- » As these agents interact directly with the Company's passengers, the quality of the agent's service may affect the Company's reputation and business results.
- » The shortage of agents will affect the company's revenue.

However, in response to the trend of technology development, Vietjet has invested in improving digital transformation technology, and at the same time increasing the number of experienced and financially capable general agents. The company also focuses on increasing the percentage of online sales channel by improving and innovating the reservation system on the online channel in parallel with creating the fastest supporting applications for this channel.

Risks related to weather factors

According to statistics from the American Airlines (FAA), weather is the cause of about 70% of flight delays.

In Vietnam, according to the Safety Board - Vietnam Flight Management Corporation, about 50-60% of flight operations are affected by weather, including problems such as longer flight, flight delays bypassing the FIR border (Flight Information Region), missed approach, turning back or landing at alternate aerodrome...These figures do not include flights canceled due to airport closures during particularly bad weather (cumulative clouds, turbulence, freezing, etc.). All of these incidents have largely resulted in additional financial costs for airlines.

To minimize the impact of weather on flight operations, Vietjet has developed a forecasting system and devised a plan to adjust flight schedules in the face of tropical depressions, storms, and other incidents. In 2019, the airline applied the method of suspending flights to unsafe areas and increasing operations after the storms have passed. These actions show that Vietjet is prepared and responsive to possible weather-related risks.

Risk of political and social instability

The socio-political instability not only affects the safety of the aviation industry but also affects passengers' behaviors. Under the impact of long-term conflicts and political instability, besides the heavy impacts on passengers, it also affects the economy in general and the tourism industry in particular, thereby indirectly affecting the aviation industry.

Vietjet has sought to mitigate this impact by increasing investment on expanding markets and increasing flights to locations with more stable political situations. Notable flight routes such as Da Lat, Can Tho, Seoul (Incheon), Hanoi, Ho Chi Minh City, Da Nang - Nagoya, Fukuoka, Kagoshima have been expanded to meet customers' travel needs.

Risk of accidents or incidents

Ensuring safety is a top priority for the aviation industry, where compliance with safety standards is extremely stringent. In the event of an accident or incident, the airline not only incurs property loss as well as associated increased costs, including passenger compensation costs, aircraft repair and replacement costs, but also has the image, service quality and production and business activities of the company detrimentally been affected.

At Vietjet, service quality and safety are always the top priority and the company strictly adheres to safety regulations according to international standards. According to AirlineRatings, besides other prestigious airline brands in the world such as Ryanair, easyJet, Frontier Airlines, Wizz...Vietjet is also one of the 10 safest low-cost airlines in the world in 2023 out of a total of more than 385 global airlines. In 2023, AirlineRatings continued to recognize Vietjet as a 7/7-star airline for absolute aviation safety, the highest rating globally that the airline has maintained consecutively for four years from 2018 to the present. Additionally, achieving and maintaining the IOSA certification since 2014, along with consistently meeting operational standards in the evaluations conducted in 2016, 2018, 2020, and 2022, have further ensured the safety of Vietjet's flight operations.

SUSTAINABLE DEVELOPMENT



**SUSTAINABLE FUTURE
GROWING PROSPERITY**

231.654

**AVIATION
SAFETY
POLICY**

**ENVIRONMENT
PROTECTION**

**ENVIRONMENTAL
IMPACT
MANAGEMENT**

**COMPLIANCE
WITH THE LAW ON
ENVIRONMENTAL
PROTECTION**

**RESPONSIBILITY
TO THE LOCAL
COMMUNITY**

314.53

**POLICIES
RELATED TO
EMPLOYEES**

**ASSESSMENT
REPORT REGARDING
THE COMPANY'S
ENVIRONMENTAL
AND SOCIAL
RESPONSIBILITY**

AVIATION SAFETY POLICY

In 2023, the Board of Directors has continued to direct and supervise the Company's Board of Management to implement the following sustainable development programs:

As the leading airline in Vietnam, Vietjet always puts safety as one of the top priorities in its business development strategy. Accordingly, with the goal of minimizing unfortunate incidents for staff and passengers, aircraft and assets, Vietjet constantly evaluates, improves and upgrades its aviation safety programs.

Vietjet's safety policy includes effective solutions such as training and updating employees' skills, periodically checking and maintaining aircraft, ensuring compliance with international aviation safety regulations and apply advanced technology for safe risk management.

In addition, Vietjet also focuses on enhancing coordination between departments in the company to ensure the safety and efficiency of aviation operations. All of these efforts of Vietjet aim to ensure that each of their flights is always performed with the highest level of safety, ensuring peace of mind for passengers and honoring the Vietjet brand in the Vietnamese aviation industry.

1. SAFETY MANAGEMENT SYSTEM TRAINING (SMS)

- » Ensuring that all staff are trained in the general awareness and work related to the aviation safety management system.
- » Ensuring that all aviation staff are trained and implemented programs for the aviation safety management system for the first time and periodically according to the regulations of the Vietnamese authorities and IATA standards through cooperation with authorities such as Civil Aviation Authority of Vietnam and international organizations such as IATA, AAPA, Airbus, Navblue, Ideagen, SCS...

2. AVIATION SAFETY COMMUNICATION

- » Ensuring the information updates which are relevant to the aviation safety are delivered timely and completely to all the personnel and partners including level of warnings, recommendations, directives, notes, news and aviation safety-related conferences.
- » Launch PR communication activities about the Covid-19 presentative measures on all Vietjet's flights to ensure the safety for passengers and staff while in operation.

3. AVIATION SAFETY RISK MANAGEMENT AND SAFETY REPORTING SYSTEM

- » Effectively operating online reporting system via Coruson, enables all employees to quickly identify and report risks, incidents and hazards, and provide suggestions for improvements to the safety system. The system also allows for the secure submission of reports anywhere via CORUSON online software.
- » Operation departments such as ground operations, flight operations and engineering (SAGS) have established safety operations to ensure the monitoring, control and identification of hazards and risks. In addition, they also proactively conduct investigations to identify root causes and take appropriate preventive measures.
- » The Change Management Committee controls all major changes that may affect the operation through monthly meetings, thereby assessing and managing risks and ensuring that relevant units are aware of the risks involved.



4. AVIATION SAFETY RATING (LOSA)

- » Conduct aviation safety assessment during the operation of the aircraft, including the cockpit and cabin, to document and improve the safety procedures that have been applied on the aircraft and detect trends in violation of aviation safety procedures to ensure safety and ensure compliance with aviation safety regulations.

5. FLIGHT DATA MONITORING AND ANALYSIS (FDM)

- » Establishing and maintaining the operation of the flight data monitoring system as part of the safety management system as required by the CAAV (Var 12.075) and IATA (IOSA-ORG 3.3.13) authorities.
- » Conducting continuous monitoring of aviation safety indicators collected through flight data analysis system, in order to timely detect potential hazards, assess flight safety trends, and make recommendations on safety related precautions.
- » Serving the investigation and settlement of aviation safety violations related to flight operations, in order to ensure the safety of passengers and crew.
- » Providing data for fuel economy program and engine life monitoring...

6. IOSA CERTIFICATE

- » Vietjet excellently achieved high results according to the aviation safety assessment program (IOSA) conducted annually by the International Aviation Association (IATA).



7. ISO 27001 STANDARD

- » According to the assessment results from experts of TUV NORD based on international standards, Vietjet's information security assurance system is still being maintained and operated effectively to meet ISO 27001 standards.
- » The ISO 27001 standard system helps Vietjet build and manage the most secure, safe and effective information system. Thereby preventing risks, managing weaknesses and deploying measures to prevent threats to the system accurately and in a timely manner...
- » In addition, Vietjet has implemented many measures to improve the system of documents, regulations and implementation procedures to improve the efficiency of using the system.

ENVIRONMENTAL IMPACT MANAGEMENT

Managing the impacts of the Company's business activities on the environment is considered one of the key requirements towards the goal of sustainable development. As a member of the International Air Transport Association (IATA), Vietjet identifies the Net Zero Carbon program as a mission that must be pursued towards sustainable development.

On October 31, 2023, at the 6th Vietnam - US Business Summit took place in Hanoi, in a discussion session related to the roadmap towards Net Zero, a topic that the Government, Vietnamese businesses are receiving special attention recently, Member of the Board of Directors and Vice President of Vietjet - Madame Ho Ngoc Yen Phuong opened the discussion session on Vietjet's operating plan towards developing zero emissions, especially in the airline sector, where international standards are common throughout the world.

Starting the journey to reduce CO2 emissions more than 10 years ago, when Vietjet only had 3 aircraft, now the airline has operated more than 100 aircraft and its environmental - social - corporate governance (ESG) activities are also large, strongly following the airline's development and growth journey, making an important contribution to the airline's success by optimizing resources, saving flight fuel, and especially protecting the environment and developing sustainably.

Vietjet's modern fleet of more than 100 aircraft is capable of saving 15% - 20% of fuel, the configuration is also optimized to help transport more passengers and can reduce emissions per passenger compared to other airlines up to 25% - 30%.



Fuel consumption is reduced by **15% - 20%**

Fuel emissions/passenger is reduced by **25% - 30%** Compared to other airlines

ENVIRONMENTAL IMPACT MANAGEMENT

To ensure maximum environmental protection and minimum negative impact of the aviation industry on the environment, Vietjet has implemented a management program of 5 main influential factors including:

- » Management of aircraft fuel consumption and fuel usage for ground service equipment.
- » Management of spare parts and replacement tools.
- » Limiting single-use plastic utensils.
- » Management of solid waste and wastewater from aircraft.
- » Management of hazardous waste from maintenance activities.
- » Promotion and communication campaigns.

In 2023, Vietjet has completed a report on Environmental protection to send to the Vietnam Aviation Administration and State Management agencies according to the provisions of Circular 52/2022 BGTVT.

The implementation of this program not only contributes positively to the environment, but also demonstrates the company's vision and commitment to a green and sustainable future of aviation in Vietnam.

Vietjet is also the pioneer airline in converting from paper tickets to electronic tickets, using online payment methods, online check-in, and kiosk check-in instead of traditional methods, helping to minimize the use of paper and ink... Vietjet's current in-flight equipment uses environmentally friendly, recyclable materials such as bamboo, coconut, compostable packaging...



In Thailand, Vietjet Thailand organized a charity music night "Vietjet Fly Green Charity Concert" gathering many famous Thai artists with the purpose of supporting the environmental protection activities of the Seub Nakhasathien Foundation and protecting forests. and wild animals are in danger of extinction. In addition, passengers, airline employees and students planted trees together at Rajapruek Royal Park (Chiang Mai) within the framework of the 'Fly Green Metro Forest' Project originating from the environmental fund 'Fly Green Fund'.

Vietjet has raised Fly Green Fund by deducting VND5,000 from each flight ticket sold to support environmental protection programs. With the message "Every red flight ticket, a green planet", this program has attracted the active participation of passengers, contributing to environmental protection activities such as planting trees, cleaning the sea and replacing plastic items on airplanes are made from environmentally friendly materials. Vietjet's mission is to promote sustainable development and environmental protection, and we are honored to accompany passengers on this journey



FUEL CONSUMPTION MANAGEMENT

Jet fuel accounts for the largest proportion of airline operating costs. Therefore, strict and effective control of consumption is essential to minimize the impact on the environment (reducing gas emissions, reducing greenhouse effect...) and improve the Company's business results (reduce operating costs, increase profits and competition). For Vietjet, fuel costs account for 38% to 45% of total operating costs, so optimal fuel consumption management is a core task in the company's business strategy.

In 2023, Vietjet saved nearly USD 4.6 million in aircraft fuel costs by implementing energy-saving measures for the air conditioning system during takeoff, roll out/roll into the parking lot only by one (01) motor, and optimizing aircraft weight by adjusting fuel load per flight segment. Additionally, the airline optimized the consumption of clean water for each flight.

Vietjet has built a business model with the least environmental impact for the following reasons:

- ✈ **New and young fleet:** Vietjet has a new fleet of aircraft, uniformly using new technology engine NEO (New Engine Option) with fuel consumption being 20-30% less than that of the narrow-body A320/321, which contributes to the reduction of greenhouse gas emissions.
- ✈ **Additional in-flight seats:** Due to the arrangement of more seats on the aircraft, fuel efficiency increases (the number of seats per kilogram of fuel increases).
- ✈ **Selection of lightweight materials:** When designing seats for new aircraft, Vietjet prioritizes choosing space-optimizing designs to increase the number of seats on each aircraft and reduce the weight of the aircraft, it will contribute to fuel savings.
- ✈ **High operational efficiency:** Vietjet deploys programs to monitor and analyze flight activities to improve fuel efficiency. Vietjet implements Safran Group's program to optimize fuel consumption of aircraft (SFCO2) to optimize landing methods, fuel carried, on-road process, speed and optimum altitude as well as pilot and crew maneuvers.

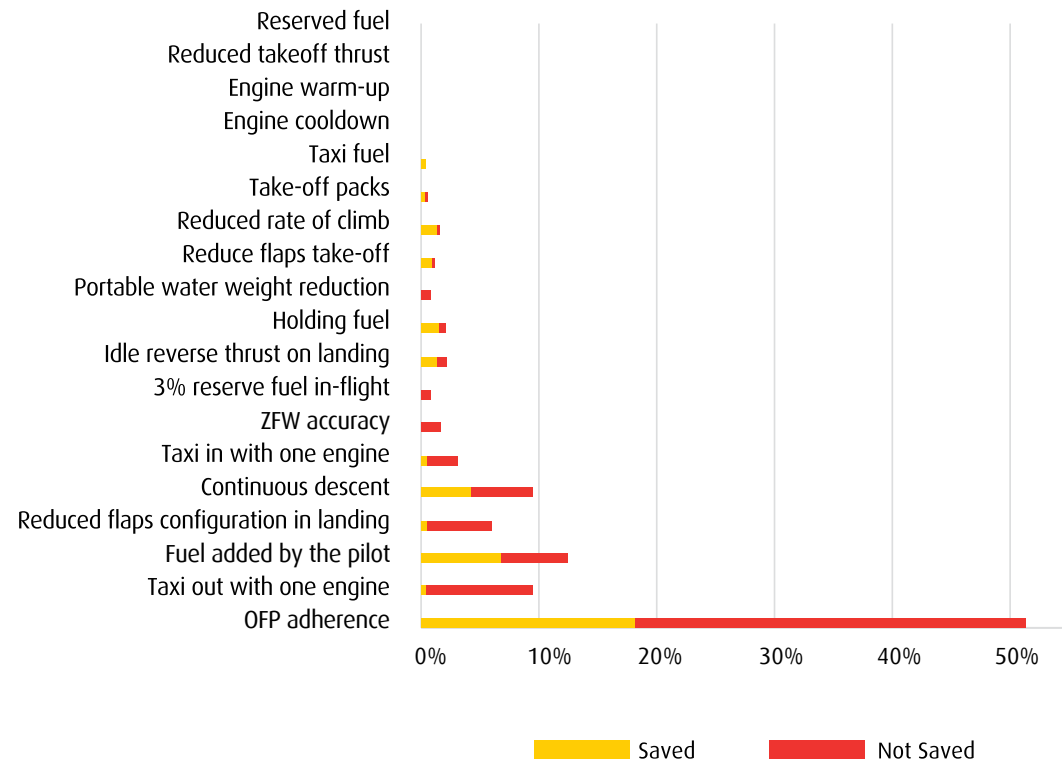
In business activities, Vietjet aims to build a comprehensive, long-term and effective fuel saving program. To achieve this goal, Vietjet has increased the use of GPUs in maintenance work; At the same time, since 2017, the Company has cooperated with France's Safran Group to implement a program to optimize aircraft fuel consumption (SFCO2) through many different solutions, including providing detailed instructions for pilots to control engine operations during flight; This helps optimize engine performance, reduce drag during landing and takeoff, and increase operational safety. In addition, by monitoring and providing accurate information about the weight of passengers, luggage, and spare fuel in the fuel tank of the SFCO2 Program, Vietjet also helps Vietjet calculate the amount of fuel that needs to be refilled and minimize waste fuel and improve fleet operational efficiency.

Furthermore, on December 3, 2023, Vietjet and Novus Aviation Capital, a leading financial and asset management company in the aviation sector headquartered in the United Arab Emirates (UAE), passed subsidiary SAF One,

has signed an agreement to establish an aviation finance joint venture and cooperate in the supply of Sustainable Aviation Fuel (SAF) in Vietnam. The goal of this agreement is to work towards a greener aviation future and make a positive contribution to reducing carbon emissions in the aviation industry. Through this agreement, Vietjet is also one of the pioneering airlines participating in research, development and use of sustainable aviation fuel. SAF is a fuel produced from recycled resources such as used cooking oil, to reduce carbon emissions into the environment compared to traditional fuels.

In addition, Vietjet also implements the Miss Airbus program through the following actions: (1) Strengthening the activities of the maintenance and cleaning team of passenger cabins and aircraft washing; (2) Control and quickly fix cabin failures; (3) Establish a workshop to maintain equipment in the passenger cabin (microwave oven, coffee maker, curtain/carpet,...).

20 operating factors that affect fuel consumption



SPARE PARTS MANAGEMENT

The use of input materials is also an important factor in Vietjet's aircraft maintenance, therefore the materials and spare parts used are carefully determined to ensure that they meet the standards and specifications of the aviation industry.

To ensure professionalism, efficiency, safety and international standards, Vietjet has reviewed and applied the materials management methods of the world's airlines that are best suited to the conditions of Vietnam aviation industry.

Vietjet has classified supplies into two main categories: reusable spare parts and single-use spare parts.

- » Reusable spare parts are those that are repaired and reused, and also do not cause harmful wastes to the environment. To manage the use of reusable spare parts, Vietjet uses AMOS software to track the ratio between returned supplies for repair and discarded materials; at the same time, the management of the inventory of materials and the maintenance plan are also applied in advance to ensure the supply of materials for arising failures.
- » Contrary to reusable spare parts, single-use spare parts are those that are used and then released into the environment. To treat these wastes, Vietjet has signed contracts with functional units at the airport to take them to waste treatment. The supply replacement used are specified and referenced in accordance with the aircraft manufacturer's documentation and are purchased from foreign suppliers.



MANAGEMENT OF TOOLS BEING USED ON AIRCRAFT

Vietjet has made significant efforts in protecting the environment and reducing the impact of plastic waste through prioritizing the use of recyclable and environmentally friendly items such as paper cups, paper straws, tissue, paper bags, etc. Particularly for recyclable plastic materials such as plastic bottles, plastic spoons, and nylon bags, etc. Vietjet collects and separates them for treatment according to the guided process of a partner providing waste collection and treatment services.

Vietjet is also a pioneering airline in the Vietnamese aviation market, transitioning from paper tickets to electronic tickets, utilizing online payment methods, online check-in, kiosk check-in instead of traditional methods, helping to minimize the use of printed paper.

In addition, Vietjet also joined and became one of the first members of the Alliance against plastic waste chaired by Prime Minister Nguyen Xuan Phuc, which was launched in June 2019. The company has actively contributed ideas in creating a reward mechanism and encouraging breakthrough ideas in production and business activities in order to protect the environment in general. These efforts aim to reduce the use of single-use plastic products and build a plastic-free community. Since then, Vietjet contributes to creating a healthy living environment and protecting natural resources for future generations.





ENVIRONMENTAL PROTECTION



WASTEWATER MANAGEMENT INTO THE ENVIRONMENT

In business activities, Vietjet does not use a lot of water resources and raw materials.

- Water source: mainly water for in-flight usage
- Materials: mainly recyclable and environmentally friendly disposable tools.

Vietjet is committed to classifying and gathering waste and wastewater after each flight according to a waste treatment process that complies with urban environmental standards set by the Environmental Service Company at airports. However, to ensure that service providers comply with the law on environmental protection, Vietjet also evaluates and inspects the waste collection and treatment processes of these units.

In addition to factors such as price, quality, reputation, brand, etc. Vietjet evaluates and checks the waste collection and treatment process of service providers to ensure that they properly comply with the law on environmental protection.



PROPAGATE TO PROTECT THE ENVIRONMENT

Vietjet is one of the pioneer airlines in focusing on environmental protection and responding to climate change by ensuring full compliance with legal requirements on environmental protection and raising employee awareness.

To ensure that the policy of environmental management and protection is effectively implemented to more than 5,000 employees and stakeholders, Vietjet has implemented many practical measures such as: focusing on propaganda and communication to all parties involved; regular meetings to implement policies and procedures for each department, weekly newsletters, announcements via email, internet, company website and mass media are used to make sure the information is widely spread, etc.

Besides, in order to build a comfortable, convenient and hygienic working environment (maintenance station, warehouse, and material warehouse in a clean, green and scientifically arranged condition, etc.), Vietjet has implemented the 5S programs at all offices, bases and airports that the airline is operating.

Accordingly, at Vietjet, each member is highly aware of environmental protection and response to climate change. The reuse of stationery, workplace hygiene, planting trees, saving electricity, correct and effective use of working equipment, water sources, air conditioning, lighting are specific measures that each member performs in each daily activity.

With these measures, Vietjet has demonstrated its commitment and responsibility in protecting the environment and responding to climate change.

In the context of growing concern about environmental protection and natural resources, Vietjet has moved towards a green future and is committed to protecting Mother Earth for today and future generations. To contribute to this goal achievement, Vietnam's leading airline has implemented green flights, saved fuel, reduced emissions and noise pollution by utilizing the world's most modern aircraft.

At the same time, Vietjet has also cooperated with the Vietnam Youth Union to implement the program "Clean up the sea" in 28 provinces and cities with coastline stretching from North to South. The program has been implemented since June 2018 and achieved amazing results. Activities such as donating mobile propaganda vehicles, donating

costumes and tools to core volunteer teams have been carried out to support the clean-up of the sea. In particular, placing trash cans in public places also helps promote public awareness of the importance of environmental protection.

With these commendable efforts, Vietjet has established a reliable company's image that is responsible for the environment and natural resources. The implementation of the program "Let's clean the sea" is an important step for us to take care of and protect Mother Earth together, providing a green and sustainable future for people and our planet.

COMPLIANCE WITH THE LAW ON ENVIRONMENTAL PROTECTION

Vietjet's goal of ensuring compliance with legal regulations on environmental protection is reflected in the issuance of policies and operating procedures to ensure strict compliance with legal regulations on environmental protection in the countries in which the company does business.

At the same time, Vietjet also actively participates in activities of global environmental protection organizations, contributing to building a cleaner, more beautiful and sustainable world. In 2023, Vietjet has been implementing well the issued regulations and policies, ensuring there are no cases of violations of the law on environmental protection.

POLICIES RELATED TO EMPLOYEES

DYNAMIC WORKING ENVIRONMENT



Beyond material benefits such as salary, bonuses, and welfare, Vietjet's leadership also places great emphasis on the spiritual well-being of its employees. Understanding the importance of rejuvenating the workforce, finding inspiration, and fostering a sense of joy, Vietjet has established relaxation areas right within its main office. These areas include dining spaces, recreational and shopping zones, entertainment facilities, movie theaters, and fitness rooms.

Recognizing that human perspective and training activities are core values at Vietjet, the company not only invests in and prioritizes building a professional working environment but also focuses on training and enhancing the skills of its staff. This is achieved through various courses organized at the Vietjet Aviation Academy (VJAA) and through collaborations with leading domestic and international training institutions.

Gathering high-quality human resources, Vietjet currently has about 6,000 excellent individuals working at offices, domestic and international airports and on flights throughout Vietnam and the region. Every year, thousands of candidates apply to Vietjet because this place not only has good income and benefits but also has a dynamic, professional working environment with open career development opportunities.

Vietjet's workspace is designed to be open, creating convenience and comfort when people exchange work, need advice or simply say hello to colleagues. Inspirational slogans and green trees are placed everywhere as a message of Vietjet in its pioneering mission to protect the Earth, aiming for sustainable development.



“IT CAN BE SAID THAT VIETJET ALWAYS STRIVES TO CREATE THE BEST WORKING CONDITIONS FOR ITS EMPLOYEES, INSTILLING STRONG TRUST IN THE COMPANY’S VALUES.”

In 2023, Vietjet was honored for the third time as the “Best Workplace in Asia” by HR Asia Magazine, a leading human resources magazine in Asia. This award acknowledges Vietjet's efforts in creating a safe, fun, affordable, punctual, and rewarding work environment with attractive income and benefits for its employees, as well as unlimited opportunities for career advancement.



Best Workplace in Asia
by HR Asia Magazine



Best places to work and top employers in Vietnam
by Viet Research and Dau tu Newspaper



Also in this year, Vietjet was honored in the top 5 best places to work and top employers in Vietnam voted by Viet Research and Dau tu Newspaper. Honored at the time of Vietjet's 12th anniversary, the two awards came as a recognition of the relentless efforts of the airline's staff and management. It also reflects the modern and sophisticated work environment, which is an aspiration for many employees.

The review council conducted a survey and reviewed Vietjet based on the following criteria: financial indicators; labor policy; work environment; leadership and corporate governance; Awards, titles and special achievements have been recognized in production and business activities; Activities demonstrate the enterprise's responsibility to society and its employees.

At the 31st World Human Resource Development Congress held in Mumbai (India), Vietjet Thailand was honored as the “Excellence in Crisis Management and Recovery” with multiple impressive achievements.

It can be said that Vietjet always strives to create the best working conditions for its employees, instilling strong trust in the company's values. This provides a foundation for individuals and teams to accomplish their tasks with the highest efficiency. With passion and understanding of the significance of their work, the result is innovative products and services every day, ensuring safe flights and delivering satisfaction to passengers.

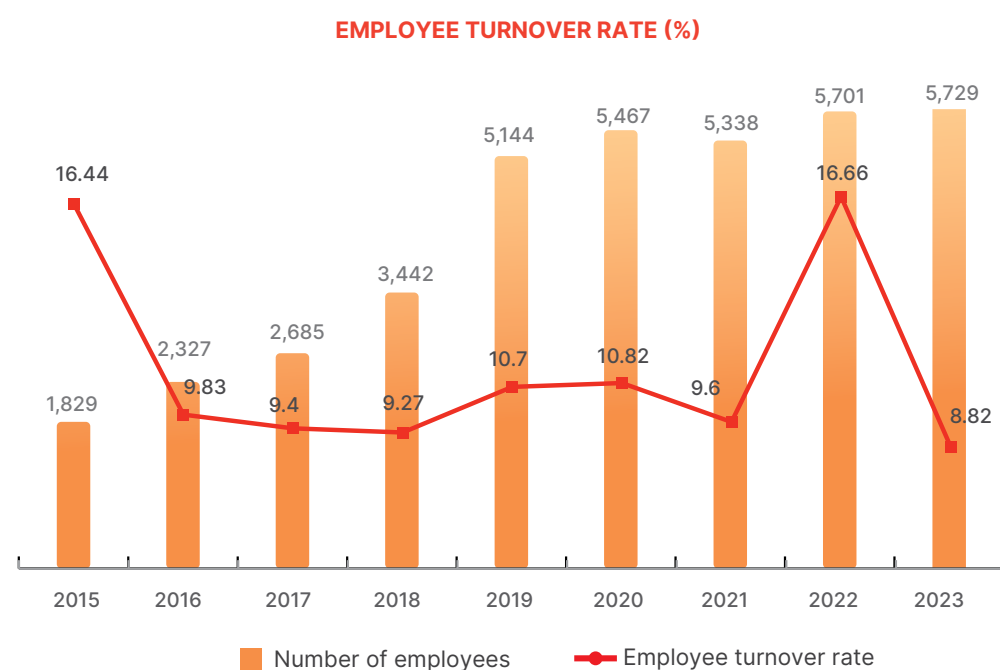
POLICIES RELATED TO EMPLOYEES

POLICIES RELATED TO EMPLOYEES

To build a workforce capable of meeting strategic objectives and seizing opportunities, Vietjet has proactively planned human resources at all levels through recruitment, training and development, and the establishment of policies and welfare systems. This includes enhancing the material and spiritual lives of all employees to create a healthy and professional work environment, attracting high-quality talent both domestically and internationally. Vietjet has also actively implemented professional training programs and practical management experience enhancement programs, while establishing partnerships with prestigious universities such as Ho Chi Minh City University of Technology, Hanoi University of Technology, and Vietnam Aviation Academy to proactively recruit graduates from these institutions.

High-quality human resources for the aviation industry, especially pilots and skilled technical personnel, are currently in short supply and face intense competition domestically and internationally, leading to a high turnover rate in the workforce. Despite the significant increase in the turnover rate of the tourism and aviation industries during the past two years due to the pandemic, Vietjet has managed to maintain an average turnover rate of below 15% in recent years.

Year	Number of employees	Employee turnover rate (%)
2015	1,829	16.44%
2016	2,327	9.83%
2017	2,685	9.40%
2018	3,442	9.27%
2019	5,144	10.70%
2020	5,467	10.82%
2021	5,338	9.60%
2022	5,701	16.66%
2023	5,729	8.82%



5,729
employees
NUMBER OF EMPLOYEES
(at 31/12/2023)

TOP 05
BEST PLACES TO WORK



DIVERSITY, EQUALITY AND SOLIDARITY

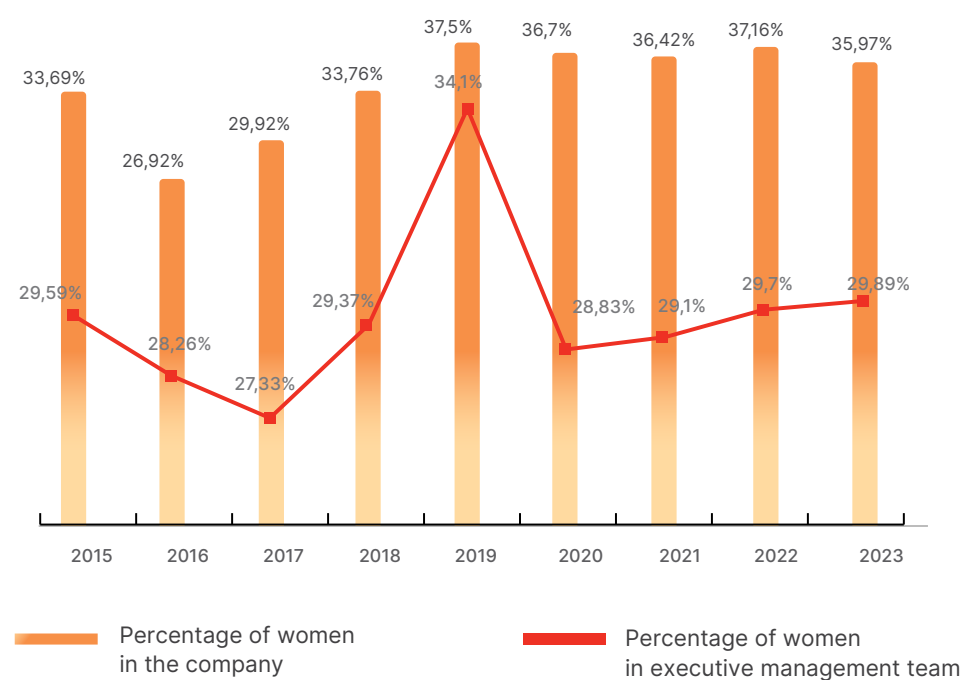
Vietjet's workforce comprises pilots, flight attendants, and experts with extensive experience in various fields. Diversity in nationality, culture, and experience is crucial for building a dynamic and competitive workforce in today's business environment.

At Vietjet, employees engage in working, learning, and collaborating in a professional environment, fostering a dynamic, innovative atmosphere and motivation for development. They actively participate in training and skill development activities, knowledge sharing, aiming to enhance their capabilities. Thus, Vietjet has been constructing a workforce equipped with skills, knowledge, and capabilities to meet the increasing demands of the market and customers, becoming one of the leading airlines in the region.

Vietjet particularly emphasizes promoting diversity and equal opportunities, with a focus on women's empowerment and encouragement for continuous learning and skill improvement. In the labor force structure, the proportion of female employee accounts for 35.97%, with women also representing 29.89% (an increase of 0.19% compared to 2022) in Vietjet's management team.

Year	Percentage of female in the company	Percentage of female in the Executive Management Board
2015	33.69%	29.59%
2016	26.92%	28.26%
2017	29.92%	27.33%
2018	33.76%	29.37%
2019	37.50%	34.10%
2020	36.70%	28.83%
2021	36.42%	29.10%
2022	37.16%	29.70%
2023	35.97%	29.89%

PERCENTAGE OF FEMALE EMPLOYEE BY YEARS



DIVERSITY, EQUALITY AND SOLIDARITY

At Vietjet, the role of women is considered extremely important and contributes significantly to the company's development. In particular, Chairwoman of the Board of Directors Nguyen Thi Phuong Thao and Vice Chairwoman of the Board of Directors Nguyen Thanh Ha, two typical female figures of the company, have proven their strength and excellent leadership abilities. In addition, there are two important positions in the Executive Board: Ms. Ho Ngoc Yen Phuong – Vice President, cum CFO and Ms. Nguyen Thi Thuy Binh – Vice President, cum Chairwoman of Vietjet Thailand. With the presence of a talented female leadership team, Vietjet has inspired a generation of young women, affirming that all limits can be overcome with passion and effort. The contributions of these women leaders create a perfect picture of the role and capabilities of women in the business world.



INCOME AND WELFARE REGIME

The salary, bonus and income policies at Vietjet ensure commensurate treatment for employees according to international standards.

In order to enhance the efficiency of human resource management, Vietjet is developing and perfecting the mechanism and policies on remuneration, evaluation and reward for employees, including salary policy and system to ensure competitiveness in the labor market, evaluation system according to employee capacity.

Vietjet's welfare policies are continuously improved, including basic benefits such as insurance, appropriate New Year holidays and annual leave, and periodic salary increases. In particular, the Company has a worthy reward policy for individuals and groups with outstanding achievements, technical innovations in production that bring business efficiency to the Company, review and reward based on performance every 6 months, etc. In addition, Vietjet also has policies to show the company's consideration to employees such as free airfare policy for employees and relatives, networking and team building activities, etc.

The average income of employees is also improved years over years, creating conditions for employees to have a sense of security in their work and to contribute to the development of Vietjet.



RESPONSIBILITY TO THE LOCAL COMMUNITY

As a pioneering private enterprise, Vietjet has made important contributions to promoting economic development and changing the appearance of localities where the airline provides flight services, contributing to creating good values for society, sharing love with difficult circumstances, and strengthening the position of the country and people of Vietnam.

Doing business in the field of air transport, Vietjet not only carries out the mission of realizing the dream of flying for millions of people, but also commits to contributing to the sustainable economic development of the country, contributing to improve the lives of the community, towards a better society.

In 2023, Vietjet continued to participate in charitable programs, supporting those in difficult circumstances in remote areas, impoverished yet studious children, and organizing humanitarian activities such as bringing long-time migrant workers back home for a warm and free Tet celebration with their families. This reflects Vietjet's corporate culture, a spirit that we embrace and understand, where we are ready to support the community and lend a helping hand to those in need.



On March 28, Vietjet Thailand organized the "House of Hope" program to bring loving lunches to more than 60 children in difficult circumstances at the "Foundation for Slum Child Care". The program also donates money, food and essential items for studying and living with the hope of accompanying and contributing to helping children overcome difficulties soon.



The warm and loving Tet season has come early with nearly 500 workers returning to their homeland on flights organized by Vietjet, HD SAISON in collaboration with the Vietnam General Confederation of Labor, departing from Ho Chi Minh City to Vinh. (Nghe An), Thanh Hoa on the evening of January 11. HD SAISON's preferential loan package has helped workers in industrial parks across the country improve their quality of life and flights of love continue to be a meaningful gift for workers. In addition to these two meaningful flights, Vietjet also brought students who lost relatives due to the Covid epidemic and are studying at Hy Vong School across the country to their homeland to reunite. After Tet, Hy Vong School students will be brought back to school by Vietjet again on love flights to Da Nang.

Proud to be an airline with many routes connecting Vietnam to India, Vietjet accompanies the Indian Embassy to organize a series of activities in response to International Yoga Day, attracting tourists around the world to admire the beauty, landscapes across Vietnam, spreading the spirit of positive living for a healthy and happy world. The first International Yoga Day took place on June 18 in Hanoi, starting a series of events in more than 35 provinces and cities across Vietnam, attracting more than 10,000 attendees in beautiful landscapes stretching from North to South, concluding Combine yoga learning activities on Vietjet flights with Indian yoga experts.



Passengers on Vietjet flights are proud and emotional when they are surprised to be welcomed by flight attendants dressed in red flag and yellow star costumes and admire the performance of a collection of patterned ao dai inspired by many famous celebrities, scenic spots and historical places in Vietnam. Activities to celebrate National Day September 2 are brought to customers by Vietjet on all flights to spread national pride and introduce the beautiful and hospitable image of Vietnam to international friends.



On March 17, Noi Bai Ground Services Center (VJGS) coordinated with Noi Bai International Airport Border Gate Police to organize the program "Border March - My Fatherland's Border" at the school. Hong Sy Primary School (Cao Bang). The working group and benefactors presented 158 gifts to the school's students in difficult circumstances, and also donated many equipment to serve the teaching and activities of teachers and students. born. The working group hopes that teachers and students will soon overcome difficulties to teach well, study well, contribute to building the homeland and country, and giving wings to the dreams of young people.



Right during the September 2 holiday, President Nguyen Thi Phuong Thao and Vietjet officials and employees spent time visiting, giving gifts and celebrating Independence Day with orphans and disadvantaged children at the Village. SOS Nha Trang. On the eve of the new school year, the gifts sent by the female billionaire and her colleagues to the children are meaningful for a new school year with lots of fun, full of equipment, learning books, computers...



At the Spring Journey to the Forest and to the Sea 2023 program organized by the Vu A Dinh Scholarship Fund - Club "For the beloved Hoang Sa - Truong Sa" on December 9, Vietjet received a certificate of merit from the Navy Command for Contributions to the young generation of Vietnam, to teenagers nationwide on the path to conquering knowledge, becoming useful people for family and society. Accompanying the Vu A Dinh Foundation for many years, Vietjet has supported billions of dong for the Foundation through conducting hundreds of free flights, giving thousands of meaningful gifts and transporting millions of students. Members of ethnic minorities and islands return to their families every summer and holiday season.



Joining hands with meaningful community activities and spreading the spirit of sport without borders, Vietjet accompanies the Sydney Marathon 2023 as the official airline carrier. Sydney Marathon is known as one of the races with the most beautiful running routes on the planet, taking place from September 14 to September 17, 2023 in Sydney, Australia. The running route of the Sydney Marathon will pass through many famous works such as Milsons Point, Sydney Harbor Bridge, Centennial Park, the world famous Sydney Opera House... Sydney Marathon 2023 is the largest marathon held in Australia and is also special. especially a large charity event to raise funds for charities supporting children and people with disabilities.



On October 14, a group of employees representing the airline at Tan Son Nhat Airport had a volunteer trip to highland children at La Van Cau primary school, Dak Glong district, Dak Nong province. La Van Cau Primary School has 100% of students are ethnic minorities, located far from the center and has difficulty traveling. Here, the delegation gave nearly 200 gifts to teachers, students and families with good students to help the school and the children move towards a brighter future.



With relentless efforts and despite numerous challenges, Vietjet's spirit of volunteerism continues to burn brightly as a commitment to responsibility, social contribution, and gratitude towards local communities, not only in Vietnam but also in any market where the airline operates and does business.



ASSESSMENT REPORT REGARDING THE COMPANY'S ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

ASSESSMENT RELATED TO ENVIRONMENTAL INDICATORS (WATER CONSUMPTION, ENERGY, EMISSIONS...)

Under the negative impact of human activities, the global environment is becoming more and more harsh. Vietnam is one of the countries to have the most impact from climate change. Environmental protection is therefore an important goal for the whole society in general and Vietjet in particular. The company is always conscious in complying with the law on environmental protection, emphasize on the importance of the rational use of water, energy and waste treatment, environment protection as well as the prevention, control and prevention of pollution. In order to ensure maximum

environmental protection and minimize the negative impact of the aviation industry on the environment, Vietjet has been implementing a management program focusing on 5 main influential factors, including Quality Management Fuel consumption, Spare parts management, Tools and equipment management, Wastewater management, Environmental propaganda and communication. Thereby, the Company's Board of Management can control as well as offer solutions to the impacts from the Company's daily activities leading to excessive influence on the environmental criteria.



ASSESSMENT RELATED TO EMPLOYEE MATTERS

Understanding the importance of human resources in the sustainable development of the Company, the Board of Directors, the Board of Management always understand and coordinate with other departments to well perform the function of representing and protecting the legitimate rights and interests of employees. Taking care of the spiritual and material life of employees as well as actively participating in management, building a sustainable and harmonious relationship in the Company's recruitment, training, development of policies and remuneration regimes, improvement of spiritual and material life are always focused and strengthened.

Regarding the personnel structure, Vietjet's staff includes pilots, flight attendants and experts from many different countries, with diverse cultures and professional experience. This is important to build a diverse and competitive team in today's business environment.

As a leading private airline in Vietnam, Vietjet is committed to continuously promoting gender equality and honoring the role of women in all fields. In 2023, the proportion of female employees in Vietjet's workforce reached 35.97%, with women accounting for 29.89% of the management team. This is a remarkable achievement, especially considering that the global aviation industry has only 3% of women in leadership positions. Vietjet takes great pride in having four outstanding female leaders: Chairwoman of the Board of Directors Mdm. Nguyen Thi Phuong Thao, Vice Chairwoman Mdm. Nguyen Thanh Ha, Board of Director Member, Vice President - CFO Mdm. Ho Ngoc Yen Phuong, and Vice President Mdm. Nguyen Thi Thuy Binh. The presence of these talented female leaders at Vietjet has inspired a generation of young women, affirming that all barriers can be overcome with passion and determination. Their contributions have created a perfect image of the role and competence of women in the business world.



ASSESSMENT RELATED TO CORPORATE RESPONSIBILITY TO THE LOCAL COMMUNITY

In 2023, Vietjet continued to uphold its corporate culture, embodying the spirit of community solidarity by offering free or low-cost flights to serve workers and laborers commuting for production, while also extending access to air travel for those who have never flown before. Vietjet also remained steadfast in its commitment to accompanying charitable programs, assisting individuals facing hardship in remote areas, supporting SOS Children's Villages, and awarding tens of thousands of scholarships to commendable students who have demonstrated remarkable resilience and academic excellence.

As a youthful and dynamic airline, Vietjet aspired to promote the spirit of sportsmanship through meaningful events for athletes and sports enthusiasts worldwide. Vietjet continued to sponsor running competitions, distribute gifts to football teams, and participate in running and

tennis tournaments in Australia, providing unforgettable experiences for sports enthusiasts.

In alignment with its tradition of community engagement, Vietjet Thailand actively participated in and sponsored a series of community events in Thailand. This included partnering with underprivileged children, organizing charity concerts, contributing to environmental conservation funds, and supporting campaigns to protect wildlife.

Vietjet stands as a pioneering entity in fulfilling corporate social responsibility, akin to many large corporations worldwide. The entire leadership and staff of Vietjet are always ready to engage in community programs, reflecting the compassionate spirit of Vietjet personnel—dedicated to their work and actively participating in meaningful volunteer activities.

AUDITED FINANCIAL STATEMENTS

**SUSTAINABLE FUTURE
GROWING PROSPERITY**



CORPORATE INFORMATION

Business registration certificate No. 0103018458 dated 23 July 2007 which was initially issued by the Ministry of Transport.

Enterprise registration certificate No. 0102325399 dated 23 July 2007 which was initially issued by the Department of Planning and Investment of Ha Noi City with the latest 30th amendment dated 19 April 2023.

Investment registration certificate No. 2357762445 dated 30 December 2016 which was initially issued by the Board of Management of Saigon Hi-Tech Park for a period of 50 years from the date of the initial Investment registration certificate.

Board of Directors	Ms. Nguyen Thi Phuong Thao	Chairperson (from 6 April 2023) Vice Chairperson (until 5 April 2023)
	Mr. Donal Joshep Boylan	Vice Chairperson - Independent member
	Ms. Nguyen Thanh Ha	Vice Chairperson (from 26 April 2023) Member (from 6 April 2023 until 25 April 2023) Chairperson (until 5 April 2023)
	Mr. Nguyen Anh Tuan	Vice Chairperson - Independent member (from 26 April 2023)
	Mr. Nguyen Thanh Hung	Member
	Mr. Dinh Viet Phuong	Member
	Ms. Ho Ngoc Yen Phuong	Member (from 26 April 2023)
	Mr. Luu Duc Khanh	Member
	Mr. Chu Viet Cuong	Member

Board of Management	Mr. Dinh Viet Phuong	Chief Executive Officer (from 6 April 2023) Permanent Vice President cum Managing Director (until 5 April 2023)
	Ms. Nguyen Thi Phuong Thao	Chief Executive Officer (until 5 April 2023)
	Ms. Ho Ngoc Yen Phuong	Vice President cum Chief Finance Officer
	Mr. Micheal Hickey	Chief Operation Officer
	Mr. To Viet Thang	Vice President
	Mr. Nguyen Thanh Son	Vice President cum Chief Commercial Officer

Audit Committee	Mr. Nguyen Anh Tuan	Chairperson
	Mr. Luu Duc Khanh	Member
	Mr. Chu Viet Cuong	Member

Legal representative	Ms. Nguyen Thi Phuong Thao	Chairperson of the Board of Directors
	Mr. Dinh Viet Phuong Ms. Ho Ngoc Yen Phuong	Chief Executive Officer Vice President (from 19 April 2023)
	Ms. Nguyen Thanh Ha	Vice Chairperson of the Board of Directors (until 18 April 2023)

Registered office 302/3 Kim Ma Street, Ngoc Khanh Ward, Ba Dinh District Hanoi City, Vietnam.

Auditor PwC (Vietnam) Limited

STATEMENT OF THE BOARD OF MANAGEMENT

STATEMENT OF RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE COMPANY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management of VietJet Aviation Joint Stock Company (“the Company”) is responsible for preparing the consolidated financial statements of the Company and its subsidiaries (together referred to as “the Group”) which give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of the consolidated results of its operations and its consolidated cash flows for the year then ended. In preparing these consolidated financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and enable consolidated financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the consolidated financial statements. The Board of Management is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud or error.

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby approve the accompanying consolidated financial statements as set out on pages 6 to 84 which give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements.

On behalf of the Board of Management



Dinh Viet Phuong
Chief Executive Officer

Ha Noi City, SR Vietnam
31 March 2024



INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF VIETJET AVIATION JOINT STOCK COMPANY

We have audited the accompanying consolidated financial statements of VietJet Aviation Joint Stock Company (“the Company”) and its subsidiaries (together referred to as “the Group”) which were prepared on 31 December 2023, and approved by the Board of Management of the Company on 31 March 2024. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement and the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 6 to 84.

Responsibility of the Board of Management

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these consolidated financial statements of the Group in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated financial statements; and for such internal control which the Board of Management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the consolidated financial statements of the Group are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

CONSOLIDATED BALANCE SHEET
Auditor's Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated financial statements.

Other Matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

		As at 31 December		
Code	ASSETS	Note	2023 VND	2022 VND
100	CURRENT ASSETS		40,826,968,900,401	33,587,472,621,916
110	Cash and cash equivalents	3	5,050,743,180,748	1,858,261,735,520
111	Cash		2,427,790,228,105	895,285,954,496
112	Cash equivalents		2,622,952,952,643	962,975,781,024
120	Short-term investments		613,343,871,096	687,775,421,096
121	Trading securities	4(a)	990,000,000,000	990,000,000,000
122	Provision for diminution in value of trading securities	4(a)	(486,450,000,000)	(490,000,000,000)
123	Investments held to maturity	4(b)	109,793,871,096	187,775,421,096
130	Short-term receivables		34,243,067,480,800	29,729,804,064,103
131	Short-term trade accounts receivable	5(a)	12,316,753,791,172	12,402,309,894,689
132	Short-term prepayments to suppliers	6(a)	1,778,869,624,304	1,626,225,517,323
135	Short-term lendings	7(a)	457,000,000,000	657,000,000,000
136	Other short-term receivables	8(a)	19,690,444,065,324	15,044,268,652,091
140	Inventories		703,384,543,264	982,716,071,675
141	Inventories	9	703,384,543,264	982,716,071,675
150	Other current assets		216,429,824,493	328,915,329,522
151	Short-term prepaid expenses	10(a)	139,380,066,942	164,682,034,869
152	Value added tax ("VAT") to be reclaimed	15(a)	9,006,655,475	139,358,572,943
153	Tax and other receivables from the State	15(a)	68,043,102,076	24,874,721,710
200	LONG-TERM ASSETS		46,098,452,016,368	34,449,491,811,396
210	Long-term receivables		26,305,729,746,755	21,238,145,855,696
211	Long-term trade accounts receivable	5(b)	1,942,095,121,864	3,863,320,000,000
212	Long-term prepayments to suppliers	6(b)	6,115,740,351,363	1,132,635,253,054
215	Long-term lendings	7(b)	874,767,806,179	868,221,855,860
216	Other long-term receivables	8(b)	17,373,126,467,349	15,373,968,746,782
220	Fixed assets		10,173,343,104,449	5,709,719,496,248
221	Tangible fixed assets	11(a)	3,990,618,451,426	5,681,333,704,196
222	Historical cost		4,638,893,419,349	6,113,532,845,752
223	Accumulated depreciation		(648,274,967,923)	(432,199,141,556)
224	Finance lease fixed assets	11(b)	6,135,424,462,924	-
225	Historical cost		6,181,116,755,409	-
226	Accumulated depreciation		(45,692,292,485)	-
227	Intangible fixed assets	11(c)	47,300,190,099	28,385,792,052
228	Historical cost		88,711,024,773	61,941,976,858
229	Accumulated amortisation		(41,410,834,674)	(33,556,184,806)
240	Long-term asset in progress		380,635,096,052	308,749,694,497
242	Construction in progress	12	380,635,096,052	308,749,694,497
250	Long-term investments		149,417,024,400	149,417,024,400
253	Investment in other entities	4(d)	149,417,024,400	149,417,024,400
260	Other long-term asset		9,089,327,044,712	7,043,459,740,555
261	Long-term prepaid expenses	10(b)	9,056,529,403,935	6,639,189,192,765
262	Deferred income tax assets	23	32,797,640,777	404,270,547,790
270	TOTAL ASSETS		86,925,420,916,769	68,036,964,433,312

The notes on pages 12 to 84 are an integral part of these consolidated financial statements.

For and on behalf of PwC (Vietnam) Limited



Luong Thi Anh Tuyet
Audit Practising Licence No.
3048-2024-006-1
Authorised signatory

Report reference number: HCM15416
Ho Chi Minh City, 1 April 2024

Tram Tu Mai Anh
Audit Practising Licence No.
3546-2021-006-1

CONSOLIDATED BALANCE SHEET (continued)

Form B 01 – DN/HN

Code	ASSETS	Note	As at 31 December	
			2023 VND	2022 VND
300	LIABILITIES		71,672,280,613,334	53,138,669,609,828
310	Short-term liabilities		38,861,475,794,473	30,417,318,604,359
311	Short-term trade accounts payable	13	8,805,295,313,768	9,659,935,956,869
312	Short-term advances from customers	14	3,546,076,667,248	1,986,659,055,915
313	Tax and other payables to the State	15(b)	449,814,735,804	358,418,036,035
314	Payable to employees	16	155,083,000,891	190,125,532,153
315	Short-term accrued expenses	17	1,926,403,437,286	855,084,674,254
318	Short-term unearned revenue	18	3,600,018,592,599	3,503,454,041,287
319	Other short-term payables	19	4,157,248,813,226	3,409,079,045,889
320	Short-term borrowings	20(a)	13,553,794,368,608	8,549,901,782,085
321	Provision for short-term liabilities	21	2,662,251,126,094	1,758,368,694,808
322	Bonus and welfare fund	22	5,489,738,949	146,291,785,064
330	Long-term liabilities		32,810,804,818,861	22,721,351,005,469
337	Other long-term payables		1,624,408,614	69,127,001,956
338	Long-term borrowings	20(b)	17,257,038,503,121	10,309,745,847,108
342	Provision for long-term liabilities	21	15,552,141,907,126	12,342,478,156,405
400	OWNERS' EQUITY		15,253,140,303,435	14,898,294,823,484
410	Capital and reserves		15,253,140,303,435	14,898,294,823,484
411	Owners' capital	24, 25	5,416,113,340,000	5,416,113,340,000
411a	- Ordinary shares with voting rights		5,416,113,340,000	5,416,113,340,000
412	Share premium	25	247,483,117,899	247,483,117,899
417	Foreign exchange differences	25	318,761,018,138	195,328,953,538
421	Undistributed earnings	25	9,249,524,468,061	9,018,933,578,880
421a	- Undistributed post-tax profits of previous years		9,018,933,578,880	11,281,432,588,734
421b	- Post-tax profits/(post-tax loss) of current period/year		230,590,889,181	(2,262,499,009,854)
429	Non-controlling interests	24	21,258,359,337	20,435,833,167
440	TOTAL RESOURCES		86,925,420,916,769	68,036,964,433,312






Nguyen Thi Thanh Nga
Chief Accountant/Preparer

Ho Ngoc Yen Phuong
Vice President
cum Chief Finance Officer

Dinh Viet Phuong
Chief Executive Officer

The notes on pages 12 to 84 are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

Form B 02 – DN/HN

Code	ASSETS	Note	Year ended 31 December	
			2023 VND	2022 VND
01	Revenue from sales of goods and rendering of services		58,340,618,715,308	40,141,863,488,029
02	Less deductions		-	-
10	Net revenue from sales of goods and rendering of services	29	58,340,618,715,308	40,141,863,488,029
11	Cost of goods sold and services rendered	30	(55,819,871,829,489)	(42,135,151,389,707)
20	Gross profit/(loss) from sales of goods and rendering of services		2,520,746,885,819	(1,993,287,901,678)
21	Financial income	31	2,955,033,555,114	2,246,221,465,280
22	Financial expenses	32	(2,242,066,937,617)	(2,483,054,483,054)
23	- Including: Interest expense	32	(1,950,254,195,864)	(1,383,641,245,573)
25	Selling expenses	33	(1,950,124,205,949)	(936,343,663,352)
26	General and administration expenses	34	(1,099,316,843,401)	(534,452,104,416)
30	Net operating profit/(loss)		184,272,453,966	(3,700,916,687,220)
31	Other income		662,197,107,572	1,316,105,112,282
32	Other expenses		(240,365,954,517)	(263,847,335,532)
40	Net other income	35	421,831,153,055	1,052,257,776,750
50	Accounting profit/(loss) before tax		606,103,607,021	(2,648,658,910,470)
51	Corporate income tax ("CIT") - current	36	(3,217,284,657)	(172,103,552,548)
52	CIT - deferred	36, 23	(371,472,907,013)	558,787,619,233
60	Profit/(loss) after tax		231,413,415,351	(2,261,974,843,785)
	Attributable to:			
61	Shareholders of the Company		230,590,889,181	(2,262,499,009,854)
62	Non-controlling interests		822,526,170	524,166,069
70	Basic earnings/(losses) per share	27(a)	426	(4,177)
71	Diluted earnings/(losses) per share	27(b)	426	(4,177)






Nguyen Thi Thanh Nga
Chief Accountant/Preparer

Ho Ngoc Yen Phuong
Vice President
cum Chief Finance Officer

Dinh Viet Phuong
Chief Executive Officer

The notes on pages 12 to 84 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

Form B 03 – DN/HN

(Indirect method)

		Year ended 31 December	
Code	Note	2023 VND	2022 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit/(loss) before tax	606,103,607,021	(2,648,658,910,470)
	Adjustments for:		
02	Depreciation and amortisation	413,253,679,639	79,733,663,056
03	Provisions	3,711,543,636,438	1,915,036,223,300
04	Unrealised foreign exchange gains	(59,094,506,815)	(159,921,609,696)
05	Profits from investing activities	(876,478,926,895)	(431,107,961,858)
06	Interest expense and bond issuance expense	1,950,254,195,864	1,383,641,245,573
08	Operating profit before changes in working capital	5,745,581,685,252	138,722,649,905
09	Increase in receivables	(5,993,691,136,973)	(10,296,343,168,616)
10	Decrease/(increase) in inventories	279,331,528,411	(171,469,041,020)
11	Increase in payables	639,223,032,704	10,128,853,566,700
12	Increase in prepaid expenses	(2,639,461,061,745)	(473,124,382,100)
14	Interest paid	(2,133,310,794,200)	(1,399,077,113,144)
15	CIT paid	(3,508,148,950)	(140,133,402,011)
17	Other payments on operating activities	(140,802,046,115)	(180,858,291,727)
20	Net cash outflows from operating activities	(4,246,636,941,616)	(2,393,429,182,013)
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets	(1,425,811,924,197)	(1,217,474,531,281)
22	Proceeds from disposals of fixed assets	2,023,818,105,897	1,018,509,772
23	Loans and term deposits granted	(2,186,560,400,000)	(238,445,921,500)
24	Collection from loans and investment held to maturity	277,981,550,000	-
27	Dividends and interest received	353,865,999,244	336,906,630,740
30	Net cash outflows from investing activities	(956,706,669,056)	(1,117,995,312,269)
CASH FLOWS FROM FINANCING ACTIVITIES			
33	Proceeds from borrowings	34,763,821,531,653	29,657,737,382,993
34	Repayments of borrowings	(26,207,009,542,495)	(26,177,921,993,857)
35	Finance lease principal repayments	(145,116,305,330)	-
40	Net cash inflows from financing activities	8,411,695,683,828	3,479,815,389,136
50	Net increase/(decrease) in cash and cash equivalents	3,208,352,073,156	(31,609,105,146)
60	Cash and cash equivalents at beginning of year	1,858,261,735,520	1,868,252,946,557
61	Effect of foreign exchange differences	(15,870,627,928)	21,617,894,109
70	Cash and cash equivalents at end of year	5,050,743,180,748	1,858,261,735,520

Additional information relating to the consolidated cash flow statement is presented in Note 39.


Nguyen Thi Thanh Nga
 Chief Accountant/Preparer


Ho Ngoc Yen Phuong
 Vice President
 cum Chief Finance Officer




Dinh Viet Phuong
 Chief Executive Officer
 31 March 2024

The notes on pages 12 to 84 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Form B 09 – DN/HN

For the year ended 31 December 2023

1 GENERAL INFORMATION

VietJet Aviation Joint Stock Company (“the Company”) is a joint stock company established in SR Vietnam pursuant to Enterprise registration certificate No. 0102325399 dated 23 July 2007 which was initially issued by the Department of Planning and Investment of Hanoi City and the latest 30th amendment of the Enterprise registration certificate dated 19 April 2023.

The Company’s shares are listed on the Ho Chi Minh City Stock Exchange with the stock trading code “VJC”.

The principal activities of the Company and its subsidiaries (together referred to as “the Group”) are to provide passenger and cargo transportation services on domestic and international air routes, airline-related support services and to trade aircraft and aircraft’s components.

The normal business cycle of the Group is 12 months.

As at 31 December 2023, the Group had 7 direct subsidiaries, 2 indirect subsidiaries and 2 associates as presented in Note 4(c)– Investments in associates. Details are as follows:

	Principal activities	Enterprise registration certificate	Place of incorporation and operation	2023		2022	
				Ownership (%)	Voting right (%)	Ownership (%)	Voting right (%)
Directly-owned subsidiaries							
Vietjet Air IVB No. I Limited	To trade and lease aircraft and aircraft components	No. 1825671 dated 27 May 2014	British Virgin Islands	100	100	100	100
Vietjet Air IVB No. II Limited	To trade and lease aircraft	No. 1825613 dated 27 May 2014	British Virgin Islands	100	100	100	100
Vietjet Air Singapore Pte. Ltd.	To trade aircraft	No. 201408849N dated 27 March 2014	Singapore	100	100	100	100
Vietjet Air Ireland No. 1 Limited	To trade and lease aircraft	No. 544879 dated 3 June 2014	Ireland	100	100	100	100
Galaxy Pay Company Limited	To provide payment services (online payment, e-wallet)	No. 0316368255 dated 7 July 2020	Vietnam	100	100	100	100
Swift 247 Joint Stock Company	To provide other activities and support services related to transportation	No. 0315524536 dated 23 February 2019	Vietnam	67	67	67	67
VietJet Ground Services Limited Liability Company	To provide direct support services for airline transportation	No. 0109783334 dated 19 October 2021	Vietnam	100	100	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

1 GENERAL INFORMATION (CONTINUED)

	Principal activities	Enterprise registration certificate	Place of incorporation and operation	2023		2022	
				Ownership (%)	Voting right (%)	Ownership (%)	Voting right (%)
Indirectly-owned subsidiaries							
Skymate Limited	To trade and lease aircraft	No. 327015 dated 15 September 2017	Cayman Islands	100	100	100	100
VietjetAir Cargo Joint Stock Company	To provide cargo transportation and related support services	No. 0312759089 dated 27 August 2014	Vietnam	64	67	64	67
Associates							
Thai Vietjet Air Joint Stock Co., Ltd (*)	To provide passenger and cargo transportation and related support services	No. 0105556100551 dated 25 June 2013	Thailand	9	9	9	9
Cam Ranh International Terminal Joint Stock Company (*)		No. 4201676638 dated 5 February 2016	Vietnam	10	10	10	10

(*) The Group has significant influence over these companies because the Group has representatives in the Board of Directors of these companies.

As at 31 December 2023 and as at 31 December 2022, the Company had 1 dependent accounting branch and 1 representative office. The details are as follows:

Place of establishment and registration of operations	
Dependent accounting branch	
Vietjet Aviation Joint Stock Company – Central Branch	200 Le Dinh Ly, Hoa Thuan Tay Ward, Hai Chau District, Da Nang City, Vietnam
Representative office	
Vietjet Aviation Joint Stock Company	8th Floor, Vietjet Plaza, 60A Truong Son, Ward 2, Tan Binh District, Ho Chi Minh City, Vietnam.

As at 31 December 2023, the Group had 6,132 employees (as at 31 December 2022: 6,016 employees).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of consolidated financial statements**

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. The consolidated financial statements have been prepared under the historical cost convention, except for investments in associates and business combinations as presented in Note 2.5.

The accompanying consolidated financial statements are not intended to present the consolidated financial position and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The consolidated financial statements in the Vietnamese language are the official statutory consolidated financial statements of the Group. The consolidated financial statements in the English language have been translated from the Vietnamese version.

2.2 Fiscal year

The Group's fiscal year is from 1 January to 31 December.

2.3 Currency

The consolidated financial statements are measured and presented in Vietnamese Dong ("VND" or "Dong").

On consolidating, if the currencies used on financial statements of subsidiaries are different from that of the Group, the Group is required to translate those financial statements into the currency used in the Group's consolidated financial statements under the following principles:

- ✈ Assets and liabilities of overseas subsidiaries are translated at actual exchange rate at year end;
- ✈ Net assets of the subsidiaries are translated at the exchange rate of acquisition date;
- ✈ Undistributed earnings (accumulated losses) incurred after the date of acquisition of subsidiaries are translated based on the translation of income and expenses in the consolidated income statement;
- ✈ Profits dividends already paid are translated at the actual exchange rate at the date of payment;
- ✈ Items of the consolidated income statement and the consolidated cash flow statement are translated at the average exchange rate of the accounting period if it approximates the actual rate at the time of the transaction (with the difference not exceeding 2%); and
- ✈ The cumulative amount of exchange differences is presented in a consolidated component of equity. Accumulated exchange differences arising from translation and attributable to the Group are presented in "Foreign exchange differences". Those arising from translation and attributable to non-controlling interests are allocated to "Non-controlling interests". Accumulated exchange differences arising from translation of unamortised goodwill are attributable to the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS*For the year ended 31 December 2023***2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.4 Exchange rates**

Transactions arising in foreign currencies are translated at an exchange rate which is the rate approximating the average transfer exchange rate of the buying and selling rates of the commercial banks where the Group regularly transacts. The Group ensures that the disparity of the approximate exchange rate does not exceed +/- 1% compared with the average transfer exchange rate and does not materially impact the financial position and the results of operations during the fiscal year. The average transfer exchange rate is determined monthly based on the average between the daily buying transfer rate and selling transfer rate of the commercial banks. Foreign exchange differences arising from these translations are recognised in the consolidated income statement.

Monetary assets and liabilities denominated in foreign currencies at the consolidated balance sheet date are translated at the transfer rate at the consolidated balance sheet date of the commercial banks where the Group regularly trades. The transfer rate is average transfer rate of the commercial banks. Foreign exchange differences arising from these translations are recognised in the consolidated income statement.

2.5 Basis of consolidation**Subsidiaries**

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of the subsidiaries are prepared for the same accounting period of the Group for the consolidation purpose. If there are differences in end dates, the gap must not exceed 3 months. Adjustments are made to reflect impacts of significant transactions and events occurring between the end dates of the subsidiaries' accounting period and that of the Group's. The length of the reporting period and differences in reporting date must be consistent between years.

Non-controlling transactions and interests

The Group applies a policy for transactions with non-controlling interests ("NCI") as transactions with external parties to the Group.

NCI are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

A divestment of the Group's interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received from divestment of the Group's interest in the subsidiary is recorded directly in the undistributed earnings under equity.

In a divestment of the Group's interest in a subsidiary that results in a loss of control, the difference between the Group's share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the consolidated income statement. The retained interest in the entity will be accounted for as either an investment in another entity or an investment to be accounted for as equity since the divestment date.

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of the post-acquisition profits or losses of its associates is recognised in the consolidated income statements. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture or associate.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.6 Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is recognised as an asset and is amortised on a straight-line basis over its estimated period of benefit but not exceeding a period of 10 years.

Goodwill on acquisitions of investments in associates is included in the carrying amount of the investments at the date of acquisition. The Group does not amortise this goodwill.

On disposal of the investments in subsidiaries or associates, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on the disposal.

Goodwill is carried at cost less accumulated amortisation, and is tested annually for impairment. If there is evidence that the impairment during the year is higher than the annual goodwill charge, the Group records the impairment immediately in the accounting period.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and other short-term investments with an original maturity of three months or less.

2.8 Receivables

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. Bad debts are written off when identified as uncollectible.

Receivables are classified into short-term and long-term receivables on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

2.9 Maintenance reserves of leased aircraft

Under the terms of aircraft operating lease agreements, the Group is legally and contractually responsible for maintenance and repair of aircraft during the term of the lease and is also required to contribute maintenance reserves with lessors. Maintenance reserves are recognised as other receivables when it is probable for the utilisation of these contributions from lessors for the maintenance and repair of aircraft. Maintenance contributions made to lessors are calculated based on performance measures, such as flight hours or cycles, and are contractually required to be reimbursed to the Group upon the completion of the required maintenance of the leased aircraft including replacement of life limited parts, engine performance restoration, airframe major structural inspection, landing gear overhaul and auxiliary power unit ("APU") heavy repair. The remaining unutilised portion of the maintenance reserves of leased aircraft, if any, after the end of the lease term will be owned by lessors.

Maintenance reserves of leased aircraft are classified into short-term and long-term receivables based on the estimated time that the Group could utilise maintenance and repair expenses from the reserves from the consolidated balance sheet date.

2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method for merchandise, and specific identification method for tools and supplies includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the normal course of business, less the estimated selling expenses.

The Group applies the perpetual system for inventories.

Provision is made, when necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this year and the provision of the previous year is recognised as an increase or decrease of cost of goods sold in the year.

2.11 Investments**(a) Trading securities**

Trading securities are securities which are held for trading to earn profits.

Trading securities are initially recorded at historical cost including cost of acquisition and any expenditure that is directly attributable to the acquisition. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end. The provision for diminution in value of trading securities is made when their carrying value is higher than their market value. The fair value of the investment in unlisted shares traded on Unlisted Public Company Market ("UPCoM") is determined by the average reference price of the last 30 consecutive trading days prior to the date of the consolidated balance sheet. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

The Group recognises trading securities when it has ownership of the assets, specifically as follows:

- ✈ Listed securities are recognised at the time of order matching; and
- ✈ Unlisted securities are recognised at the time when official ownership is established in accordance with regulations.

Profit or loss from liquidation or disposal of trading securities is recognised in the consolidated income statement. The costs of trading securities disposed of are determined by using the moving weighted average method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.11 Investments (continued)****(b) Investments held-to-maturity**

Investments held-to-maturity are investments which the Group has a positive intention and ability to hold until maturity.

Investments held to maturity include term deposits. Those investments are initially accounted for at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for diminution in value of investments held-to-maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

(c) Investments in associates

Investments in associates are accounted for using the equity method when preparing the consolidated financial statements (Note 2.6).

(d) Investments in other entities

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are accounted for initially at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for investments in other entities is made when there is a diminution in value of the investments at the year end. It is calculated based on market value if market value can be determined reliably. If market value cannot be determined reliably, the provision for investments in other entities is calculated based on the loss of investees.

Changes in the provision balance during the year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.12 Lendings

Lendings are lendings granted for interest earning under agreements among parties but not for being traded as securities.

Lendings are initially recognised at cost. Subsequently, the Board of Management reviews all outstanding amounts to determine the amount of provision to recognise at the year end. Provision for doubtful lendings is made for each lending based on overdue days in payment of principals according to the initial payment commitment (exclusive of the payment rescheduling between parties) or based on the estimated loss that may arise. Changes in the provision balance during the year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Lendings are classified into short-term and long-term lending on the consolidated balance sheet based on the remaining term of the lending as at the consolidated balance sheet date.

2.13 Business cooperation contract

A business cooperation contract ("BCC") is a contract between the Group and other parties to carry out specific business activities without establishing a new legal entity. These activities are jointly controlled by the parties under the BCC. The Group agrees with the participating parties in the BCC to share the pre-tax profits of the BCC corresponding to the actual contribution ratio of the Group, however, not lower than a fixed profit-sharing ratio independent of the contract's business results. Although the legal form of the contract is a BCC, the essence of the contract is a lending agreement.

According to this BCC, the Group is not in charge of accounting and tax finalisation. The Group accounts for its proportionate share of revenue and expenses from the BCC in the consolidated income statement as net profit before tax.

2.14 Fixed assets*Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure which is incurred subsequently and has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the consolidated income statement when incurred in the year.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line basis so as to write off the depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives of each asset class are as follows:

Aircraft and aircraft engines	12 - 20 years
Buildings and structures	5 - 47 years
Machinery and equipment	3 - 12 years
Motor vehicles	6 - 10 years
Office equipment	3 - 10 years
Software	2 - 10 years

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the consolidated income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of installation or construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies as construction costs; costs of tools and equipment; construction consulting expenditure; and expenses for the purchase of unfinished and undelivered aircraft. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.15 Leased assets**

Leases of property, plant and equipment where the lessor has transferred the ownership at the end of the lease period, and transferred substantially the risks and rewards, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of leased assets or the present value of the minimum lease payments.

Each lease payment is separated between the liability and finance charges to achieve a constant rate on the outstanding finance lease balance. The corresponding rental obligations, net of finance charge, are included in long-term borrowings.

The interest element of the finance cost is charged to the consolidated income statement over the lease term. The property, plant and equipment acquired under finance leasing contracts is depreciated on a straight-line basis over the shorter of the estimated useful life of the assets or the lease term. However, if there is reasonable certainty that the lessee will obtain ownership by the end of the lease term, depreciation is calculated over the estimated useful life of the assets.

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on either a straight-line basis over the terms of the lease or using another calculation method if it is more reasonable.

2.16 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the consolidated balance sheet.

(a) Short-term prepaid expenses

Short-term prepaid expenses represent prepayments for services or tools and supplies that do not meet the recognition criteria for fixed assets for a period not exceeding 12 months or a business cycle from the date of prepayment. These prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

(b) Long-term prepaid expenses

Long-term prepaid expenses of the Group include:

(i) Maintenance costs of leased aircrafts and costs to make good on leased aircrafts

Accounting policies related to the recognition and allocation of maintenance costs of leased aircrafts and costs to make good on leased aircrafts are presented in Note 2.21 to these consolidated interim financial statements.

(ii) Aircrafts inspection expenditure

Inspection expenses for leased aircraft are stated at cost and amortised using the straight-line basis over the period from these expenses incurred to the next inspection or the remaining term of lease, if shorter.

(iii) Parts

Parts which have estimated useful lives of more than 1 year are recorded in long-term prepaid expenses and amortised on a straight-line basis over their estimated useful lives.

(iv) Tools and instruments

Tools and instruments include assets held-for-use by the Group in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and instruments are amortised on a straight-line basis over a period from 2 years to 5 years.

(v) Deferred aircraft lease expenses

The deferred aircraft lease expenses reflect the difference between the amount of which the Group shall settle pursuant to the lease payment schedule and the lease expenses charged on a straight-line basis.

(v) Other long-term prepaid expenses

Other long-term prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

2.17 Payables

Classifications of payables are based on their nature as follows:

- ✈ Trade accounts payable are trade payables arising from purchase of goods and services; and
- ✈ Other payables are non-trade payables, and payables not relating to purchases of goods and services.

Payables are classified into short-term and long-term payables on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

2.18 Borrowings and finance lease liabilities

Borrowings and finance lease liabilities include borrowings and finance lease liabilities from banks and other entities.

Borrowings and finance lease liabilities are classified into short-term and long-term borrowings and finance lease liabilities on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which is used for the purpose of construction or production of any qualifying assets, the Group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Group's borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the consolidated income statement when incurred.

2.19 Bonds issued - Straight bonds

At initial recognition, straight bonds are measured at cost which comprises proceeds from issuance netting-off issuance costs. Any discount, premium or issuance costs are amortised on a straight-line basis over the term of the bonds.

2.20 Accrued expenses

Accrued expenses include liabilities for goods and services received in the year but not yet paid for, due to pending invoices or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.21 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the level of the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the financial year are recorded as an increase or decrease in operating expenses.

Provisions include provisions for periodic maintenance costs and provisions for cost to make good on leased assets.

(a) Provisions for periodic maintenance costs in the scope of maintenance reserves

In accordance with the Group's policy:

- ✈ with respect to the Group's aircrafts or the lease agreements with Japanese lessors with call options contracts to purchase aircraft at the end of the lease term, referred as Japanese Operating Leases with Call Option Contracts ("JOLCO"), the costs of periodic maintenance for leased aircraft are recognised when incurred as long-term prepaid expenses and are amortised in the consolidated interim income statements using the basis of actual flight hours or cycles to the next maintenance (Note 2.16(b)(i));
- ✈ in case of aircraft operating lease agreements which are sub-leased by Thai Vietjet Air Joint Stock Co., Ltd. ("Thai Vietjet") – an associate, maintained costs are incurred and settled by Thai Vietjet;
- ✈ with respect to other aircraft operating leases, pursuant to aircraft leasing agreements between the Group and its lessors and the requirements of Vietnam Aviation Authority, the Group has to perform the routine maintenance and periodic maintenance for leased aircrafts based on Maintenance Planning Development for each aircraft which was developed based on the guidance of airline manufacturers. Routine maintenance is recognised as expenses during the period they incurred while the periodic maintenance subject to period maintenance cost. The Group is able to use the leased aircraft maintenance reserves to perform periodic maintenance within the scope of the aircraft maintenance reserves.

The provisions for maintenance expenses in the scope of the maintenance reserves include four (4) main parts:

- ✈ Costs of maintenance and replacement of the Life-Limited Part ("LLP");
- ✈ Costs of maintenance and replacement of the Landing Gear ("LDG");
- ✈ Costs of maintenance of the Engine Performance Restoration ("CPR"); and
- ✈ Costs of maintenance of the Auxiliary Power Unit ("APU").

The provisions for LLP and LDG are determined by the expected future cost of maintenance and replacement for the leased aircraft, having regard to the current fleet plan. At the beginning of lease term and during the period of leasing, the estimated costs are recorded in provisions with a corresponding asset is recognised in long-term prepaid expenses balance. The estimated costs in long-term prepaid expenses are amortised to expenses in the consolidated income statement using the basis of actual flight hours or cycles to the next maintenance event. If there is a significant change in the estimated costs, the provision for maintenance cost and the long-term prepaid expenses will be reassessed accordingly.

The provisions for CPR and APU are accrued and charged to the consolidated interim income statement over the actual flight hours or flight cycles and the estimated cost per a flight hour or a flight cycles in subsequent maintenances for CPR and APU.

(b) Provisions for cost to make good on leased assets

In accordance with the Group's policy:

- ✈ with respect to JOLCO contracts, the cost of returning leased assets is recognized in the consolidated income statement when incurred.
- ✈ with respect to aircraft operating lease agreements which are sub-leased by Thai Vietjet, cost to make good on leased assets are incurred and settled by Thai Vietjet.
- ✈ with respect to aircraft operating lease agreements of which the Group is required to return aircraft with adherence to certain maintenance conditions, cost to make good on leased assets is estimated at the beginning of the lease based on the present value of the future expected costs at the end of the lease in order for the Group to meet the conditions for the return of the aircraft to the lessors, including certain levels of maintenance as well as arranging for final test flights, inspection, custom and deregistration costs, removal of the Group's modifications, if any, repainting aircraft's body, and return of aircraft to a specified location. At the beginning of the lease, the estimated cost is recorded as a provision with a corresponding asset in long-term prepaid expenses. The long-term prepaid expenses are amortised in the consolidated income statements on a straight-line basis over the term of the lease.

2.22 Unearned revenue

Unearned revenue mainly comprises revenue from passenger transportation and ancillary services, pilot and flight attendant training revenue. The Group records unearned revenue for the future obligations that the Group has to fulfil. Unearned revenue is recognised as revenue in the consolidated income statement during the year to the extent that revenue recognition criteria have been met.

2.23 Capital and reserves

Owners' capital is recorded according to the actual amounts contributed at the par value of the shares.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Undistributed earnings/(accumulated losses) record the Group's results (profit or loss) after CIT at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.24 Appropriation of profit**

The Group's dividends are recognised as a liability in the Group's consolidated financial statements in the year in which the dividends are approved at the General Meeting of Shareholders and the list of shareholders receiving dividends is approved according to the Resolution of the Board of Directors of the Group.

Net profit after CIT could be distributed to shareholders after approval at the General Meeting of Shareholders, and after appropriation to other funds in accordance with the Group's charter and Vietnamese regulations. The General Meeting of Shareholders authorised the Board of Directors to decide on the implementation time. The Group's fund is as below:

Bonus and welfare fund

Bonus and welfare fund is appropriated from the Group's profit after CIT pursuant to Resolution of the Board of Directors and being approved by the Annual General Meeting of Shareholder. Fund is presented as a liability in the consolidated balance sheet. This fund is used for reward and encouragement of physical benefits, serving the needs of public welfare, improvement and enhancement of the standard of physical and spirit life of staff.

2.25 Revenue recognition**(a) Revenue from passenger transportation**

Revenue from passenger transportation is recognised in the consolidated income statement when the transportation is provided or when the ticket expires. The value of unused passenger tickets and miscellaneous charges is recorded in short-term liabilities as unearned revenue. Non-refundable tickets generally expire on the date of the intended flight, unless the date is extended by notification from the customer on or before the intended flight date. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due. Revenue from passenger transportation is recognised at the net amount after deducting sales discounts stated on the invoice.

(b) Ancillary revenue

Ancillary revenue includes cargo transportation, baggage service, other revenue related to passenger transportation, sales of in-flight and duty-free merchandise, advertising and commission. Ancillary revenue is not recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods or services.

- (i) Revenue from cargo transportation is recognised in the consolidated income statement when the services are provided.
- (ii) Revenue from baggage service is recognised in the consolidated income statement when the related passenger transportation service is provided or when the ticket expires.
- (iii) Other revenue related to passenger transportation such as fees charged in association with changes or extensions of non-refundable tickets are recorded as ancillary revenue as a separate transaction from passenger transportation upon the completion of updating information on the system as requested by customers or successfully renewing airline tickets with fees that have been specifically specified and determined in advance for each service.

- (iv) Sales of in-flight and duty-free merchandise are recognised in the consolidated interim income statement when all five (5) of the following conditions are satisfied:

- ✈ The Group has transferred to the buyer the significant risks and rewards of ownership of the merchandises;
- ✈ The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the merchandises sold;
- ✈ The amount of revenue can be measured reliably;
- ✈ It is probable that the economic benefits associated with the transaction will flow to the Group; and
- ✈ The costs incurred or to be incurred in respect of the transaction can be measured reliably.

- (v) Advertising revenue and commission are recorded as ancillary revenue when the completed stage is determined according to specific provisions in each advertising contract or when performing sales activities with enjoy commissions as agreed in relevant contracts and agreements with fees recorded for each activity also specified in detail in these documents.

(c) Revenue from charter flights and charter cargo transportation

Revenue from charter flights and charter cargo transportation are recognised in the consolidated interim income statement when the services are provided. Revenue is not recognised if there are significant uncertainties regarding recovery of the consideration due.

(d) Revenue from aircraft leasing

Revenue from aircraft leasing under operating lease arrangements is recognised in the consolidated income statement on a straight-line basis over the term of the lease.

(e) Sales and leaseback transaction

The Group's asset sales and leaseback transaction is a transaction where an asset is sold then leased back by the Group. The accounting treatment of a sale and leaseback transaction depends upon the type of lease involved.

For a transaction that results in an operating lease:

- ✈ If the sale price is at fair value, there has in effect been a normal sale transaction and any profit or loss is recognised immediately.
- ✈ If the sale price is below fair value, any profit or loss shall be recognised immediately except that, if the loss is compensated for by future lease payments at below market price, it shall be deferred and amortised in proportion to the lease payments over the period for which the asset is expected to be used.
- ✈ If the sale price is above fair value, the excess over fair value shall be deferred and amortised over the period for which the asset is expected to be used.
- ✈ If the fair value at the time of a sale and leaseback transaction is less than the carrying amount of the asset, a loss equal to the amount of the difference between the carrying amount and fair value shall be recognised immediately.

(f) Revenue from sales of aircraft and purchase right option

Revenue from sales of aircraft and purchase right option is recognised in the consolidated income statement when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of aircraft.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.25 Revenue recognition (continued)****(g) Revenue from sales of aircraft and aircraft's components**

Revenue from sale of aircraft and aircraft's components is recognised in the consolidated income statement when all five (5) of the following conditions are satisfied:

- ✈ The Group has transferred to the buyer the significant risks and rewards of ownership of the aircraft and aircraft's components;
- ✈ The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the aircraft and aircraft's components sold;
- ✈ The amount of revenue can be measured reliably;
- ✈ It is probable that the economic benefits associated with the transaction will flow to the Group; and
- ✈ The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of aircraft and aircraft's components.

(h) Revenue from rendering of other services

Revenue from rendering of other services is recognised in the consolidated interim income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue is not recognised if there are significant uncertainties regarding recovery of the consideration due.

Revenue from rendering of services is only recognised when all four (4) of the following conditions are satisfied:

- ✈ The amount of revenue can be measured reliably;
- ✈ It is probable that the economic benefits associated with the transaction will flow to the Group;
- ✈ The percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- ✈ The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

(i) Interest income

Interest income is recognised on the basis of the actual time and interest rates for each period when both conditions below are simultaneously satisfied:

- ✈ It is probable that economic benefits will be generated; and
- ✈ Income can be measured reliably.

(j) Dividend income

Income from dividends is recognised when the Group has established the receiving right from investees.

2.26 Cost of goods sold and services rendered

Cost of goods sold and services rendered are the cost of merchandise sold or services rendered during the period, and recorded on the basis of matching with revenue and on a prudence basis.

2.27 Financial expenses

Financial expenses are expenses incurred in the year for financial activities mainly including provision for diminution in the value of trading securities; provision for diminution in value of other entities; unwinding discount of provision; expenses of lending and borrowing; losses incurred on selling foreign currencies and losses from foreign exchange differences.

2.28 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling merchandises and providing services.

2.29 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes of the Group.

2.30 Current and deferred income tax

Income tax includes all income tax which is based on taxable profits. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income tax payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred income tax are recognised as an income or an expense and included in the profit or loss of the year, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.31 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Group, including holding companies, subsidiaries and associates are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group, key management personnel, including the Board of Directors, the Board of Management and Audit committee of the Company, close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Group considers the substance of the relationships not merely the legal form.

2.32 Segment reporting

A segment is a component which can be separated by the Group engaged in sales of goods or rendering of services (“business segment”), or sales of goods or rendering of services within a particular economic environment (“geographical segment”). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Group’s business segment and the Group’s geographical segment.

2.33 Critical accounting estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements requires the Board of Management 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 consolidated financial statements and the reported amounts of revenues and expenses during the financial year.

The areas involving significant estimates and assumptions are as follows:

- ✦ Estimated useful lives of fixed assets (Note 2.14 and 11);
- ✦ Provisions for periodic maintenance costs in the scope of maintenance reserves and cost to make good on leased assets (Notes 2.21 and 21); and
- ✦ Deferred income tax assets (Notes 2.30 and 23).
- ✦ Provision for doubtful debts (Note 2.8)

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are assessed by the Board of Management to be reasonable under the circumstances.

3 CASH AND CASH EQUIVALENTS

	2023 VND	2022 VND
Cash on hand	8,367,511,248	9,872,547,293
Cash at banks (*)	2,419,422,716,857	885,413,407,203
Cash equivalents (**)	2,622,952,952,643	962,975,781,024
	<u>5,050,743,180,748</u>	<u>1,858,261,735,520</u>

(*) As at 31 December 2023, the demand deposits amounted to USD11,013,600 at HSBC Bank (Vietnam) Ltd. has been placed to secure for obligations arising from the issuance of Letter of Credit.

(**) As at 31 December 2023, cash equivalents mainly include term deposits in VND at banks with original maturities of 3 months or less and earn interest at rates ranging from 2.7% to 6% per annum (as at 31 December 2022: from 3.8% to 6% per annum), included cash equivalents amounted to VND580 billion (as at 31 December 2022: VND556 billion) at Vietnam Joint Stock Commercial Bank of Industry and Trade placed to secure for obligations arising from the issuance of Letter of Credit and term deposits amounted to VND200 billion at Military Commercial Joint Stock Bank which were secured for a part of Credit Facility of the Group.

As at 31 December 2023, the Group had demand and term deposit amounted to VND2,959 billion (as at 31 December 2022: VND490 billion) at Ho Chi Minh City Development Joint Stock Commercial Bank – a related party with the normal terms and conditions applied (Note 40(b)).

4 INVESTMENTS**(a) Trading securities**

	2023			
	Quantity	Cost VND	Fair value VND	Provision VND
Petro Vietnam Oil Corporation	50,000,000	990,000,000,000	503,550,000,000	(486,450,000,000)
	2022			
	Quantity	Cost VND	Fair value VND	Provision VND
Petro Vietnam Oil Corporation	50,000,000	990,000,000,000	500,000,000,000	(490,000,000,000)

The Group signed a non-cancellation agreement to sell the purchase right option of 50 million shares of Petro Vietnam Oil Corporation (“PV Oil”) for the consideration of VND500 billion and the Group fully collected this consideration. Accordingly, the buyer will have an option to purchase these PV Oil’s shares at the market price before 30 June 2024.

(b) Investments held to maturity

	2023		2022	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits (*)	109,793,871,096	109,793,871,096	187,775,421,096	187,775,421,096

(*) As at 31 December 2023, investments held to maturity mainly include term deposits in VND at banks with their original maturity from 6 months to 12 months and earn interest at rates from 3% to 7.5% per annum (as at 31 December 2022: from 4.6% to 9.5% per annum).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

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4 INVESTMENTS (CONTINUED)**(c) Investments in associates (*)**

	2023		2022	
	Ownership %	Net value owned by the Group VND	Cost VND	Provision VND
Thai Vietjet Air Joint Stock Co., Ltd. (i)	9	-	-	-
Cam Ranh International Terminal Joint Stock Company	10	60,000,000,000	-	-
		60,000,000,000	-	60,000,000,000

(*) As at 31 December 2023 and 31 December 2022, the Group could not determine the fair value of these investments to disclose in the consolidated financial statements as these investments are not quoted in the market. The fair value of such investments may differ from their book values.

(d) Investments in other entities

	2023		2022	
	Ownership %	Net value owned by the Group VND	Cost VND	Provision VND
Sai Gon Ground Services Joint Stock Company (ii)	9.1	149,417,024,400	221,909,595,000	-
Angelica Holding Limited (iii)	10	-	-	-
		149,417,024,400	221,909,595,000	191,913,539,400

(i) As at 31 December 2023 and 31 December 2022, the Group has not yet contributed the capital in this associate. The Board of Management clearly understands the current regulations related to capital contributions to these companies and assesses that there are no violations or material effects that need to be disclosed at the date of approval of the consolidated financial statements.

(ii) The fair value of investments in other entities is its share price which is determined by referencing to the closing prices on the Ho Chi Minh City Stock Exchange (HOSE).

(iii) As at 31 December 2023 and 31 December 2022, the Group has not yet contributed the capital in this company, which is incorporated in Cayman Islands. The principal activities of this company are to provide consultancy services and lease aircraft.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE**(a) Short-term**

	2023 VND	2022 VND
Third parties		
Fadle Chem Private Limited (*)	1,427,843,746,050	609,847,600,000
Yuejie (Hangzhou) Freight Forwarding Co., Ltd. (*)	1,191,757,300,000	677,564,250,000
Hangzhou BaoLi Co., Ltd. (*)	852,537,099,656	944,712,915,295
Nam Anh Technology Limited Company	298,590,000,000	-
Zhejiang Lixi International Travel Co., Ltd. (*)	218,857,285,023	1,604,766,900,000
Hangzhou Star International Travel Service Co., Ltd.	-	1,735,832,800,000
Others	638,058,187,151	281,412,600,773
	4,627,643,617,880	5,854,137,066,068
Related parties (Note 40(b))	7,689,110,173,292	6,548,172,828,621
	12,316,753,791,172	12,402,309,894,689

(*) From 1 January 2023 to the approval date of these consolidated financial statements, these customers have paid VND1,523,294,840,320 to the Group. As at 31 December 2023, the short-term trade accounts receivable from these customers have been overdue by VND1,799,742,535,357. Based on the payment history and the strategic partnership between the Group and these customers, the Board of Management assessed that the outstanding receivables are recoverable.

(b) Long-term

The balances as at 31 December 2023 and 31 December 2022 represent receivables from the sales of purchase right option of aircraft to Angelica Holding Limited ("Angelica") (Note 40(b)). According to the agreement between the Group and Angelica, Angelica shall prioritise to net-off Angelica's current payables to the Group with which the Group has accounts payable due to Angelica in relation to the commercial aircraft arrangement services that Angelica will provide to the Group in the subsequent years. Accordingly, the Board of Management of the Group assesses that these receivables are collectible.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

6 PREPAYMENTS TO SUPPLIERS**(a) Short-term**

	2023 VND	2022 VND
Third parties		
Angelica Aviation Capital Vietnam Limited Company	788,000,000,000	-
Others	566,923,771,923	275,059,001,497
	1,354,923,771,923	275,059,001,497
Related parties (Note 40(b))	423,945,852,381	1,351,166,515,826
	1,778,869,624,304	1,626,225,517,323

(b) Long-term

	2023 VND	2022 VND
Yuejie (Hangzhou) Freight Forwarding Co., Ltd.	5,074,339,299,318	-
Hangzhou BaoLi Co., Ltd.	1,041,401,052,045	1,132,635,253,054
	6,115,740,351,363	1,132,635,253,054

These amounts represented long-term prepayments of marketing and consulting services for oversea strategic business developments for the next 10 years.

7 LENDINGS**(a) Short-term**

Borrower	Currency	Annual interest rate	Year of maturity	2023 VND	2022 VND
Truong Son Plaza Joint Stock Company	VND	9%	2024	457,000,000,000	657,000,000,000

Short-term lending balance represents a loan to Truong Son Plaza Joint Stock Company to finance working capital of this company. These loans are unsecured and will be matured on 9 September 2024.

(b) Long-term

Borrower	Currency	Annual interest rate	Year of maturity	2023 VND	2022 VND
AAA Aircraft Asset Company Limited (*)	USD	2,5%	2025	518.403.576.000	512.689.557.018
Apricot Aircraft Assets No. 1 Limited (**)	USD	5%	2033	301.218.308.679	300.386.377.342
Board of Management (Note 40(b))	VND	5,8%	2027	25.000.000.000	25.000.000.000
Board of Director (Note 40(b))	VND	5,8%	2027	25.000.000.000	25.000.000.000
Others	VND	5%	2025	5.145.921.500	5.145.921.500
				874.767.806.179	868.221.855.860

(*) These amounts represent the loan balance amounted to USD21,501,600 due from AAA Aircraft Asset Company Limited, a related party, to finance its purchase of aircraft and the related purchase costs. These loans are unsecured and will be matured in 2025.

(**) These amounts represent the loan balance amounted to USD12,950,770 due from Apricot Aircraft Assets No. 1, a related party, to finance its purchase of aircraft and the related purchase costs. These loans are unsecured and will be matured in 2033.

8 OTHER RECEIVABLES**(a) Short-term**

	2023		2022	
	Book value VND	Provision VND	Book value VND	Provision VND
Third parties				
Deposits for aircraft purchases within next 12 months	3,023,006,578,142	-	1,807,805,631,328	-
Receivables from transfer of Pacific Star's shares (i)	2,436,600,000,000	-	3,614,800,000,000	-
Receivables from business cooperation (ii)	2,186,560,400,000	-	-	-
Receivables from transfer of Vinh Son's shares (iii)	2,070,000,000,000	-	-	-
Maintenance reserves of leased aircraft				
- Regular contributions	1,900,288,003,915	-	1,485,171,706,801	-
- Claim receivables of maintenance reserves of leased aircraft	144,203,942,409	-	442,633,214,126	-
Receivables from sales of commercial and operational right (iv)	1,151,067,552,161	-	2,083,963,627,561	-
Receivable from transfer of capital contribution deposit contract (v)	338,650,000,000	-	-	-
Interest receivable from BCC, lendings and deposit	293,085,862,361	-	157,232,260,570	-
Purchase discounts receivable	173,433,588,050	-	105,591,795,895	-
Others	1,985,052,146,967	-	1,177,152,126,998	-
	15,701,948,074,005	-	10,874,350,363,279	-
Related parties (Note 40(b))	3,988,495,991,319	-	4,169,918,288,812	-
	19,690,444,065,324	-	15,044,268,652,091	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

8 OTHER RECEIVABLES (CONTINUED)**(a) Short-term (continued)**

(i) Receivables related to the transfer of shares of Pacific Star Investment and Development Company to Conasi Real Estate Management and Development Joint Stock Company (“Conasi”) and Flex Financial Investment Limited Liability Company (“Flex”). As at 31 December 2023, these receivables are secured by collateral of 3.6 million shares of Pacific Star. From 1 January 2024 to the date of approval of these consolidated financial statements, the Group has collected VND1,067 billion. The overdue balance of receivables are VND1,777 billion. Based on the payment history of these third parties, as well as the collateral for the aforementioned receivables, the Board of Management assessed that these receivables are recoverable.

(ii) During the year, the Group signed a business cooperation contract (“BCC”) to implement the Hoa Sen Dai Phuoc Project with a third party. Accordingly, the Group enjoys pre-tax profits of the BCC corresponding to the actual contribution ratio of the Group, but not less than 9% per annum calculated on the capital contributed by the Group to the project.

(iii) Receivables related to the transfer of shares of Vinh Son Joint Stock Company (“Vinh Son”) to Viet Phap International Construction Design Consultant Joint Stock Company (“Viet Phap”) with the sale consideration of VND2,070 billion. Prior to the transfer, the Group purchased the shares of Vinh Son owned by Dragon Village Real Estate Joint Stock Company, a related party (Note 40(a)(ix)), with the purchase consideration of VND 990 billion. The purchase considerations are considered lower than the fair value upon the purchase.

As at the approval date of these consolidated financial statements, Viet Phap completed the payments to the Group of VND 990 billion. The remaining receivables in due are secured by the collateral assets of 2.3 million shares of Vinh Son which are owned by Viet Phap.

(iv) Receivables related to the transfer of commercial and operational rights of the Vietjet Plaza Building to a third party. As at the approval date of these consolidated financial statements, the Group and this third party are in the process of negotiating contracts related to the transfer of assets which are higher than the receivables of this third party, expected to be completed in 2024. Therefore, the Board of Management of the Group assessed that these receivables from this company are recoverable.

(v) In 2023, the Group had signed a deposit contract with Dynamic & Development Investment Joint Stock Company for the purchase of contributed capital of Sovico Khanh Hoa Company Limited. Subsequently, the Group transferred the deposit contract to Dinh Thanh Investment Company Limited and Cong Dia Son Khiem Investment Company Limited with a total sale consideration of VND 1,225 billion. As of the approval date of the consolidated financial statements, the Group had fully collected these receivables..

(b) Long-term

	2023		2022	
	Book value VND	Provision VND	Book value VND	Provision VND
Third parties				
Regular contribution of maintenance reserves of leased aircraft	10,921,765,414,953	-	9,261,664,412,149	-
Deposit for aircraft purchases after next 12 months (i)	3,069,311,858,793	-	3,248,651,248,296	-
Deposit for aircraft leases	2,051,906,249,573	-	1,385,265,877,334	-
Deposit for ground handling services	330,426,370,184	-	149,392,198,866	-
Received from shares transferred	-	-	666,000,000,000	-
Others	216,198,784,194	-	95,866,770,453	-
	16,589,608,677,697	-	14,806,840,507,098	-
Related parties (Note 40(b))	783,517,789,652	-	567,128,239,684	-
	17,373,126,467,349	-	15,373,968,746,782	-

(i) The amounts represent deposits for aircraft purchases from 2025 to 2028 to Airbus S.A.S and Boeing Company.

9 INVENTORIES

	2023		2022	
	Cost VND	Provision VND	Cost VND	Provision VND
Tools and supplies	653,814,006,771	-	944,247,619,321	-
Merchandise	49,570,536,493	-	38,468,452,354	-
	703,384,543,264	-	982,716,071,675	-

10 PREPAID EXPENSES**(a) Short-term**

	2023	2022
	VND	VND
Tools and instruments	100,470,111,960	118,760,173,915
Software license fee	21,819,620,173	14,213,790,811
Others	17,090,334,809	31,708,070,143
	139,380,066,942	164,682,034,869

(b) Long-term

	2023	2022
	VND	VND
Maintenance costs of leased aircrafts	6,360,989,325,732	5,023,761,090,900
Deferred aircraft lease expenses	875,071,909,143	-
Costs to make good on leased aircrafts	681,066,083,405	608,163,922,799
Aircraft inspection expenditure	573,703,403,431	495,343,640,432
Parts, tools and instruments	274,258,581,024	267,207,414,543
Others	291,440,101,200	244,713,124,091
	9,056,529,403,935	6,639,189,192,765

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

10 PREPAID EXPENSES (CONTINUED)**(b) Long term (continued)**

Movements in long-term prepaid expenses during the year are as follows:

	Maintenance costs of leased aircrafts	Costs to make good on leased aircrafts	Aircraft inspection expenditure	Parts, tools and instruments	Deferred aircraft lease expenses	Others	Total
	VND	VND	VND	VND	VND	VND	VND
As at 1 January 2022	-	-	-	-	-	-	-
Increase	692,655,542,194	77,371,593,378	557,885,544,084	70,321,938,834	-	17,168,107,527	1,415,402,726,017
Transfers from inventory	-	-	-	242,667,349,245	-	-	242,667,349,245
Transfers from construction in progress (Note 12)	-	-	-	-	-	225,385,696,812	225,385,696,812
Allocation	(654,143,517,148)	(92,016,962,579)	(237,360,550,237)	(228,672,304,105)	-	(31,476,045,524)	(1,243,669,379,593)
Decrease	(80,305,930,668)	(9,345,903,498)	-	-	-	-	(89,651,834,166)
As at 31 December 2022	5,023,761,090,900	608,163,922,799	495,343,640,432	267,207,414,543	-	244,713,124,091	6,639,189,192,765
Increase	2,066,687,396,654	190,027,889,069	212,379,001,700	1,363,169,368	875,071,909,143	294,736,854,724	3,640,266,220,658
Transfers from inventory	-	-	-	468,600,576,985	-	-	468,600,576,985
Transfers from construction in progress (Note 12)	-	-	196,932,615,877	45,113,720,216	-	5,376,482,409	247,422,818,502
Reclassification	-	-	(166,978,535,748)	(65,499,397,072)	-	218,298,389,324	(14,179,543,496)
Allocation	(729,459,161,822)	(117,125,728,463)	(163,973,318,830)	(442,526,903,016)	-	(471,684,749,348)	(1,924,769,861,479)
As at 31 December 2023	6,360,989,325,732	681,066,083,405	573,703,403,431	274,258,581,024	875,071,909,143	291,440,101,200	9,056,529,403,935

11. FIXED ASSETS**(a) Tangible fixed assets**

Historical cost	Aircrafts and aircraft engines		Buildings and structures		Machinery and equipment		Motor vehicles		Office equipment		Total	
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
As at 1 January 2023	5,456,562,051,560	408,553,614,498	119,288,825,328	71,456,897,783	57,671,456,583	6,113,532,845,752						
New purchases	608,400,000,000	2,572,537,880	15,801,160,090	32,600,218,477	4,475,505,929	663,849,422,376						
Sales and operating lease back(*)	(2,133,668,057,333)	-	-	-	-	(2,133,668,057,333)						
Disposals	-	-	-	(4,789,155,082)	(31,636,364)	(4,820,791,446)						
As at 31 December 2023	3,931,293,994,227	411,126,152,378	135,089,985,418	99,267,961,178	62,115,326,148	4,638,893,419,349						
Accumulated depreciation												
As at 1 January 2023	294,456,360,375	26,041,398,614	51,372,765,712	28,394,277,137	31,934,339,718	432,199,141,556						
Charge for the year	321,294,760,721	8,728,747,269	14,815,093,579	9,410,391,201	5,457,744,516	359,706,737,286						
Sales and operating lease back (*)	(138,829,715,493)	-	-	-	-	(138,829,715,493)						
Disposals	-	-	-	(4,789,155,082)	(12,040,344)	(4,801,195,426)						
As at 31 December 2023	476,921,405,603	34,770,145,883	66,187,859,291	33,015,513,256	37,380,043,890	648,274,967,923						
Net book value												
As at 1 January 2023	5,162,105,691,185	382,512,215,884	67,916,059,616	43,062,620,646	25,737,116,865	5,681,333,704,196						
As at 31 December 2023	3,454,372,588,624	376,356,006,495	68,902,126,127	66,252,447,922	24,735,282,258	3,990,618,451,426						

(*) During the year, the Group sold one aircraft and two engines at their fair values and operating leasing back this aircraft and these two engines.

As at 31 December 2023, tangible fixed assets with carrying value of VND557 billion (as at 31 December 2022: VND602 billion) were pledged at Military Commercial Joint Stock Bank as collateral assets for long-term borrowings granted to the Group (Note 20(b)(iii)).

The historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2023 was VND59 billion (as at 31 December 2022: VND55 billion).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

11. FIXED ASSETS (CONTINUED)**(b) Finance lease fixed assets**

	Tàu bay VND
Historical cost	
As at 1 January 2023	-
New leases	6,181,116,755,409
As at 31 December 2023	6,181,116,755,409
Accumulated depreciation	
As at 1 January 2023	-
Charge for the year	45,692,292,485
As at 31 December 2023	45,692,292,485
Net book value	
As at 1 January 2023	-
As at 31 December 2023	6,135,424,462,924

During the year, the Group entered contracts with the international finance lessor - Wilmington Trust SP Services (Dublin) Limited and Angelica Holding Limited to finance lease three (3) aircraft and obtain rights to purchase these aircraft at the end of the lease term with the total carrying value of VND6,181 billion. At the commencement of the lease, the Group have been transferred the ownership of these aircraft pursuant to the terms of financial lease contracts at the end of the lease. The leased assets represent the present value of minimum lease payments pursuant to Finance Lease Agreement with the finance lessor and the initial direct costs related to the finance lease. The lease term is 10 years commencing from the delivery of aircraft.

(c) Intangible fixed assets

	Software VND
Historical cost	
As at 1 January 2023	61,941,976,858
New purchases	4,027,839,087
Transfers from construction in progress (Note 12)	22,741,208,828
As at 31 December 2023	88,711,024,773
Accumulated amortisation	
As at 1 January 2023	33,556,184,806
Charge for the year	7,854,649,868
As at 31 December 2023	41,410,834,674
Net book value	
As at 1 January 2023	28,385,792,052
As at 31 December 2023	47,300,190,099

The historical cost of intangible fixed assets that were fully amortised but still in use as at 31 December 2023 was VND31 billion (as at 31 December 2022: VND31 billion).

12 CONSTRUCTION IN PROGRESS

Details of construction in progress by projects are as follows:

	2023 VND	2022 VND
Purchase costs of aircrafts and aircraft engines	279,574,243,350	191,600,755,991
Major inspection and overhaul expenses	59,476,852,383	72,883,904,312
Software installation	-	24,200,479,927
Others	41,584,000,319	20,064,554,267
	380,635,096,052	308,749,694,497

Movements in construction in progress during the year are as follows::

	2023 VND	2022 VND
Beginning of year	308,749,694,497	500,760,695,887
Purchase	432,593,511,308	101,792,352,104
Transfers to intangible fixed assets (Note 11(c))	(22,741,208,828)	(625,912,381)
Transfers to long-term prepaid expenses (Note 10(b))	(247,422,818,502)	(225,385,696,812)
Others	(90,544,082,423)	(67,791,744,301)
End of year	380,635,096,052	308,749,694,497

13 SHORT-TERM TRADE ACCOUNTS PAYABLE

	2023		2022	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Petrolimex Aviation Fuel Joint Stock Company	2,421,289,466,998	2,421,289,466,998	2,496,227,675,244	2,496,227,675,244
Airports Corporation of Vietnam	517,181,502,354	517,181,502,354	1,520,378,879,754	1,520,378,879,754
Others	4,938,257,799,227	4,938,257,799,227	4,638,460,529,977	4,638,460,529,977
	7,876,728,768,579	7,876,728,768,579	8,655,067,084,975	8,655,067,084,975
Related parties (Note 40(b))	928,566,545,189	928,566,545,189	1,004,868,871,894	1,004,868,871,894
	8,805,295,313,768	8,805,295,313,768	9,659,935,956,869	9,659,935,956,869

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

14 SHORT-TERM ADVANCES FROM CUSTOMERS

	2023 VND	2022 VND
Third parties		
Angelica Aviation Capital Vietnam Company Limited (*)	1,268,260,000,000	395,000,000,000
Nam Anh Technology Limited Company (**)	1,220,000,000,000	-
Others	1,041,712,896,709	1,022,047,602,627
	3,529,972,896,709	1,417,047,602,627
Related parties (Note 40(b))		
	16,103,770,539	569,611,453,288
	3,546,076,667,248	1,986,659,055,915

(*) This balance represents an advance payment for purchase of aircraft.

(**) This balance represents an advance payment for purchase of engines.

15 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

Movements in tax and other receivables from/payables to the State during the year are as follows:

	As at 1.1.2023 VND	Receivable/payable during the year VND	Payment/ refund during the year VND	Net-off during the year VND	Reclassification/ other VND	As at 31.12.2023 VND
(a) Tax receivables						
Deductible VAT	139,358,572,943	1,548,199,959,103	-	(1,678,551,876,571)	-	9,006,655,475
Foreign contractor tax	24,874,721,710	-	-	-	35,477,645,657	60,352,367,367
Goods and services tax in foreign countries	-	37,070,618,553	(12,574,940,848)	(24,216,226,202)	7,411,283,206	7,690,734,709
	164,233,294,653	1,585,270,577,656	(12,574,940,848)	(1,702,768,102,773)	42,888,928,863	77,049,757,551
(b) Tax payables						
CIT	165,344,856,313	3,217,284,657	(3,508,148,950)	-	-	165,053,992,020
VAT	-	1,963,914,766,418	(75,062,756,699)	(1,678,551,876,571)	-	210,300,133,148
Personal income tax	192,791,399,947	395,665,663,789	(404,680,327,672)	-	(109,322,865,537)	74,453,870,527
Foreign contractor tax	-	33,012,684,871	(68,483,590,419)	-	35,477,645,657	6,740,109
Import duties	910,718	126,290,205,059	(126,291,115,777)	-	-	-
Goods and services tax in foreign countries	280,869,057	82,179,649,571	(65,655,575,632)	(24,216,226,202)	7,411,283,206	-
Others	-	54,863,745,074	(54,863,745,074)	-	-	-
	358,418,036,035	2,659,143,999,439	(798,545,260,223)	(1,702,768,102,773)	(66,433,936,674)	449,814,735,804

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

16 PAYABLE TO EMPLOYEES

These amounts represented salary payables of December due to employees.

17 SHORT-TERM ACCRUED EXPENSES

	2023 VND	2022 VND
Technical and aircraft related expenses	995,616,357,198	348,923,487,758
Interest expense	400,206,698,175	146,092,701,141
Maintenance	50,167,897,695	98,929,376,541
Others	480,412,484,218	261,139,108,814
	<u>1,926,403,437,286</u>	<u>855,084,674,254</u>

18 SHORT-TERM UNEARNED REVENUE

	2023 VND	2022 VND
Passenger transportation and ancillary services revenue received in advance, to be realised within next 12 months	3,545,846,183,336	3,431,102,413,796
Others	54,172,409,263	72,351,627,491
	<u>3,600,018,592,599</u>	<u>3,503,454,041,287</u>

19 OTHER PAYABLES**(a) Short-term**

	2023 VND	2022 VND
Third party		
Airport fees and charges payables to airports	2,357,369,919,640	884,921,481,267
Airport fees received on behalf from passengers	1,057,481,042,821	864,076,743,831
Payable to share purchase	-	960,000,000,000
Others	389,378,220,297	517,098,857,840
	<u>3,804,229,182,758</u>	<u>3,226,097,082,938</u>
Related parties (Note 40(b))	353,019,630,468	182,981,962,951
	<u>4,157,248,813,226</u>	<u>3,409,079,045,889</u>

20 BORROWINGS**(a) Short-term**

	As at 1.1.2023 VND	Increase VND	Decrease VND	Reclassification VND	Revaluation VND	As at 31.12.2023 VND
Borrowings from banks (i)	7,786,603,382,085	25,763,821,531,653	(25,489,579,342,495)	-	72,083,482,338	8,132,929,053,581
Current portion of long-term borrowings (Note 20(b))	68,298,400,000	-	(67,430,200,000)	69,832,220,000	-	70,700,420,000
Current portion of long-term bonds (Note 20(b))	650,000,000,000	-	(650,000,000,000)	5,000,000,000,000	-	5,000,000,000,000
Borrowings from related parties (ii) (Note 40(b))	45,000,000,000	-	-	-	-	45,000,000,000
Current portion of long-term finance lease (Note 20(b)(v))	-	-	-	305,164,895,027	-	305,164,895,027
	<u>8,549,901,782,085</u>	<u>25,763,821,531,653</u>	<u>(26,207,009,542,495)</u>	<u>5,374,997,115,027</u>	<u>72,083,482,338</u>	<u>13,553,794,368,608</u>

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For the year ended 31 December 2023

20 BORROWINGS (CONTINUED)

(a) Short-term (continued)

(i) Borrowings from banks

Details of short-term borrowings from banks are as follows:

Lenders	Currency	Maturity	2023 VND	2022 VND
Secured loans				
Ho Chi Minh City Development Joint Stock Commercial Bank, a related party (Note 40(b))(*)	USD VND	January to April 2024	3,300,425,512,901	2,918,027,095,639
Unsecured loans				
Military Commercial Joint Stock Bank	VND	January to June 2024	2,058,001,325,721	1,072,567,986,932
Vietnam Joint Stock Commercial Bank of Industry and Trade	VND	January to March 2024	1,159,674,562,979	2,146,440,768,211
Vietnam Maritime Commercial Joint Stock Bank	VND	April to June 2024	899,060,278,181	699,859,102,940
Woori Bank Vietnam Limited, Ho Chi Minh City Branch	VND	January 2024	650,000,000,000	649,714,086,079
HSBC Bank (Vietnam) Ltd.	VND	February to March 2024	65,767,373,799	-
Petrolimex Group Commercial Joint Stock Bank	VND	March 2023	-	299,994,342,284
			<u>8,132,929,053,581</u>	<u>7,786,603,382,085</u>

(*) As at 31 December 2023, this loan was secured by the estimated receivables arising from the Group's sales of flight tickets in the future of VND6,355 billion (as at 31 December 2022: VND6,665 billion).

During the year, these borrowings bear interest at rates ranging from 5% to 10.8% per annum for borrowings in VND, and from 5.6% to 6.9% per annum for borrowings in USD.

(ii) Borrowing from related party

Details of short-term borrowings from related parties are as follows:

Lenders	Currency	2023 VND	2022 VND
Unsecured loans			
Victoria Academy Company Limited	VND	<u>45,000,000,000</u>	<u>45,000,000,000</u>

During the year, these borrowings bear interest at rates 5% per annum (for the year ended 31 December 2022: 5% per annum), with the maturity date is May 2024.

(b) Long-term

	As at 1.1.2023 VND	Increase VND	Decrease VND	Reclassification VND	Revaluation VND	As at 31.12.2023 VND
Borrowings from banks (iii)	309,745,847,108	-	-	(69,832,220,000)	10,025,403,945	249,939,031,053
Straight bonds (iv)	10,000,000,000,000	9,000,000,000,000	-	(5,000,000,000,000)	-	14,000,000,000,000
Finance lease liabilities (Note 20(b) (v))	-	3,910,577,779,621	(145,116,305,330)	(305,164,895,027)	(16,026,511,826)	3,444,270,067,438
Bond issuance costs	-	(470,918,259,972)	33,747,664,602	-	-	(437,170,595,370)
	<u>10,309,745,847,108</u>	<u>12,439,659,519,649</u>	<u>(111,368,640,728)</u>	<u>(5,374,997,115,027)</u>	<u>(6,001,107,881)</u>	<u>17,257,038,503,121</u>

(iii) Borrowings from banks

Details of long-term borrowings from banks are as follows:

Lenders	Currency	Maturity	2023		2022	
			Current portion of long-term borrowings VND	Long-term borrowings VND	Current portion of long-term borrowings VND	Long-term borrowings VND
Military Commercial Joint Stock Bank (*)	USD	June 2028	70,700,420,000	249,939,031,053	68,298,400,000	309,745,847,108

(*) The principal of this borrowing is repayable in 17 equal semi-annual instalments of USD1.4 million (equivalent to VND33 billion) each and a final instalment of USD1.5 million (equivalent to VND35 billion) on 13 June 2028. The borrowing bears interest at a rate from 7.84% to 8.42% per annum (for the year ended 31 December 2022: from 2.99% to 7.88% per annum) and is secured by the Group's tangible fixed assets with the carrying amount as follows:

	2023 VND	2022 VND
Aircraft No. A320 MSN7167, VNA675 (Note 11(a))	557,724,963,053	602,357,633,852

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For the year ended 31 December 2023

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20 BORROWINGS (CONTINUED)**(b) Long-term (continued)**

(iv) Straight bonds

Details of long-term straight bonds are as follows:

	Currency	Annual interest	Year of maturity	2023		2022	
				Current portion of long-term borrowings VND	Long-term borrowings VND	Current portion of long-term borrowings VND	Long-term borrowings VND
Bonds issued at par value, maturing after 36 months (*)	VND	7.8% - 9.2%	2023	-	-	650,000,000,000	-
Bonds issued at par value, maturing after 36 months (**)	VND	7.8% - 10.3%	2024	5,000,000,000,000	-	-	5,000,000,000,000
Bonds issued at par value, maturing after 60 months (***)	VND	7.8% - 9.5%	2026	-	5,000,000,000,000	-	5,000,000,000,000
Bonds issued at par value, maturing after 60 months (****)	VND	10.5%	2028	-	3,000,000,000,000	-	-
Bonds issued at par value, maturing after 60 months (*****)	VND	12%	2028	-	6,000,000,000,000	-	-
				5,000,000,000,000	14,000,000,000,000	650,000,000,000	10,000,000,000,000

(*) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 9% per annum for the first 2 semi-annual periods from the date of issuance, and a floating interest rate equal to 3% per annum plus the average interest rates of the 12-month corporate deposits in VND in the following semi-annual periods until the maturity date.

(**) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 9.5% per annum for the first 2 semi-annual periods from the date of issuance, and a floating interest rate equal from 3% to 3.5% per annum plus the average interest rates of the 12-month corporate deposits in VND in the following semi-annual periods until the maturity date.

(***) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 9.5% per annum for the first 2 semi-annual periods from the date of issuance, and a floating interest rate equal to 3% per annum plus the average interest rates of the 12-month corporate deposits in VND in the following semi-annual periods until the maturity date.

(****) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 10.5% per annum until the maturity date

(*****) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 12% per annum for the first 2 semi-annual periods from the date of issuance, and a floating interest rate equal to 3.5% per annum plus the average interest rates of the 12-month corporate deposits in VND in the following semi-annual periods until the maturity date

(v) Financial lease liabilities

Detailed of financial lease liabilities are as follow:

	2023		
	Principal VND	Lease interest expense VND	Total VND
Under 1 year	305,164,895,027	404,053,803,040	709,218,698,067
From 1 to 5 years	1,221,029,753,238	1,274,473,899,828	2,495,503,653,066
Over 5 years	2,223,240,314,200	810,101,687,922	3,033,342,002,122
	3,749,434,962,465	2,488,629,390,790	6,238,064,353,255

As at 31 December 2023, the balance of financial lease liabilities includes leases of aircraft with Wilmington Trust SP Services (Dublin) Limited.

Contract	Type	Principal debt	Term
VP/#62719953.3 15 September 2023	Financial lease	1.244.161.953.819	12 months from the delivery of aircraft
VP/#62719971.3 15 September 2023	Financial lease	1.244.163.178.261	12 months from the delivery of aircraft
VP/#62720020.3 15 September 2023	Financial lease	1.261.109.830.385	12 months from the delivery of aircraft
		3.749.434.962.465	
Current portion of long-term finance lease		(305.164.895.027)	
		3.444.270.067.438	

As at 31 December 2023, the balance of foreign currency-denominated financial lease liabilities is USD153,476,666.

21 PROVISION FOR LIABILITIES

Movements of provision for liabilities during the year are as follows:

	Provision for maintenance expenses VND	Provision to make good on leased aircrafts VND	Total VND
As at 1 January 2023	12,868,906,445,239	1,231,940,405,974	14,100,846,851,213
Provision made in the year	4,334,205,398,116	271,529,172,023	4,605,734,570,139
Utilised of provision	(492,188,388,132)	-	(492,188,388,132)
As at 31 December 2023	16,710,923,455,223	1,503,469,577,997	18,214,393,033,220
Short-term	2,640,538,321,167	21,712,804,927	2,662,251,126,094
Long-term	14,070,385,134,056	1,481,756,773,070	15,552,141,907,126
	16,710,923,455,223	1,503,469,577,997	18,214,393,033,220

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22 BONUS AND WELFARE FUND

Movements of bonus and welfare fund during the year are as follows:

	31.12.2023 VND	31.12.2022 VND
Beginning of year	146,291,785,064	327,150,076,791
Utilization of the fund	(140,802,046,115)	(180,858,291,727)
End of year	5,489,738,949	146,291,785,064

23 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority. Details are as follows:

	2023 VND	2022 VND
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	3,777,048,834,990	3,360,651,126,590
Deferred tax assets to be recovered within 12 months	641,740,225,218	461,673,738,962
	4,418,789,060,208	3,822,324,865,552
Deferred tax liabilities:		
Deferred tax liabilities to be settled after more than 12 months	(3,855,840,327,792)	(3,037,649,078,335)
Deferred tax liabilities to be settled within 12 months	(530,151,091,639)	(380,405,239,427)
	(4,385,991,419,431)	(3,418,054,317,762)
Net-off	4,418,789,060,208	3,822,324,865,552
Net deferred income tax assets	32,797,640,777	404,270,547,790

Movements in the deferred income tax, taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

	2023 VND	2022 VND
Beginning of year	404.270.547.790	(154.517.071.443)
Consolidated income statement (charged)/credited (Note 36)	(371.472.907.013)	558.787.619.233
End of year	32.797.640.777	404.270.547.790

The Company uses tax rate of 20% in the year 2023 (2022: 20%) to determine deferred income tax assets and deferred income tax liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

23 DEFERRED INCOME TAX (CONTINUED)

Details of deferred income tax assets and deferred income tax liabilities are as below:

	2023 VND	2022 VND
Details of deferred tax assets		
Provision for maintenance costs	3,342,184,691,044	2,573,781,289,048
Tax losses carried forward	666,620,453,565	892,155,495,309
Provision for return of leased assets	300,693,915,599	246,388,081,195
Provision for diminution in the financial investments	109,290,000,000	110,000,000,000
	4,418,789,060,208	3,822,324,865,552
Details of deferred tax liabilities		
Maintenance reserves	(2,588,720,261,291)	(2,208,298,416,955)
Prepaid aircraft maintenance	(1,272,197,865,146)	(1,004,752,218,180)
Deferred aircraft lease expenses	(175,014,381,829)	-
Revaluation amounts denominated in foreign currencies	(150,093,490,856)	(83,370,898,067)
Leased return costs	(136,213,216,681)	(121,632,784,560)
Foreign exchange differences	(63,752,203,628)	-
	(4,385,991,419,431)	(3,418,054,317,762)
	32,797,640,777	404,270,547,790

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The Group's tax losses can be carried forward to offset against future taxable profits for a maximum period of no more than five consecutive years from the year right after the year in which the loss was incurred. The actual amount of tax losses that can be carried forward is subject to review and approval of the tax authorities and may be different from the figures presented in the consolidated financial statements. The estimated amount of tax losses available for offset against the Group's future taxable income is:

Year of tax loss	Status of tax authorities' review	Loss incurred VND	Loss utilised VN	Loss carried forward VN
2020	Outstanding	2,414,670,803,135	(2,132,891,831,792)	281,778,971,343
2022	Outstanding	3,051,323,296,483	-	3,051,323,296,483

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

24 OWNERS' CAPITAL**(a) Number of shares**

	2023		2022	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	541,611,334	-	541,611,334	-
Number of shares issued	541,611,334	-	541,611,334	-
Number of existing shares in circulation	541,611,334	-	541,611,334	-

(b) Details of owners' shareholding

	2023		2022	
	Ordinary shares	%	Ordinary shares	%
Domestic shareholders	446,782,129	82.54	449,467,725	82.99
Foreign shareholders	94,829,205	17.46	92,143,609	17.01
Number of shares	541,611,334	100	541,611,334	100

(c) Movement of share capital

	Number of shares		Ordinary shares VND
As at 1 January 2022 and as at 31 December 2022 and as at 31 December 2023	541,611,334	5,416,113,340,000	

Par value per share: VND10,000.

Each share is entitled to one vote at the Shareholders' meetings of the Company. Shareholders are entitled to receive dividend as declared each specified time. All ordinary shares are ranked equally with regard to the Group's residual assets. In respect of shares bought back by the Group, all rights are suspended until those shares are reissued.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

25 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Foreign exchange difference VND	Post-tax undistributed earnings VND	Non-controlling interests VND	Total VND
As at 1 January 2022	5.416.113.340.000	247.483.117.899	(110.730.393.251)	11.281.432.588.734	19.911.667.098	16.854.210.320.480
Net loss for the year	-	-	-	(2.262.499.009.854)	524.166.069	(2.261.974.843.785)
Foreign currency conversion differences for overseas activities	-	-	306.059.346.789	-	-	306.059.346.789
As at 31 December 2022	5.416.113.340.000	247.483.117.899	195.328.953.538	9.018.933.578.880	20.435.833.167	14.898.294.823.484
Net profit for the year	-	-	-	230.590.889.181	822.526.170	231.413.415.351
Foreign currency conversion differences for overseas activities	-	-	123.432.064.600	-	-	123.432.064.600
As at 31 December 2023	5.416.113.340.000	247.483.117.899	318.761.018.138	9.249.524.468.061	21.258.359.337	15.253.140.303.435

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

26 DIVIDEND PAYABLE

As at 31 December 2023 and 31 December 2022, the balance of dividends payable to shareholders is VND57 billion.

27 EARNINGS/(LOSS) PER SHARE**(a) Basic earnings/(loss) per share**

Basic earnings/(loss) per share is calculated by dividing the net profit/(loss) attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares repurchased by the Company and held as treasury shares. Details are as follows:

	For the year ended 31 December	
	2023	2022
Net profit/(loss) attributable to shareholders (VND)	230,590,889,181	(2,262,499,009,854)
Weighted average number of ordinary shares in issue (shares)	541,611,334	541,611,334
Basic earnings/(loss) per share (VND)	426	(4,177)

(b) Diluted earnings per share

The Company did not have any ordinary shares potentially diluted earnings/(losses) per share during the year and up to the approval date of these consolidated financial statements.

28 OFF CONSOLIDATED BALANCE SHEET ITEMS**(a) Foreign currencies**

	2023	2022
USD	20,472,021	9,411,017
SGD	200,547	10,239,704,671
MYR	1,135,970	126,283,863
KRW	4,400,704,971	409,254
JPY	40,239,376	43,940
IDR	113,645,890	2,864,650
THB	3,223,522	1,135,970
CNY	212,308	203,295
INR	141,158,821	31,673
HKD	713,933	10,655,005
AUD	4,369,871	279,800
EUR	41,730	1,955
TWD	267,300	54,350
GBP	1,655	108,394,060
MMK	2,864,650	2,864,650

(b) Operating lease assets

The future minimum lease receipts under non-cancellable operating leases were presented in Note 41(a)(ii).

29 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2023 VND	2022 VND
Passenger and cargo transportation revenue:		
- Domestic passenger transportation	11,321,225,329,187	10,927,622,320,416
- International passenger transportation including regular charter flights	16,072,198,944,519	3,850,959,121,800
- Ancillary and cargo transportation revenue	21,172,353,292,535	13,050,296,047,657
	48,565,777,566,241	27,828,877,489,873
Revenue from sales of aircrafts	4,775,350,000,000	5,814,905,350,000
Aircraft dry leases	1,714,000,062,091	1,561,242,313,157
Revenue from sales of engines	1,585,685,084,815	420,189,000,000
Revenue from sales of spare parts	572,873,557,618	-
Revenue from sales of purchase right option	-	4,168,173,000,000
Others	1,126,932,444,543	348,476,334,999
	58,340,618,715,308	40,141,863,488,029

30 COST OF GOODS SOLD AND SERVICES RENDERED

	2023 VND	2022 VND
Flight operation expenses	36,915,375,607,586	29,557,263,710,383
Technical expenses	6,477,531,877,691	3,497,843,675,202
Ground operation expenses	4,498,748,072,090	1,755,378,606,600
Cost of aircraft sold	4,555,360,933,077	5,586,687,730,647
Cost of engines sold	1,472,751,467,040	409,995,121,284
Safety, security, quality and assurance expenses	473,919,763,238	381,949,160,377
Cost of spare parts sold	453,782,497,138	-
Cargo expenses	417,693,371,244	256,042,532,365
Others	554,708,240,385	689,990,852,849
	55,819,871,829,489	42,135,151,389,707

31 FINANCIAL INCOME

	2023 VND	2022 VND
Income from transfer of shares (Note 8(a)(iii))	1,080,000,000,000	1,260,000,000,000
Income from transfer of deposit contracts related to purchase of capital contribution (Note 8(a)(v))	648,000,000,000	-
Realised foreign exchange gains	619,010,289,441	391,940,499,516
Interest income from deposits and lendings	395,165,805,993	405,254,953,740
Profits shared from BCC	136,110,897,865	-
Net gain from foreign currency translation at year-end	59,094,506,815	159,921,609,696
Dividend income	17,652,055,000	25,152,055,000
Others	-	3,952,347,328
	2,955,033,555,114	2,246,221,465,280

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

32 FINANCIAL EXPENSES

	2023 VND	2022 VND
Interest expense and finance lease interest expense	1,916,506,531,262	1,383,641,245,573
Late payment interest expenses	224,214,058,813	-
Realised foreign exchange losses	39,322,269,039	601,124,566,761
Bond issuance costs	33,747,664,602	-
Unwinding discount of provisions	31,826,413,901	132,113,144,440
(Reversal of provision)/provision for diminution in value of investments	(3,550,000,000)	355,000,000,000
Others	-	11,175,526,280
	<u>2,242,066,937,617</u>	<u>2,483,054,483,054</u>

33 SELLING EXPENSES

	2023 VND	2022 VND
External service expenses	945,272,185,546	377,585,573,006
Advertising and marketing expenses	587,453,793,854	166,819,934,002
Commission fee	212,015,139,143	205,872,012,931
Staff costs	162,310,345,612	138,229,187,732
Depreciation and amortisation	3,437,285,468	1,662,692,456
Others	39,635,456,326	46,174,263,225
	<u>1,950,124,205,949</u>	<u>936,343,663,352</u>

34 GENERAL AND ADMINISTRATION EXPENSES

	2023 VND	2022 VND
External service expenses	670,260,609,686	198,610,824,743
Staff costs	238,303,774,152	253,955,857,218
Rental costs	63,484,142,462	22,342,984,885
Depreciation and amortisation	3,133,393,284	4,271,324,679
Others	124,134,923,817	55,271,112,891
	<u>1,099,316,843,401</u>	<u>534,452,104,416</u>

35 NET OTHER INCOME AND OTHER EXPENSES

	2023 VND	2022 VND
Other income		
Net gains on disposal of fixed assets and sales and operating lease back	327,550,168,037	-
Income from non-refund airport fee	232,173,501,014	-
Compensation income from aircraft's suppliers	84,692,001,030	24,848,616,868
Income from the increase of purchase considerations	-	1,280,000,000,000
Others	17,781,437,491	11,256,495,414
	<u>662,197,107,572</u>	<u>1,316,105,112,282</u>
Other expenses		
Adjustment of purchase discounts receivable	(120,532,312,373)	(178,481,292,047)
Contract liquidation expense	(66,511,991,631)	-
Others	(53,321,650,513)	(85,366,043,485)
	<u>(240,365,954,517)</u>	<u>(263,847,335,532)</u>
Net other income	<u>421,831,153,055</u>	<u>1,052,257,776,750</u>

36 CORPORATE INCOME TAX ("CIT")

The Group has an obligation to pay the CIT at the applicable tax rate of 20% of taxable profits, except for the following companies:

Companies incorporated in British Virgin Islands

Vietjet Air IVB No. I Limited, Vietjet Air IVB No. II Limited

Income or profits generated in the British Virgin Islands are non-taxable.

Companies incorporated in Cayman Islands

Skymate Limited

Income or profits generated in the Cayman Islands are non-taxable.

Company incorporated in Singapore

Vietjet Air Singapore Pte. Ltd.

Vietjet Air Singapore Pte. Ltd. has an obligation to pay CIT at the rate of 17% of taxable profits.

Company incorporated in Ireland

Vietjet Air Ireland No. 1 Limited

Vietjet Air Ireland No. 1 Limited has an obligation to pay CIT at the rate of 25% of taxable profits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

36 CORPORATE INCOME TAX (“CIT”) (CONTINUED)

The CIT on the Group’s accounting (loss)/profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	2023 VND	2022 VND
Accounting profit/(loss) before tax	606,103,607,021	(2,648,658,910,470)
Tax calculated at a rate of 20%	121,220,721,404	(529,731,782,094)
Effect of:		
Expenses not deductible for tax purposes	217,080,211,200	211,913,544,550
Effect of difference tax rates applied for subsidiaries	39,919,670,064	(63,835,418,141)
Income not subject to tax	(3,530,410,998)	(5,030,411,000)
CIT charge/(credit) (*)	374,690,191,670	(386,684,066,685)
Charged/(credited) to the consolidated income statement:		
CIT – current	3,217,284,657	172,103,552,548
CIT – deferred (Note 23)	371,472,907,013	(558,787,619,233)
CIT charge/(credit)	374,690,191,670	(386,684,066,685)

(*) The CIT charge/(credit) for the year is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

37 COSTS OF OPERATION BY FACTOR

Costs of operation by factor represent all costs incurred during the year from the Group’s operating activities, excluding cost of merchandises for trading activities. Details are as follows:

	2023 VND	2022 VND
Fuel costs	21,242,888,445,391	17,097,871,839,398
Lease expenses	11,309,389,228,537	8,090,525,444,025
Staff costs	4,779,936,855,663	3,743,364,549,134
Depreciation and amortisation	413,253,679,639	79,733,663,056
External service and other expenses	14,641,949,772,354	8,569,512,640,215
	52,387,417,981,584	37,581,008,135,828

38 SEGMENT REPORTING**(a) Business segments**

For management purpose, the Group has one reportable business segment which is providing passenger and cargo transportation services, ancillary services, aircraft leasing and in-flight advertising (referred to as “aviation services”).

Except as indicated above, the Group has no other business segments being aggregated to form a reportable business segment. Accordingly, the financial information presented on the consolidated balance sheet as at 31 December 2023 and all revenues and expenses presented on the consolidated income statement for the year then ended mainly related to the above mentioned main business activities.

(b) Geographical segments

The Group’s main business activities are to provide passenger and cargo transportation services, ancillary services, aircraft rental and on-board advertising (collectively referred to as “aviation services”). These activities took place in Vietnam and countries around the world. During the year ended 31 December 2023, the Group had no revenue in countries other than Vietnam which accounting for more than 10% of the total revenue, accordingly, the Group did not prepare geographical segments.

39 ADDITIONAL INFORMATION ON CERTAIN ITEMS OF THE CONSOLIDATED CASH FLOW STATEMENT**Non-cash transactions affecting the consolidated cash flow statement:**

	2023 VND	2022 VND
Net-off financial lease liabilities with other receivables	2,193,890,975,788	-
Net-off interest payables with prepayment to supplier	154,243,835,625	-
Purchase fixed assets which not paid	122,996,478,734	371,689,630,160
Net-off payables for purchase of fixed assets with other short-term and long-term receivables	-	2,129,910,369,840
Transfer of long-term receivables to purchase fixed assets	-	1,013,410,674,517

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

Details of subsidiaries and associates are presented in Note 4

During the year, the Group had primary transactions and balances with the following related parties:

Companies had mutual management personnel or are affiliates of major shareholders:

- Sovico Holding Joint Stock Company
- Sovico Group Joint Stock Company
- Ho Chi Minh City Development Joint Stock Commercial Bank (“HDBank”)
- HD SAISON Finance Co., Ltd;
- HD Insurance Company Limited (“HD Insurance”)
- GalaxyOne Company Limited
- Victoria Academy Company Limited
- Indochina Beach Hotel Joint Stock Company
- Angelica Holding Limited
- Apricot Holding Limited
- Apricot Aircraft Assets Limited
- Apricot Aircraft Company (Ireland)
- Angelica Aircraft Assets Limited
- Apricot Aircraft Company (Ireland) 8577 Limited
- Apricot Aircraft Company (Ireland) 8592 Limited
- Apricot Aircraft Company (Ireland) 8605 Limited
- Apricot Aircraft Company (Ireland) 8670 Limited
- Apricot Aircraft Company (Ireland) 8676 Limited
- Apricot Aircraft Assets No.1 Limited
- AAA Aircraft Company Limited
- AAA Golden Aircraft Star No.1 Limited
- AAA Golden Aircraft Star No.2 Limited
- AAA Golden Aircraft Star No.3 Limited
- AAA Golden Aircraft Star No.4 Limited
- AAA Golden Aircraft Star No.5 Limited
- AAA Aircraft Asset Company Limited
- Dragon Village Real Estate Joint Stock Company

Other related parties:

- Conasi Property Management and Development Corporation (*)
- Cong Hoa Trading Investment Joint Stock Company (*)
- Menas Company Limited (*)
- Truong Son Plaza Joint Stock Company (*)

(*) In the prior years, the Group assessed these companies are related parties since these companies had mutual key management personnel with affiliates of major shareholder. During the year, the Group conducted a reassessment and identification of related parties to enhance consistency with Corporate Law and Vietnamese Accounting Standard. Accordingly, based on the Group’s relationship with these companies, these companies are reassessed and identified as not related parties of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

40 RELATED PARTY DISCLOSURES (CONTINUED)

a) Related party transactions

During the year, the following major transactions were carried out with related parties:

	2023 VND	2022 VND
i) Revenue from dry aircraft leasing		
Thai Vietjet Air Joint Stock Co., Ltd	1,305,578,918,979	1,198,309,663,845
AAA Golden Aircraft Star No.5 Limited	408,421,143,112	362,932,649,312
	<u>1,714,000,062,091</u>	<u>1,561,242,313,157</u>
ii) Revenue from sales of aircraft and aircraft purchase right option		
Angelica Holding Limited	4,291,350,000,000	9,983,078,350,000
iii) Revenue from other services		
Thai Vietjet Air Joint Stock Co., Ltd.	79,740,850,921	234,989,073,794
Victoria Academy Company Limited	56,476,376,589	-
HD Insurance	60,416,104,976	100,975,929,257
Others	3,082,260,195	86,678,235
	<u>199,715,592,681</u>	<u>336,051,681,286</u>
iv) Aircraft/engines operating lease expenses		
Apricot Aircraft Assets Limited	1,183,028,409,090	1,187,236,026,995
AAA Golden Aircraft Star No.5 Limited	220,020,609,409	186,410,500,399
Angelica Holding Limited	64,138,388,094	-
Apricot Holding Limited	56,510,821,708	-
Victoria Academy Company Limited	52,859,612,903	-
	<u>1,576,557,841,204</u>	<u>1,373,646,527,394</u>
v) Purchase of services		
Sai Gon Ground Services Joint Stock Company	383,807,380,150	287,926,592,061
HD Insurance	173,326,580,717	159,491,701,124
Others	11,095,417,604	138,081,211,386
	<u>568,229,378,471</u>	<u>585,499,504,571</u>
vi) Payments and (receipts) on behalf, net cashflows		
Thai Vietjet Air Joint Stock Co., Ltd.	(2,501,948,115,598)	(136,420,748,711)
Cam Ranh International Terminal Joint Stock Company	(136,420,748,711)	(23,616,309,388)
	<u>(2,638,368,864,309)</u>	<u>(160,037,058,099)</u>
vii) Contract liquidation expense		
Victoria Academy Company Limited	66,511,991,631	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

40 RELATED PARTY DISCLOSURES (CONTINUED)**a) Related party transactions (continued)****ix) Investment activities (continued)**

	2023 VND	2022 VND
Sales of engines		
Apricot Holding Limited	611,910,000,000	-
Purchase of shares		
Dragon Village Real Estate Joint Stock Company	990,000,000,000	-
During the year, the Group had made payment of VND985 billion for the purchase of shares. As at 31 December 2023, the remaining unpaid balances is VND5 billion.		
Investment in aircraft financial lease		
Angelica Holding Limited	2,193,890,975,788	-
x) Compensation of key management		
Board of Directors	7,378,103,503	9,345,555,420
Board of Management	7,378,103,503	17,189,738,630
	14,975,289,336	26,535,294,050

Detailed of expenses paid in cash for the Board of Directors and Board of Management for the financial year ended 31 December 2023 are as follows:

	Remuneration VND
Board of Directors	
Ms. Nguyen Thi Phuong Thao (*)	988,016,242
Ms. Nguyen Thanh Ha	1,154,724,787
Mr. Nguyen Anh Tuan	974,888,889
Mr. Dinh Viet Phuong	784,499,998
Mr. Nguyen Thanh Hung	895,775,182
Mr. Luu Duc Khanh	873,349,204
Mr. Chu Viet Cuong	1,098,349,204
Mr. Donal Joshep Boylan	-
Ms. Ho Ngoc Yen Phuong	608,499,997
Board of Management	
Salaries, bonuses and other cash payments VND	
General Director	1,944,345,833
Deputy General Directors	5,652,840,000

(*) The compensation of Chairperson - Ms. Nguyen Thi Phuong Thao had not been settled in cash, and were used to recognise high performing and working creatively employees from Quarter II of the financial year of 2023.

	2023 VND	2022 VND
viii) Financing activities		
Interest expense		
HDBank	249,245,305,721	105,638,061,951
Others	3,600,000,000	25,859,589,042
	252,845,305,721	131,497,650,993
Proceeds from borrowings		
HDBank	14,397,372,547,496	8,037,406,959,482
Victoria Academy Company Limited	-	45,000,000,000
	14,397,372,547,496	8,082,406,959,482
Repayment of borrowings		
Ngân hàng HDBank	14,087,057,612,572	7,434,985,662,395
Sovico Group Joint Stock Company	-	700,000,000,000
	14,087,057,612,572	8,134,985,662,395
Term deposits and certificate of deposits with HDBank		
Deposit	2,100,000,000,000	2,193,304,077,000
Settlement	(900,000,000,000)	(2,345,004,077,000)
Net-off other payables with short-term prepayment to supplier		
Sovico Group Joint Stock Company	154,243,835,625	-
ix) Investment activities		
Dividend income		
Sai Gon Ground Services Joint Stock Company	7,652,055,000	7,652,055,000
Interest income		
Thai Vietjet Air Joint Stock Co., Ltd.	302,113,830,681	231,861,202,013
Others	34,310,609,580	71,992,149,431
	336,424,440,261	303,853,351,444
Lending		
Board of Management	-	25,000,000,000
Board of Senior Management	-	25,000,000,000
	-	50,000,000,000
Purchase of aircraft and engines		
Angelica Holding Limited	1,205,933,400,000	1,541,263,945,784
Victoria Academy Company Limited	608,400,000,000	-
AAA Aircraft Company Limited	-	2,124,000,000,000
	1,814,333,400,000	3,665,263,945,784

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(b) Year-end balances with related parties

	2023 VND	2022 VND
Cash and cash equivalents (Note 3)		
HDBank	2,959,549,746,046	490,494,847,483
Short-term trade accounts receivable (Note 5(a))		
Thai Vietjet Air Joint Stock Co., Ltd, (i)	5,202,594,279,759	4,277,852,215,600
Angelica Holding Limited	1,626,471,795,720	1,583,402,871,804
AAA Golden Aircraft Star No,5 Limited	788,305,424,933	686,086,426,787
Others	71,738,672,880	831,314,430
	<u>7,689,110,173,292</u>	<u>6,548,172,828,621</u>
(i)	As at 31 December 2023 and 31 December 2022, the short-term trade account receivable balance due from Thai Vietjet Air Joint Stock Co., Ltd. ("Thai Vietjet") is overdue. However, the Board of Management of the Group assesses that these receivables are collectible since Thai Vietjet is a strategic partner and associate of the Group. According to the assessment of Thai Vietjet's management, the business of Thai Vietjet in the three recent years continually grew and is expected to continue to grow in 2024. Thai Vietjet has engaged a consulting firm to perform the valuation of Thai Vietjet as well as advise on debt restructuring and the structure of shareholder ownership for the period from 2024 to 2025. With these plans and the result of valuation, Thai Vietjet will be able to settle all these receivables due to the Group.	
Long-term trade accounts receivables (Note 5(b))		
Angelica Holding Limited	1,942,095,121,864	3,863,320,000,000
Short-term prepayments to suppliers (Note 6(a))		
Angelica Holding Limited	279,115,856,311	1,025,844,472,828
Apricot Holding Limited	139,083,354,906	143,555,000,000
Sovico Group Joint Stock Company	-	170,000,000,000
Others	5,746,641,164	11,767,042,998
	<u>423,945,852,381</u>	<u>1,351,166,515,826</u>
Long-term lendings (Note 7(b))		
AAA Aircraft Asset Company Limited	518,403,576,000	512,689,557,018
Apricot Aircraft Assets No. 1 Limited	301,218,308,679	300,386,377,342
Board of Management (ii)	25,000,000,000	25,000,000,000
Senior Management (ii)	25,000,000,000	25,000,000,000
	<u>869,621,884,679</u>	<u>863,075,934,360</u>

(b) Year-end balances with related parties (continued)

- (ii) The balance is related to the transfer of shares of Pacific Star Investment and Development Company to Indochina Beach Hotel Joint Stock Company ("IBH"). As at the approval date these consolidated financial statements, this balance had been fully collected.

	2023 VND	2022 VND
Other short-term receivables (Note 8(a))		
Thai Vietjet Air Joint Stock Co., Ltd. (i)	3,185,158,270,224	2,144,870,380,860
Angelica Holding Limited	470,145,000,000	454,350,000,000
Indochina Beach Hotel Joint Stock Company (iii)	135,900,000,000	1,424,910,400,000
Others	197,292,721,095	145,787,507,952
	<u>3,988,495,991,319</u>	<u>4,169,918,288,812</u>

- (iii) The balance is related to the transfer of shares of Pacific Star Investment and Development Company to Indochina Beach Hotel Joint Stock Company ("IBH"). As at the approval date these consolidated financial statements, this balance had been fully collected.

	2023 VND	2022 VND
Other long-term receivables (Note 8(b))		
Angelica Holding Limited	3,185,158,270,224	414,900,000,000
Apricot Aircraft Company (Ireland)	470,145,000,000	-
AAA Golden Aircraft Star No,5 Limited	135,900,000,000	100,994,693,184
Others	197,292,721,095	51,233,546,500
	<u>783,517,789,652</u>	<u>567,128,239,684</u>

Short-term trade accounts payable (Note 13)

AAA Golden Aircraft Star No.1 Limited	148.100.010.170	85.841.035.200
Apricot Aircraft Company (Ireland) 8577 Limited	142.531.956.898	92.419.350.884
HD Insurance	126.836.732.472	52.226.816.112
Apricot Aircraft Company (Ireland) 8592 Limited	123.801.280.094	61.536.528.000
AAA Aircraft Company Limited	117.264.000.980	371.689.630.160
Others	270.032.564.575	341.155.511.538
	<u>928.566.545.189</u>	<u>1.004.868.871.894</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

	2023 VND	2022 VND
Short-term accrued expenses		
Sai Gon Ground Services Joint Stock Company	38,653,515,550	-
Cam Ranh International Terminal Joint Stock Company	15,662,039,827	-
Victoria Academy Company Limited	5,288,516,129	1,350,000,000
HDBank	-	2,997,476,038
	<u>59,604,071,506</u>	<u>4,347,476,038</u>
Short-term advances from customers (Note 14)		
Victoria Academy Company Limited	8,251,623,411	16,500,000,000
Apricot Holding Limited	-	543,555,000,000
Others	7,852,147,128	9,556,453,288
	<u>16,103,770,539</u>	<u>569,611,453,288</u>
Other short-term payables (Note 19)		
Angelica Holding Limited	324,243,383,221	-
Angelica Aircraft Assets Limited	9,161,250,000	12,902,875,000
Sovico Group Joint Stock Company	-	154,243,835,625
Others	19,614,997,247	15,835,252,326
	<u>353,019,630,468</u>	<u>182,981,962,951</u>
Short-term borrowings (Note 20(a))		
HDBank	3,300,425,512,901	2,918,027,095,639
Victoria Academy Company Limited	45,000,000,000	45,000,000,000
	<u>3,345,425,512,901</u>	<u>2,963,027,095,639</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

41 PRINCIPLE AGREEMENTS**(a) Commitments under operating leases****(i) The Group as a lessee**

The Group signs operating lease agreements, the expected future lease payments, according to terms in these agreements, are as follows:

	2023 VND	2022 VND
Within one year	11,945,303,131,663	11,506,559,066,274
Between one and five years	37,918,480,322,958	38,581,623,224,033
Over five years	17,508,071,356,284	19,870,076,281,001
Total minimum payments	<u>67,371,854,810,905</u>	<u>69,958,258,571,308</u>

(ii) The Group as a lessor

The Group signs operating lease agreements, the expected future lease receipts, according to terms in these agreements, are as follows:

	2023 VND	2022 VND
Within one year	1,366,092,001,156	1,333,279,444,266
Between one and five years	3,228,108,669,017	4,099,020,606,476
Over five years	488,961,814,672	768,399,362,220
Total minimum receipts	<u>5,083,162,484,845</u>	<u>6,200,699,412,962</u>

(b) Other commitments

	2023 VND	2022 VND
Within one year		
Deposit for aircraft purchases	2,777,422,134,990	745,849,197,380
Purchase back leased aircraft	184,337,634,044	-
BCC	33,439,600,000	-
Between one and five years		
Deposit for aircraft purchases	32,741,518,421,083	25,886,578,817,620
Purchase back leased aircraft	249,981,991,704	-
Over five years		
Deposit for aircraft purchases	2,373,673,274,735	13,270,140,555,624
	<u>38,360,373,056,556</u>	<u>39,902,568,570,624</u>

42 OTHER EVENTS

As at the approval date of these consolidated financial statements, the Group had a commercial dispute in relation to four (4) JOLCO (Japanese Operating Lease with Call Option) aircraft. The JOLCO structure involves the Group, Japanese investors, and Banks. Banks in the 4 JOLCO aircraft transactions had sold their debts to a newly established financial investment fund in 2021. Subsequent to the acquisition of the debts, the financial investment fund and the Group had not reached mutual agreement on the aircraft lease payment schedules. The dispute has been hearing by the High Court of Justice Business and Property Court of England and Wales ("the Court") and the trial of the case is scheduled for June 2024, with a judgment unlikely to be received before September 2024. In the legal confirmation from the Group's legal experts to the Group, the legal experts are of the view that the Group has legal basis which are favourable for the Group to not settle payments claimed by the plaintiff in relation to the aircraft lease contracts, and the two parties may resolve the dispute by commercial negotiations or discussions. The Board of Management trusts in the fairness of the Court, protecting the Group's rights and legitimate interests. Therefore, the Board of Management is of the view that there is no exposures for provisions in relation to the dispute as at the approval date of these consolidated financial statements.

43 EVENTS AFTER THE YEAR ENDED 31 DECEMBER 2023

On 4 March 2024, the Board of Directors issued the Resolution No. 06-24/VJC-HDQT-NQ regarding the Approval on private stock offerings documents and approval on the plan ensuring that private placement of shares meets the foreign ownership ratio. Prior to this, according to the Resolution No. 67-23/VJC-HDQT-NQ dated 28 December 2023, regarding the implementation of the private placement stock offering plan, the expected quantity of shares to be offered for sale was 18,500,000 shares with a total offering value at the expected price of VND1,850,000,000,000. The expected offering period will take place in the first and second quarters of 2024.

The consolidated financial statements were approved by the Board of Management on 31 March 2024.



Nguyen Thi Thanh Nga
Chief Accountant/Preparer

Ho Ngoc Yen Phuong
Vice President
cum Chief Finance Officer

Dinh Viet Phuong
Chief Executive Officer

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