

VIETJET AVIATION JOINT STOCK COMPANY

**SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**



VIETJET AVIATION JOINT STOCK COMPANY

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VIETJET AVIATION JOINT STOCK COMPANY

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 28th amendment dated 8 October 2020.

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 Thanh Ha	Chairperson
Ms. Nguyen Thi Phuong Thao	Vice Chairperson
Mr. Donal Joshep Boylan	Vice Chairperson (from 28 May 2022)
Mr. Nguyen Thanh Hung	Member (from 28 May 2022)
Mr. Dinh Viet Phuong	Member
Mr. Luu Duc Khanh	Member
Mr. Chu Viet Cuong	Member
Mr. Nguyen Anh Tuan	Member (from 28 May 2022)

Board of Management

Ms. Nguyen Thi Phuong Thao	Chief Executive Officer
Mr. Dinh Viet Phuong	Permanent Vice President cum Managing Director
Mr. Micheal Hickey	Chief Operation Officer (from 30 May 2022)
Ms. Ho Ngoc Yen Phuong	Vice President cum Chief Finance Officer
Mr. To Viet Thang	Vice President
Mr. Nguyen Thanh Son	Vice President
Mr. Luong The Phuc	Vice President
Ms. Nguyen Thi Thuy Binh	Vice President
Mr. Nguyen Duc Thinh	Vice President
Mr. Do Xuan Quang	Vice President
Mr. Nguyen Thai Trung	Vice President (from 1 June 2022)
Mr. Chu Viet Cuong	Vice President (from 1 June 2022)

VIETJET AVIATION JOINT STOCK COMPANY

CORPORATE INFORMATION (continued)

Audit Committee	Mr. Donal Joshep Boylan Mr. Luu Duc Khanh Mr. Nguyen Thanh Hung	Chairperson Member Member
Legal representative	Ms. Nguyen Thanh Ha Ms. Nguyen Thi Phuong Thao Mr. Dinh Viet Phuong	Chairperson Chief Executive Officer Permanent Vice President cum Managing Director
Registered office	302/3 Kim Ma Street, Ngoc Khanh Ward, Ba Dinh District Hanoi City, Vietnam	
Auditor	PwC (Vietnam) Limited	

VIETJET AVIATION JOINT STOCK COMPANY

STATEMENT OF THE BOARD OF MANAGEMENT

Statement of responsibility of the Board of Management of the Company in respect of the separate interim financial statements

The Board of Management of VietJet Aviation Joint Stock Company ("the Company") is responsible for preparing the separate interim financial statements of the Company which give a true and fair view of the separate interim financial position of the Company as at 30 June 2022, and of the separate interim results of its operations and its separate interim cash flows for the six-month period then ended. In preparing these separate interim 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 separate interim financial statements on a going concern basis unless it is inappropriate to presume that the Company 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 separate interim financial position of the Company and enable the separate interim financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the separate interim financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud or errors.

Approval of the separate interim financial statements

We hereby, approve the accompanying separate interim financial statements as set out on pages 6 to 73 which give a true and fair view of the separate interim financial position of the Company as at 30 June 2022, and of the separate interim results of its operations and its separate interim cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate interim financial statements.

Users of these separate interim financial statements of the Company should read them together with the consolidated interim financial statements of the Company and its subsidiaries (together referred to as "the Group") for the six-month period ended 30 June 2022 in order to obtain full information of the consolidated interim financial position and consolidated interim results of operations and consolidated interim cash flows of the Group.

On behalf of the Board of Management



Nguyễn Thị Phương Thao
Chief Executive Officer

Ho Chi Minh City, SR Vietnam
29 August 2022





REPORT ON REVIEW OF SEPARATE INTERIM FINANCIAL INFORMATION

TO THE SHAREHOLDERS OF VIETJET AVIATION JOINT STOCK COMPANY

We have reviewed the accompanying separate interim financial statements of VietJet Aviation Joint Stock Company ("the Company") which were prepared on 30 June 2022, and approved by the Board of Management of the Company on 29 August 2022. The separate interim financial statements comprise the separate interim balance sheet as at 30 June 2022, the separate interim income statement and the separate interim cash flow statement for the six-month period then ended, and explanatory notes to the separate interim financial statements including significant accounting policies, as set out on pages 6 to 73.

The Board of Management's Responsibility

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

Auditor's Responsibility

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

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



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not present fairly, in all material respects, the separate interim financial position of the Company as at 30 June 2022, its separate financial performance and its separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of separate interim financial statements.

Other Matter

The report on review of separate interim financial statements is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.



For and on behalf of PwC (Vietnam) Limited

Mai Viet Hung Tran
Audit Practising Licence No.
0048-2018-006-1
Authorised signatory

Report reference number: HCM12714
Ho Chi Minh City, 30 August 2022

SEPARATE INTERIM BALANCE SHEET

Code	ASSETS	Note	As at	
			30.6.2022 VND	31.12.2021 VND
100	CURRENT ASSETS		29,725,639,958,632	22,023,531,877,174
110	Cash and cash equivalents	3	3,021,516,095,700	1,846,031,657,278
111	Cash		1,480,557,944,661	971,083,527,902
112	Cash equivalents		1,540,958,151,039	874,948,129,376
120	Short-term investments		620,000,000,000	855,000,000,000
121	Trading securities	4(a)	990,000,000,000	990,000,000,000
122	Provision for diminution in value of trading securities	4(a)	(370,000,000,000)	(135,000,000,000)
130	Short-term receivables		24,776,220,942,071	18,453,855,667,885
131	Short-term trade accounts receivable	5	7,529,447,932,561	6,796,741,549,961
132	Short-term prepayments to suppliers	6	1,135,564,111,886	100,126,970,605
135	Short-term lendings	7	657,000,000,000	657,000,000,000
136	Other short-term receivables	8(a)	15,454,208,897,624	10,899,987,147,319
140	Inventories		902,899,941,832	811,247,030,655
141	Inventories	9	902,899,941,832	811,247,030,655
150	Other current assets		405,002,979,029	57,397,521,356
151	Short-term prepaid expenses	10(a)	405,002,979,029	16,306,514,272
152	Value added Tax ("VAT") to be reclaimed	15(a)	-	41,091,007,084

The notes on pages 12 to 73 are an integral part of these separate interim financial statements.

SEPARATE INTERIM BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at	
			30.6.2022 VND	31.12.2021 VND
200	LONG-TERM ASSETS		23,514,749,500,322	23,918,136,563,432
210	Long-term receivable		14,500,884,433,741	16,097,617,489,750
216	Other long-term receivables	8(b)	14,500,884,433,741	16,097,617,489,750
220	Fixed assets		1,112,819,976,706	1,150,549,548,863
221	Tangible fixed assets	11(a)	1,112,219,027,693	1,149,483,138,769
222	Historical cost		1,507,838,717,353	1,509,787,640,988
223	Accumulated depreciation		(395,619,689,660)	(360,304,502,219)
227	Intangible fixed assets	11(b)	600,949,013	1,066,410,094
228	Historical cost		30,845,669,020	30,845,669,020
229	Accumulated amortisation		(30,244,720,007)	(29,779,258,926)
240	Long-term asset in progress		391,169,180,790	353,832,538,752
242	Construction in progress	12	391,169,180,790	353,832,538,752
250	Long-term investments		230,917,024,400	230,917,024,400
251	Investments in subsidiaries	4(b)	81,500,000,000	81,500,000,000
252	Investments in associates	4(b)	60,000,000,000	60,000,000,000
253	Investments in other entities	4(b)	149,417,024,400	149,417,024,400
254	Provision for long-term investments	4(b)	(60,000,000,000)	(60,000,000,000)
260	Other long-term asset		7,278,958,884,685	6,085,219,961,667
261	Long-term prepaid expenses	10(b)	7,278,958,884,685	6,085,219,961,667
270	TOTAL ASSETS		53,240,389,458,954	45,941,668,440,606

The notes on pages 12 to 73 are an integral part of these separate interim financial statements

SEPARATE INTERIM BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at	
			30.6.2022 VND	31.12.2021 VND
300	LIABILITIES		46,172,777,192,999	38,954,387,458,942
310	Short-term liabilities		23,672,030,400,473	19,722,290,704,933
311	Short-term trade accounts payable	13	6,711,767,419,405	3,225,625,657,657
312	Short-term advances from customers	14	889,933,307,826	593,136,306,365
313	Tax and other payables to the State	15(b)	460,244,351,981	288,786,201,884
314	Payable to employees		144,615,249,325	76,828,088,897
315	Short-term accrued expenses	16	604,110,141,614	910,026,134,815
318	Short-term unearned revenue	17	2,283,472,316,089	381,579,736,840
319	Other short-term payables	18	1,744,808,522,498	5,284,553,082,384
320	Short-term borrowings	19(a)	7,797,600,729,920	7,320,070,386,166
321	Provision for short-term liabilities	20	2,752,719,885,024	1,314,535,033,134
322	Bonus and welfare fund	21	282,758,476,791	327,150,076,791
330	Long-term liabilities		22,500,746,792,526	19,232,096,754,009
337	Other long-term payables		5,657,399,284	5,636,355,880
338	Long-term borrowings	19(b)	10,990,834,964,062	8,140,241,446,768
341	Deferred income tax liabilities	22	101,596,293,940	154,517,071,443
342	Provision for long-term liabilities	20	11,402,658,135,240	10,931,701,879,918
400	OWNERS' EQUITY		7,067,612,265,955	6,987,280,981,664
410	Capital and reserves		7,067,612,265,955	6,987,280,981,664
411	Owners' capital	23, 24	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	24	247,483,117,899	247,483,117,899
421	Undistributed earnings	24	1,404,015,808,056	1,323,684,523,765
421a	- Undistributed post-tax profits of previous years		1,323,684,523,765	1,330,922,686,515
421b	- Post-tax profits/(post-tax loss) of current period/year		80,331,284,291	(7,238,162,750)
440	TOTAL RESOURCES		53,240,389,458,954	45,941,668,440,606

Pham Ngoc Thoa
Chief Accountant

Ho Ngoc Yen Phuong
Vice President cum
Chief Finance Officer

Dinh Viet Phuong
Permanent Vice President
cum Managing Director
29 August 2022



The notes on pages 12 to 73 are an integral part of these separate interim financial statements.

SEPARATE INTERIM INCOME STATEMENT

Code	Note	For the six-month period ended	
		30.6.2022 VND	30.6.2021 VND
01	Revenue from sales of goods and rendering of services	14,898,013,353,969	5,022,087,863,406
02	Less deductions	-	-
10	Net revenue from sales of goods and rendering of services	14,898,013,353,969	5,022,087,863,406
11	Cost of goods sold and services rendered	(14,477,818,121,243)	(7,988,162,992,341)
20	Gross profit/(loss) from sales of goods and rendering of services	420,195,232,726	(2,966,075,128,935)
21	Financial income	1,173,164,587,110	3,763,002,969,026
22	Financial expenses	(1,279,200,806,082)	(202,402,172,910)
23	- Including: Interest expense	(693,179,752,084)	(290,253,736,292)
25	Selling expenses	(384,218,604,276)	(363,802,777,321)
26	General and administration expenses	(189,783,398,422)	(174,934,798,927)
30	Net operating (loss)/profit	(259,842,988,944)	55,788,090,933
31	Other income	456,737,511,301	8,718,553,689
32	Other expenses	(343,015,569)	(287,735,957)
40	Net other income	456,394,495,732	8,430,817,732
50	Net accounting profit before tax	196,551,506,788	64,218,908,665
51	Corporate income tax ("CIT") - current	(169,141,000,000)	-
52	CIT - deferred	52,920,777,503	(30,016,415,405)
60	Net profit after tax	80,331,284,291	34,202,493,260

Pham Ngoc Thoa
Chief Accountant

Ho Ngoc Yen Phuong
Vice President cum
Chief Finance Officer

Dinh Viet Phuong
Permanent Vice President
cum Managing Director
29 August 2022



The notes on pages 12 to 73 are an integral part of these separate interim financial statements.

SEPARATE INTERIM CASH FLOW STATEMENT
(Indirect method)

		For the six-month period ended	
Code	Note	30.6.2022 VND	30.6.2021 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax	196,551,506,788	64,218,908,665
	Adjustments for:		
02	Depreciation and amortisation	38,244,540,321	35,061,570,993
03	Provisions	1,957,529,949,135	655,417,158,693
04	Unrealised foreign exchange losses	110,378,905,597	36,779,051,513
05	Profits from investing activities	(1,115,722,633,917)	(133,112,574,489)
06	Interest expense	693,179,752,084	290,253,736,292
08	Operating profit before changes in working capital	1,880,162,020,008	948,617,851,667
09	Increase in receivables	(3,433,870,654,523)	(5,222,489,738,099)
10	Increase in inventories	(91,652,911,177)	(133,457,818,027)
11	Increase in payables	1,811,513,196,628	1,309,332,748,408
12	Increase in prepaid expenses	(1,582,435,387,775)	(329,479,885,717)
14	Interest paid	(667,841,211,296)	(229,677,563,970)
15	CIT paid	(55,772,998,940)	-
17	Other payments on operating activities	(44,391,600,000)	(47,167,079,534)
20	Net cash outflows from operating activities	(2,184,289,547,075)	(3,704,321,485,272)
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(37,851,610,220)	(105,620,854,441)
22	Proceeds from disposals of fixed assets and long-term assets	394,720,000	-
24	Proceeds from sales of debt instruments of other entities	-	6,556,181,818
25	Investments in other entities	-	(22,500,000,000)
27	Interest received	114,159,874,528	134,380,612,845
30	Net cash inflows from investing activities	76,702,984,308	12,815,940,222

The notes on pages 12 to 73 are an integral part of these separate interim financial statements.

SEPARATE INTERIM CASH FLOW STATEMENT (continued)
(Indirect method)

		For the six-month period ended	
Code	Note	30.6.2022 VND	30.6.2021 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from sale of treasury shares	-	2,348,654,987,714
33	Proceeds from borrowings	19 14,137,498,771,047	8,525,838,887,299
34	Repayments of borrowings	19 (10,853,743,827,251)	(8,579,124,237,576)
40	Net cash inflows from financing activities	3,283,754,943,796	2,295,369,637,437
50	Net increase/(decrease) in cash and cash equivalents	1,176,168,381,029	(1,396,135,907,613)
60	Cash and cash equivalents at beginning of period	3 1,846,031,657,278	2,895,810,907,792
61	Effect of foreign exchange differences	(683,942,607)	(13,606,224,179)
70	Cash and cash equivalents at end of period	3 3,021,516,095,700	1,486,068,776,000

Additional information relating to the separate interim cash flow statement is presented in Note 38.


Pham Ngoc Thoa
Chief Accountant


Ho Ngoc Yen Phuong
Vice President cum
Chief Finance Officer



Dinh Viet Phuong
Permanent Vice President
cum Managing Director
29 August 2022

The notes on pages 12 to 73 are an integral part of these separate interim financial statements.

**NOTES TO THE SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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 28th amended Enterprise registration certificate dated 8 October 2020.

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 are to provide passenger and cargo transportation services on domestic and international air routes, and airline-related support services.

The normal business cycle of the Company is 12 months.

VIETJET AVIATION JOINT STOCK COMPANY

Form B 09a – DN

1 GENERAL INFORMATION (continued)

As at 30 June 2022, the Company had 9 subsidiaries and 2 associates as disclosed in Note 4(b) – Investments in other entities. Details are as follows:

	Principal activities	Enterprise registration certificate	Place of incorporation and operation	30.6.2022		31.12.2021	
				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 transportation related support services	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

VIETJET AVIATION JOINT STOCK COMPANY

Form B 09a – DN

1 GENERAL INFORMATION (continued)

	Indirectly-owned subsidiaries	Principal activities	Enterprise registration certificate	Place of incorporation and operation	30.6.2022			31.12.2021		
					Ownership (%)	Voting right (%)		Ownership (%)	Voting right (%)	
	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 (*)	To provide direct support services for airline transportation	No. 4201676638 dated 5 February 2016	Vietnam	10	10		10	10	

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

As at 30 June 2022, the Company had 5,644 employees (as at 31 December 2021: 5,286 employees).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.1 Basis of preparation of separate interim financial statements**

The separate interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate interim financial statements. The separate interim financial statements have been prepared under the historical cost convention.

The accompanying separate interim financial statements are not intended to present the separate interim financial position and separate interim results of operations and separate interim 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 separate interim financial statements in the Vietnamese language are the official statutory separate interim financial statements of the Company. The separate interim financial statements in the English language have been translated from the Vietnamese version.

Separately, the Company has also prepared consolidated interim financial statements of the Company and its subsidiaries (together, referred to as “the Group”), in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated interim financial statements. In the consolidated interim financial statements, subsidiary undertakings, which are those companies over which the Group has the power to govern the financial and operating policies, have been fully consolidated.

Users of these separate interim financial statements of the Company should read them together with the consolidated interim financial statements of the Group for the six-month period ended 30 June 2022 in order to obtain full information of the consolidated interim financial position and consolidated interim results of operations and consolidated interim cash flows of the Group.

2.2 Assessment of going concern assumptions

In the first half of 2022, with the recovery of domestic and international travel demands from passengers, the Company recognised revenue of VND14,898,013,353,969 and net profit after tax of VND80,331,284,291, increasing by 197% and 135% compared to the corresponding period of 2021, respectively.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.2 Assessment of going concern assumptions (continued)**

In order to ensure recovery and sustainable growth from 2022, the Board of Directors and the Board of Management have implemented several plans, as follows:

(i) Business operation

In the remaining months of 2022 and in 2023, the Company expects that revenue from passenger transportations will continue to recover and then to strongly grow, and exceed the revenue level before the COVID-19 pandemic, contributed by new flight routes to India and the re-opening of the aviation market of China, Taiwan and Hong Kong. In addition, the Company has bilateral and multilateral cooperation plans with other international airlines under interline/codeshare approaches, connections to Thai Vietjet and expansion of business to Australia and/or other destinations from Dubai International Airport in exploiting, sharing flight networks, selling merchandise and promoting trading and financial activities related to aircraft. In order to achieve the budgeted revenue registered with the Annual General Meeting, the Company had reached a flexible aircraft hand-over agreement with The Boeing Company which aligns with the Company's plan to expand aircraft fleets and meets long-term development strategy of aviation.

With the recent status of fuel prices, the Company actively controls fuel expenses, including fuel saving, with new and modern aircraft fleets. In addition, the Company has detailed plans to control fuel costs for flights, control shortages and proactively invest in hedging prices with 30% of fuel in use. Furthermore, the Company is working with the authorities to submit the policy of petrol surcharge to the Government for approval. Currently, the Company continues to receive the Vietnamese Government's support including 50% reduction in take-off costs and the environmental protection tax policy of 1,000 VND/litter.

In addition, the Company continues to implement certain measures to strictly control the costs and push up digital transformation projects to optimise operating expenses.

(ii) Working capital management

The Company has performed a comprehensive review of the operation's efficiency and implemented cost-saving measures, including but not limited to negotiating with suppliers for reductions to the charges for airport handling, technical activities and other services.

(iii) Funding

In the subsequent months of 2022, the Company conducts the plans for raising capital through private placement and convertible bonds pursuant to a Resolution approved in the 2021 Annual General Meeting to strengthen the Company's financial capacity and ensure the sustainable development of Company's aviation activities.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.2 Assessment on going concern assumption (continued)**

Considering the business and finance plans mentioned above, the Board of Directors and the Board of Management are of the opinion that the Company will be able to generate sufficient working capital to finance its operations and to meet its obligations as and when they fall due in the 12 months following from the date of these separate interim financial statements. Accordingly, the separate interim financial statements for the six-month period ended 30 June 2022 have been prepared on a going concern basis.

2.3 Fiscal year

The Company's fiscal year is from 1 January to 31 December. The separate interim financial statements were prepared for the six-month period from 1 January to 30 June.

2.4 Currency

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

2.5 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 Company regularly transacts. The Company 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 result of operations during the accounting period. 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 separate interim income statement.

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

2.6 Cash and cash equivalents

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 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 separate interim balance sheet based on the remaining period from the separate interim balance sheet date to the maturity date.

2.8 Maintenance reserves of leased aircraft

Under the terms of its aircraft operating lease agreements, the Company is legally and contractually responsible for maintenance and repair of the leased aircraft throughout the lease period and is also required to contribute maintenance reserves with the lessors. Maintenance reserves made to lessors are typically calculated based on a performance measure, such as flight hours or cycles, and are contractually required to be reimbursed to the Company 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 the lessor.

Maintenance reserves of leased aircraft are classified into long-term and short-term receivables based on the remaining terms from the separate interim balance sheet date to the estimated time that the Company could reimburse the maintenance expenses from lessors.

2.9 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 Company 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 period and the provision of the previous period are recognised as an increase or decrease of cost of goods sold in the period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 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 period end. The provision for diminution in value of trading securities is made when their carrying value is higher than their market value. 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.

The Company 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 separate interim income statement. The costs of trading securities disposed are determined by using the moving weighted average method.

(b) Investments in subsidiaries

Subsidiaries are all entities whose financial and operating policies the Company has the power to govern 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 Company controls another entity.

Investments in subsidiaries are initially recorded at cost of acquisition plus other expenditure directly attributable to the investment. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the period end.

(c) Investments in associates

Associates are investments that the Company has significant influence but not control over and the Company would generally have from 20% to less than 50% of the voting rights of the investee.

Investments in associates are initially recorded at cost of acquisition including purchase cost or capital contribution value plus other expenditure directly attributable to the investments. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the period end.

(d) Investment in other entities

Investment in other entities is investment in equity instruments of other entity without controlling rights or co-controlling rights, or without significant influence over the investee. This investment is accounted for initially at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the period end.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 Investments (continued)****(e) Provision for investments in subsidiaries, associates and other entities**

Provision for investments in subsidiaries, associates, and other entity is made when there is a diminution in value of the investments at the period end.

Provision for investments in subsidiaries and associates is calculated based on the loss of investees.

Provision for investments in other entities is calculated based on market value if market value can be determined reliably. If market value cannot be determined reliably, the provision is calculated similarly to provision for investments in subsidiaries and associates.

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.

2.11 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 period 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 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.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.12 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 separate interim income statement when incurred in the period.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line basis so as to write off the historical cost of the fixed assets over their estimated useful lives. The estimated useful lives of each asset class are as follows:

Aircraft and components	10 - 20 years
Buildings and structures	47 years
Machinery and equipment	2 - 10 years
Motor vehicles	3 - 10 years
Office equipment	3 - 5 years
Software	3 - 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 separate interim 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.

2.13 Leased 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 separate interim income statement on either a straight-line basis over the term of the lease or using another calculation method if it is more reasonable.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 Prepaid expenses**

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

(a) Short-term prepaid expenses

Short-term prepayments mainly comprise aircraft leases and short-term prepaid expenses for aircraft repairs. 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**(i) *Maintenance costs and costs to make good on leased assets***

Accounting policies related to the recognition and allocation of maintenance costs and costs to make good on leased assets are presented in Note 2.19 to these separate interim financial statements.

(ii) *Major inspection and overhaul expenditure*

Major inspection and overhaul expenditure for leased aircrafts are deferred and amortised over the period to the next major inspection event or the remaining term of the lease if shorter.

(iii) *Rotable parts*

Rotable 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 but not exceeding 3 years.

(iv) *Tools and instruments*

Tools and instruments include assets held-for-use by the Company 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) *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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.15 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 separate interim balance sheet based on the remaining period from the separate interim balance sheet date to the maturity date.

2.16 Borrowings

Borrowings include borrowings from banks and other entities.

Borrowings are classified into short-term and long-term borrowings on the separate interim balance sheet based on the remaining term from the separate interim 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 Company 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 Company'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 separate interim income statement when incurred.

2.17 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.

2.18 Accrued expenses

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.19 Provisions**

Provisions are recognised when the Company 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 accounting period are recorded as an increase or decrease in operating expenses.

Provisions include provisions for periodic maintenance costs in the scope of maintenance reserves 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 Company's policy:

- with respect to Japanese Operating Leases with Call Option Contracts – JOLCO accompanying with an option to purchase aircrafts at the end of the lease term, the cost incurred in the first periodic maintenance for leased aircraft is recognised in long-term prepaid expenses balance and amortised to expenses in the interim income statements using the basis of actual flight hours or cycles to the next maintenance event (Note 2.14(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, according to the aircraft leasing agreements between the Company and its lessors and the requirements of Vietnam Aviation Authority, the Company 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 performed by the Company's cost while the periodic maintenance is covered by the maintenance reserves.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.19 Provisions (continued)**

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 interim 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 separate 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 Company's policy:

- with respect to JOLCO contracts, cost of returning leased assets is recognized in the separate interim income statement when incurred.
- in case of 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 aircrafts with adherence to certain maintenance conditions, cost to make good on leased assets is estimated at the inception of the lease based on the present value of the future expected costs at the expiration 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, and return of the aircraft to a specified location. At the inception of the lease, the estimated cost is recorded in provisions with a corresponding asset is recognised in debit to long-term prepaid expenses. The estimated costs in long-term prepaid expenses are amortised to expenses on a straight-line basis over the lease term.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.20 Unearned revenue**

Unearned revenue mainly comprises revenue from passenger transportation and ancillary services. The Company records unearned revenue for the future obligations that the Company has to fulfil. Unearned revenue is recognised as revenue in the separate interim income statement during the period to the extent that revenue recognition criteria have been met.

2.21 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.

Treasury shares

Treasury shares bought before the effective date of the Securities Law (i.e. 1 January 2021) are shares issued by the Company and bought back by itself, but these are not cancelled and may be re-issued subsequently in accordance with the Law on Securities.

Treasury shares bought after 1 January 2021 will be cancelled and adjusted to reduce equity.

Undistributed earnings record the Company's profit after CIT at the reporting date.

2.22 Appropriation of profit

The Company's dividends are recognised as a liability in the Company's separate interim financial statements in the period in which the dividends are approved by the Resolution of the Board of Directors.

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 Company's charter and Vietnamese regulations. The General Meeting of Shareholders authorizes the Board of Directors to decide on the implementation time.

The Company's fund is as below:

Bonus and welfare fund

Bonus and welfare fund is appropriated from the Company's profit after CIT in accordance with the Resolution of the Board of Directors. This fund is presented as a liability on the separate interim 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 workers under the approval of the Board of Directors.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.23 Revenue recognition****(a) Revenue from passenger transportation**

Revenue from passenger transportation is recognised in the separate interim 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. No ancillary revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods or services.

Revenue from cargo transportation is recognised in the separate interim income statement when the services are provided.

Revenue from baggage service is recognised in the separate interim income statement when the related passenger transportation service is provided or when the ticket expires.

Other revenue related to passenger transportation such as fees charged in association with changes or extensions to non-refundable tickets are recorded as ancillary revenue at the time the fee is earned. Amendment fees related to non-refundable tickets are considered a separate transaction from the passenger transportation and are recognised in the separate interim income statement when charged to passengers.

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

- The Company has transferred to the buyer the significant risks and rewards of ownership of the merchandises;
- The Company 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 Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Advertising revenue and commission are recorded as ancillary revenue at the time the fee is earned.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.23 Revenue recognition (continued)****(c) Revenue from charter flights**

Revenue from charter flights is recognised in the separate interim income statement when the services are provided. No revenue is 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 separate interim income statement on a straight-line basis over the term of the lease or using another calculation method if it is more appropriate.

(e) Sales and leaseback transactions

The Company's aircraft sales and leaseback transaction is a transaction where an aircraft is sold then leased back by the Company. 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 selling price is at fair value, there is a normal sale transaction and any profit or loss is recognised immediately.
- If the selling 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 aircraft is expected to be used.
- If the selling price is above fair value, the excess over fair value shall be deferred and amortised over the period for which the aircraft 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 aircraft, a loss equal to the amount of the difference between the carrying amount and fair value shall be recognised immediately.

(f) Revenue from purchase right option

Revenue from the purchase right option is recognised in the separate interim 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.

(g) Revenue from rendering of other services

Revenue from rendering of other services is recognised in the separate 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. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.23 Revenue recognition (continued)****(g) Revenue from rendering of other services (continued)**

Revenue from the 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 Company;
- The percentage of completion of the transaction at the separate interim 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.

(h) Interest income

Interest income is recognised on an earned basis.

(i) Dividend income

Income from dividends is recognised when the Company has established receiving rights from investees.

2.24 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.

2.25 Financial expenses

Financial expenses are expenses incurred in the period for financial activities mainly including provision for diminution in the value of trading securities; expenses of lending and borrowing; losses incurred on selling foreign currencies and losses from foreign exchange differences.

2.26 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling goods, merchandises and providing services.

2.27 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.28 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 period taxable profits at the current period tax rates. Current and deferred income tax are recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different period, 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 separate interim 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 accounting period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the separate interim 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.

2.29 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 Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including the Board of Directors, the Board of Management and the 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 Company considers the substance of the relationships not merely the legal form.

2.30 Segment reporting

A segment is a component which can be separated by the Company 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 Company's business segment or the Company's geographical segment.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.31 Critical accounting estimates**

The preparation of separate interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate interim 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 separate interim financial statements and the reported amounts of revenues and expenses during the accounting period.

The areas involving significant estimates and assumptions are as follows:

- Estimated useful lives of fixed assets (Note 2.12 and 11);
- Provision for maintenance cost in the scope of maintenance reserves and cost to make good on leased assets (Notes 2.19 and 20); and
- Deferred income tax (Notes 2.28 and 22).

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 Company and that are assessed by the Board of Management to be reasonable under the circumstances.

3 CASH AND CASH EQUIVALENTS

	30.6.2022	31.12.2021
	VND	VND
Cash on hand	6,568,825,837	9,036,089,209
Cash at banks	1,473,989,118,824	962,047,438,693
Cash equivalents (*)	1,540,958,151,039	874,948,129,376
	<u>3,021,516,095,700</u>	<u>1,846,031,657,278</u>

(*) As at 30 June 2022, 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 2.9% to 3.95% per annum (as at 31 December 2021: from 3% to 3.8% per annum).

As at 30 June 2022, the Company had current and term deposit accounts with total balance of VND664.8 billion (as at 31 December 2021: VND792 billion) at Ho Chi Minh City Development Joint Stock Commercial Bank (Note 38(b)).

4 INVESTMENTS**(a) Trading securities**

	As at 30.6.2022			
	Quantity	Cost VND	Fair value (*) VND	Provision VND
Petro Vietnam Oil Corporation	<u>50,000,000</u>	<u>990,000,000,000</u>	<u>620,000,000,000</u>	<u>370,000,000,000</u>

	As at 31.12.2021			
	Quantity	Cost VND	Fair value (*) VND	Provision VND
Petro Vietnam Oil Corporation	<u>50,000,000</u>	<u>990,000,000,000</u>	<u>855,000,000,000</u>	<u>135,000,000,000</u>

(*) The fair value of the investment which is shares traded in Unlisted Public Company Market (UPCoM) as at 30 June 2022 and 31 December 2021 is determined by referencing the closing prices published in this exchange on these dates.

The Company has signed an agreement to sell the purchase right option for the 50 million shares in Petro Vietnam Oil Corporation for an amount of VND500 billion, of which VND300 billion has been received. Accordingly, the buyer will have option to purchase these shares at a pre-determined price in the specific required period before 11 June 2023.

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4 INVESTMENTS (continued)

(b) Investments in other entities

	As at 30.6.2022			As at 31.12.2021		
	Ownership %	Cost VND	Provision VND	Ownership %	Cost VND	Provision VND
i. Investments in subsidiaries (*)						
Vietjet Air IVB No. I Limited (i)	100	-	-	100	-	-
Vietjet Air IVB No. II Limited (i)	100	-	-	100	-	-
Vietjet Air Singapore Pte. Ltd.(i)	100	-	-	100	-	-
Vietjet Air Ireland No. 1 Limited (i)	100	-	-	100	-	-
Galaxy Pay Company Limited	100	50,000,000,000	-	100	50,000,000,000	-
Swift 247 Joint Stock Company	67	31,500,000,000	-	67	31,500,000,000	-
VietJet Ground Services Limited Liability Company (ii)	100	-	-	100	-	-
		81,500,000,000	-		81,500,000,000	-
ii. Investments in associates (*)						
Thai Vietjet Air Joint Stock Co., Ltd. (i) (iii)	9	-	-	9	-	-
Cam Ranh International Terminal Joint Stock Company	10	60,000,000,000	(60,000,000,000)	10	60,000,000,000	(60,000,000,000)
		60,000,000,000	(60,000,000,000)		60,000,000,000	(60,000,000,000)
iii. Investments in other entity (**)						
Sai Gon Ground Services Joint Stock Company	9.1	149,417,024,400	-	9.1	149,417,024,400	-

4 INVESTMENTS (continued)**(b) Investments in other entities (continued)**

- (*) As at 30 June 2022 and 31 December 2021, the Company could not determined the fair value of these investments to disclose in the separate financial statements as these investments are not quoted in the market and Vietnamese Accounting Standards, Vietnamese Accounting System for Corporates and the legal regulations relating to the preparation and presentation of financial statements do not have detailed guidance on how fair value should be calculated. The fair value of such investments may differ from their book values.
- (**) The fair value of other investments in listed shares is determined by referencing to the closing prices on the Ho Chi Minh City Stock Exchange. As at 30 June 2022, the fair value of the investments in Sai Gon Ground Services Joint Stock Company is VND208,135,896,000 (as at 31 December 2021: VND217,012,279,800).
- (i) As at 30 June 2022, the Company has not yet contributed capital in these subsidiaries and associates. These companies' operations are mainly financed by the Company.
- (ii) As at 30 June 2022, the Company has not yet contributed capital in this subsidiary and this company has not been put into operation yet.
- (iii) On 25 September 2018, the Company signed an agreement with Quince Investment Limited and Asia Aero Services and Infrastructure Limited relating to a purchase option to increase its ownership in Thai Vietjet Air Joint Stock Company to 38%, with the total consideration of THB79 billion, by 31 December 2021. The price of the transferred shares is equal to the par value. As at the approval date of these separate interim financial statements, the Company has been negotiating the revised timeline of this purchase option and has not exercised the purchase option.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2022 VND	31.12.2021 VND
Third parties		
Zhejiang Lixi International Travel Co., Ltd. (*)	895,821,710,000	1,003,427,440,000
Hangzhou BaoLi Co., Ltd. (*)	268,742,479,930	541,741,115,480
Others	1,099,176,409,240	195,189,335,299
	<u>2,263,740,599,170</u>	<u>1,740,357,890,779</u>
Related parties (Note 38(b))	5,265,707,333,391	5,056,383,659,182
	<u>7,529,447,932,561</u>	<u>6,796,741,549,961</u>

- (*) As at 30 June 2022 and 31 December 2021, the short-term trade accounts receivable from these two customers have been past due for more than 1 year due to the COVID-19 pandemic situation. Based on the historical collection and the strategic partnership between the Company and these customers, the Board of Management assesses that the outstanding receivables are collectible when the aviation market recovers entirely.

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30.6.2022 VND	31.12.2021 VND
Third parties		
Rockwell Collins	26,388,709,000	22,336,477,282
Others	353,953,561,620	77,398,149,210
	<u>380,342,270,620</u>	<u>99,734,626,492</u>
 Related parties (Note 38(b))	 755,221,841,266	 392,344,113
	<u>1,135,564,111,886</u>	<u>100,126,970,605</u>

7 SHORT-TERM LENDING

Borrower	Currency	Annual interest rate	Year of maturity	30.6.2022 VND	31.12.2021 VND
Truong Son Plaza Joint Stock Company (Note 38(b))	VND	9%	2022	<u>657,000,000,000</u>	<u>657,000,000,000</u>

Short-term lending balance represents a lending to Truong Son Plaza Joint Stock Company, a related party under contract No. 100921/HDV/VJC-TSP dated 10 September 2021 to provide financial support for working capital of this company. The lending is unsecured and will mature on 10 September 2022.

8 OTHER RECEIVABLES

(a) Short-term

	As at 30.6.2022		As at 31.12.2021	
	Book value VND	Provision VND	Book value VND	Provision VND
Third parties				
Maintenance reserves of leased aircraft	2,866,084,719,773	-	1,824,881,774,817	-
Deposits for aircraft purchases within next 12 months (i)	2,806,678,449,187	-	1,585,033,816,020	-
Purchase discounts receivable	702,629,526,256	-	660,820,286,965	-
Claim receivables from maintenance reserves of leased aircraft	558,323,708,352	-	592,857,173,965	-
Other receivable from aircraft supplier (ii)	456,690,000,000	-	-	-
Others	1,175,225,499,412	-	752,227,858,264	-
	8,565,631,902,980	-	5,415,820,910,031	-
Related parties (Note 38(b))	6,888,576,994,644	-	5,484,166,237,288	-
	15,454,208,897,624	-	10,899,987,147,319	-

- (i) This balance represents a deposit to Airbus S.A.S for the aircrafts which are expected to be delivered within 12 months.
- (ii) This balance represents a compensation entitled from an aircraft supplier.

8 OTHER RECEIVABLES**(b) Long-term**

	As at 30.6.2022		As at 31.12.2021	
	Book value VND	Provision VND	Book value VND	Provision VND
Third parties				
Maintenance reserves of leased aircraft	6,716,431,954,584	-	7,095,851,249,114	-
Deposit for aircraft purchases after next 12 months (iii)	4,178,233,760,625	-	5,149,203,195,069	-
Deposit for aircraft leases	1,302,632,598,383	-	1,272,927,219,320	-
Deposit for ground handling services	137,720,997,742	-	124,722,383,225	-
Others	77,366,347,073	-	34,966,454,979	-
	<u>12,412,385,658,407</u>	<u>-</u>	<u>13,677,670,501,707</u>	<u>-</u>
Related parties (Note 38(b))	<u>2,088,498,775,334</u>	<u>-</u>	<u>2,419,946,988,043</u>	<u>-</u>
	<u>14,500,884,433,741</u>	<u>-</u>	<u>16,097,617,489,750</u>	<u>-</u>

(iii) The amounts represent deposits for aircraft purchases from 2023 to 2026 to Airbus S.A.S and Boeing Company.

9 INVENTORIES

	As at 30.6.2022		As at 31.12.2021	
	Cost VND	Provision VND	Cost VND	Provision VND
Tools and supplies	874,517,452,083	-	783,597,166,041	-
Merchandise	28,382,489,749	-	27,649,864,614	-
	<u>902,899,941,832</u>	<u>-</u>	<u>811,247,030,655</u>	<u>-</u>

10 PREPAID EXPENSES**(a) Short-term**

	30.6.2022 VND	31.12.2021 VND
Software, tools and supplies	65,823,528,473	7,674,288,627
Fuselage insurance	13,490,418,122	-
Others	325,689,032,434	8,632,225,645
	<u>405,002,979,029</u>	<u>16,306,514,272</u>

(b) Long-term

	30.6.2022 VND	31.12.2021 VND
Maintenance	6,072,733,760,018	5,065,554,996,522
Costs to make good on leased assets	629,771,376,442	632,155,195,498
Major inspection and overhaul expenditure	267,133,361,402	174,818,646,585
Rotating parts, tools and instruments	227,839,383,329	182,277,326,033
Others	81,481,003,494	30,413,797,029
	<u>7,278,958,884,685</u>	<u>6,085,219,961,667</u>

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10 PREPAID EXPENSES (continued)

(b) Long-term (continued)

Movements in long-term prepaid expenses during the period are as follows:

	Maintenance VND	Costs to make good on leased assets VND	Major inspection and overhaul expenditure VND	Rotating parts, tools and instruments VND	Others VND	Total VND
As at 31 December 2021	5,065,554,996,522	632,155,195,498	174,818,646,585	182,277,326,033	30,413,797,029	6,085,219,961,667
Increase	1,259,567,645,173	65,030,368,084	148,010,800,412	25,569,001,447	80,062,067,970	1,578,239,883,086
Transfers from inventory	-	-	275,156,650	107,679,931,366	3,615,372,259	111,570,460,275
Allocation	(252,388,881,677)	(44,923,396,445)	(47,404,174,710)	(85,621,094,290)	(32,610,233,764)	(462,947,780,886)
Others	-	(22,490,790,695)	(8,567,067,535)	(2,065,781,227)	-	(33,123,639,457)
As at 30 June 2022	6,072,733,760,018	629,771,376,442	267,133,361,402	227,839,383,329	81,481,003,494	7,278,958,884,685

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11 FIXED ASSETS

(a) Tangible fixed assets

	Aircraft and components VND	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Historical cost						
As at 1 January 2022	896,813,994,227	387,463,400,057	101,519,334,255	70,323,378,062	53,667,534,387	1,509,787,640,988
New purchases	-	-	-	-	514,968,182	514,968,182
Disposal	-	-	-	(2,463,891,817)	-	(2,463,891,817)
As at 30 June 2022	896,813,994,227	387,463,400,057	101,519,334,255	67,859,486,245	54,182,502,569	1,507,838,717,353
Accumulated depreciation						
As at 1 January 2022	249,823,689,576	18,172,790,992	42,437,409,523	27,189,790,354	22,680,821,774	360,304,502,219
Charge for the period	22,132,913,465	4,073,579,921	5,934,069,983	3,642,709,487	1,995,806,384	37,779,079,240
Disposal	-	-	-	(2,463,891,799)	-	(2,463,891,799)
As at 30 June 2022	271,956,603,041	22,246,370,913	48,371,479,506	28,368,608,042	24,676,628,158	395,619,689,660
Net book value						
As at 1 January 2022	646,990,304,651	369,290,609,065	59,081,924,732	43,133,587,708	30,986,712,613	1,149,483,138,769
As at 30 June 2022	624,857,391,186	365,217,029,144	53,147,854,749	39,490,878,203	29,505,874,411	1,112,219,027,693

11 FIXED ASSETS (continued)**(a) Tangible fixed assets (continued)**

As at 30 June 2022, tangible fixed assets with a carrying value of VND624,857 million (as at 31 December 2021: VND646,990 million) were pledged to Military Commercial Joint Stock Bank as collateral assets for long-term borrowings granted to the Company (Note 19(b)(i)).

The historical cost of fully depreciated tangible fixed assets but still in use as at 30 June 2022 was VND53,474 million (as at 31 December 2021: VND52,676 million).

(b) Intangible fixed assets

	Software VND
Historical cost	
As at 1 January 2022 and 30 June 2022	30,845,669,020
Accumulated amortisation	
As at 1 January 2022	29,779,258,926
Charge for the period	465,461,081
As at 30 June 2022	30,244,720,007
Net book value	
As at 1 January 2022	1,066,410,094
As at 30 June 2022	600,949,013

The historical cost of fully amortised intangible fixed assets but still in use as at 30 June 2022 was VND27,937 million (as at 31 December 2021: VND27,107 million).

12 CONSTRUCTION IN PROGRESS

Details of construction in progress by projects are as follows:

	As at 30.6.2022 VND	As at 31.12.2021 VND
Costs relating to aircraft and components	127,283,760,504	123,229,560,504
Aviation Technology Research and Training Centre	225,385,696,812	225,385,696,812
SAP software	16,622,141,772	-
Others	21,877,581,702	5,217,281,436
	<u>391,169,180,790</u>	<u>353,832,538,752</u>

Movements in construction in progress during the period/year are as follows:

	For the six- month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Beginning of period/year	353,832,538,752	693,772,535,906
Purchases	37,336,642,038	171,457,329,639
Transfers to tangible fixed assets	-	(387,463,400,057)
Transfers to long-term prepaid expenses	-	(34,015,903,655)
Other movements	-	(89,918,023,081)
End of period/year	<u>391,169,180,790</u>	<u>353,832,538,752</u>

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13 SHORT-TERM TRADE ACCOUNTS PAYABLE

	As at 30.6.2022		As at 31.12.2021	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Petrolimex Aviation Fuel Joint Stock Company	1,352,986,838,442	1,352,986,838,442	665,792,259,190	665,792,259,190
Vietnam Air Petrol Company Limited (Skypec)	767,071,603,804	767,071,603,804	-	-
CFM International SA	346,429,859,665	346,429,859,665	360,094,721,342	360,094,721,342
Others	3,115,125,060,480	3,115,125,060,480	1,985,788,883,886	1,985,788,883,886
	5,581,613,362,391	5,581,613,362,391	3,011,675,864,418	3,011,675,864,418
Related parties (Note 38(b))				
	1,130,154,057,014	1,130,154,057,014	213,949,793,239	213,949,793,239
	6,711,767,419,405	6,711,767,419,405	3,225,625,657,657	3,225,625,657,657

14 SHORT-TERM ADVANCES FROM CUSTOMERS

	30.6.2022 VND	31.12.2021 VND
Third parties		
Beijing China International Travel Service Co., Ltd.	55,510,586,250	112,933,609,524
DAEJOO Air Co., Ltd.	46,686,343,290	103,994,116,213
Others	468,423,235,056	274,420,050,805
	<u>570,620,164,596</u>	<u>491,347,776,542</u>
Related parties (Note 38(b))	319,313,143,230	101,788,529,823
	<u>889,933,307,826</u>	<u>593,136,306,365</u>

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15 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

Movements in tax and other receivables from/payables to the State during the period are as follows:

	As at 1.1.2022 VND	Receivable/payable during the period VND	Payment during the period VND	Net-off during the period VND	Others VND	As at 30.6.2022 VND
a) Tax receivable						
Deductible VAT	41,091,007,084	740,662,440,080	-	(781,753,447,164)	-	-
b) Tax payables						
CIT	138,784,864,775	169,141,000,000	(55,772,998,940)	-	(4,929,667,318)	247,223,198,517
VAT	82,693,553,374	818,775,461,854	(32,863,639,502)	(781,753,447,164)	-	86,851,928,562
Personal income tax	45,443,343,148	140,965,790,698	(87,603,448,433)	-	-	98,805,685,413
Foreign contractor tax	21,864,440,587	5,499,098,902	-	-	-	27,363,539,489
Other tax	-	48,021,440	(48,021,440)	-	-	-
	288,786,201,884	1,134,429,372,894	(176,288,108,315)	(781,753,447,164)	(4,929,667,318)	460,244,351,981

16 SHORT-TERM ACCRUED EXPENSES

	30.6.2022 VND	31.12.2021 VND
Interest expense	321,554,780,741	296,216,239,953
Technical tools and equipment and aircraft related expenses	251,571,257,787	533,958,452,256
Others	30,984,103,086	79,851,442,606
	<u>604,110,141,614</u>	<u>910,026,134,815</u>

17 SHORT-TERM UNEARNED REVENUE

	30.6.2022 VND	31.12.2021 VND
Passenger transportation and ancillary services revenue received in advance, to be realised within next 12 months	<u>2,283,472,316,089</u>	<u>381,579,736,840</u>

18 OTHER SHORT-TERM PAYABLES

	30.6.2022 VND	31.12.2021 VND
Third party		
Airport fees and charges payables	496,964,910,451	700,704,487,828
Others	747,653,995,976	297,617,335,968
	<u>1,244,618,906,427</u>	<u>998,321,823,796</u>
Related parties (Note 38(b))	<u>500,189,616,071</u>	<u>4,286,231,258,588</u>
	<u>1,744,808,522,498</u>	<u>5,284,553,082,384</u>

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19 BORROWINGS

(a) Short-term

	As at 1.1.2022 VND	Increase VND	Decrease VND	Revaluation VND	As at 30.6.2022 VND
Borrowings from banks (i)	5,036,939,906,166	11,215,588,771,047	(9,676,415,600,382)	40,996,993,089	6,617,110,069,920
Current portion of long-term borrowings (Note 19(b))	1,583,130,480,000	27,604,419,198	(477,328,226,869)	2,083,987,671	1,135,490,660,000
Borrowings from related parties (Note 38(b))	700,000,000,000	45,000,000,000	(700,000,000,000)	-	45,000,000,000
	<u>7,320,070,386,166</u>	<u>11,288,193,190,245</u>	<u>(10,853,743,827,251)</u>	<u>43,080,980,760</u>	<u>7,797,600,729,920</u>

19 BORROWINGS (continued)**(a) Short-term (continued)**

(i) Details of short-term borrowings from banks are as follows:

Lenders	Currency	30.6.2022 VND	31.12.2021 VND
Secured loans			
Ho Chi Minh City Development Joint Stock Commercial Bank, a related party (Note 38(b))(*)	USD	2,495,874,856,927	2,384,576,498,152
Unsecured loans			
Vietnam Joint Stock Commercial Bank of Industry and Trade	VND	2,284,860,393,614	1,860,409,702,905
Military Commercial Joint Stock Bank	VND	989,180,145,230	-
Woori Bank Vietnam Limited, Ho Chi Minh City Branch	VND	649,196,568,729	254,548,640,905
Vietnam Maritime Commercial Joint Stock Bank	USD	197,998,105,420	187,669,268,452
Petrolimex Group Commercial Joint Stock Bank	VND	-	349,735,795,752
		<u>6,617,110,069,920</u>	<u>5,036,939,906,166</u>

(*) As at 30 June 2022, this loan was secured by the estimated receivables arising from the Company's sales of flight tickets in the future of VND5,425 billion (as at 31 December 2021: VND3,875 billion).

During the period, these borrowings bear interest at rates ranging from 4.2% to 5.8% per annum (for the year ended 31 December 2021: from 3.5% to 7.1% per annum) for borrowings in VND, and from 3.3% to 4.5% per annum (for the year ended 31 December 2021: from 3.3% to 4.3% per annum) for borrowings in USD.

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19 BORROWINGS (continued)

(b) Long-term

	As at 1.1.2022 VND	Increase VND	Decrease VND	Revaluation VND	As at 30.6.2022 VND
Borrowings from banks (i)	1,350,281,926,768	-	(477,328,226,869)	3,371,924,163	876,325,624,062
Straight bonds (ii)	8,373,090,000,000	2,876,910,000,000	-	-	11,250,000,000,000
Current portion of long-term borrowings	(1,583,130,480,000)	(27,604,419,198)	477,328,226,869	(2,083,987,671)	(1,135,490,660,000)
	<u>8,140,241,446,768</u>	<u>2,849,305,580,802</u>	<u>-</u>	<u>1,287,936,492</u>	<u>10,990,834,964,062</u>

(i) Borrowings from banks

Details of long-term borrowings from banks are as follows:

Lenders	Currency	Maturity	As at 30.6.2022		As at 31.12.2021	
			Current portion of long-term borrowings VND	Long-term borrowings VND	Current portion of long-term borrowings VND	Long-term borrowings VND
Woori Bank - Singapore Branch (*)	USD	December 2022	191,372,727,273	-	375,054,537,120	-
Industrial and Commercial Bank of China Limited - Hong Kong Branch (*)	USD	December 2022	191,372,727,273	-	375,054,537,120	-
KEB Hana Bank - Hong Kong Branch (*)	USD	December 2022	85,054,545,454	-	166,690,925,760	-
Military Commercial Joint Stock Bank (**)	USD	June 2028	67,690,660,000	340,834,964,062	66,330,480,000	367,151,446,768
			<u>535,490,660,000</u>	<u>340,834,964,062</u>	<u>983,130,480,000</u>	<u>367,151,446,768</u>

19 BORROWINGS (continued)**(b) Long-term (continued)****(i) Borrowings from banks (continued)**

(*) This syndicated borrowing was provided by three banks with total credit facility of USD110 million. The maturity of the borrowing is three years from the drawdown date. The borrowing's principal is repayable in 8 instalments in 2021 and 2022. The syndicated borrowing is unsecured and bears interest at a rate of 3.29% per annum (year ended 31 December 2021: 1.8% per annum).

(**) 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 of 3.94% per annum (year ended 31 December 2021: 2.99% per annum) and is secured by the Company's tangible fixed assets with the carrying amount as follows:

	30.6.2022 VND	31.12.2021 VND
Aircraft No. A320 MSN7167, VNA675 (Note 11(a))	<u>624,857,391,186</u>	<u>646,990,304,651</u>

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19 BORROWINGS (continued)

(a) Long-term (continued)

(ii) Straight bonds

Terms and conditions of long-term straight bonds are as follows:

	Currency	Annual interest	Year of maturity	As at 30.6.2022		As at 31.12.2021	
				Current portion of long-term bonds VND	Long-term bonds VND	Current portion of long-term bonds VND	Long-term bonds VND
Bonds issued at par value, maturing after 60 months (*)	VND	9.5%	2026	-	5,000,000,000,000	-	5,000,000,000,000
Bonds issued at par value, maturing after 36 months (**)	VND	9.5%	2024	-	5,000,000,000,000	-	2,123,090,000,000
Bonds issued at par value, maturing after 36 months (***)	VND	7.8%	2023	-	650,000,000,000	-	650,000,000,000
Bonds issued at par value, maturing after 36 months (****) (Note 40)	VND	7.8%	2022	600,000,000,000	-	600,000,000,000	-
				600,000,000,000	10,650,000,000,000	600,000,000,000	7,773,090,000,000

(*) 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 on 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 on 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% 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 on the 12-month corporate deposits in VND in the following semi-annual periods until the maturity date.

19 BORROWINGS (continued)**(b) Long-term (continued)****(ii) Straight bonds (continued)**

(****) 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 on the 12-month corporate deposits in VND in the following semi-annual periods until the maturity date

20 PROVISION FOR LIABILITIES

Movements of provision for liabilities during the period are as follows:

	Provision for maintenance expenses VND	Provision to make good on leased assets VND	Total VND
As at 31 December 2021	11,102,401,572,249	1,143,835,340,803	12,246,236,913,052
Provision made during the period	1,872,369,864,465	80,705,641,307	1,953,075,505,772
Utilisation of provision	(6,528,452,662)	-	(6,528,452,662)
Others	-	(37,405,945,898)	(37,405,945,898)
As at 30 June 2022	12,968,242,984,052	1,187,135,036,212	14,155,378,020,264
Short-term	2,752,719,885,024	-	2,752,719,885,024
Long-term	10,215,523,099,028	1,187,135,036,212	11,402,658,135,240
	12,968,242,984,052	1,187,135,036,212	14,155,378,020,264

21 BONUS AND WELFARE FUND

Movements of Bonus and welfare fund during the period/year are as follows:

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Beginning of period/year	327,150,076,791	-
Appropriation to the fund during the period/year (Note 24)	-	380,676,119,348
Utilization of the fund	(44,391,600,000)	(53,526,042,557)
End of period/year	<u>282,758,476,791</u>	<u>327,150,076,791</u>

22 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 and same taxable unit. The details were as follows:

	30.6.2022 VND	31.12.2021 VND
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	2,697,724,924,196	2,468,231,211,996
Deferred tax assets to be recovered within 12 months	562,543,977,005	338,402,175,062
	<u>3,260,268,901,201</u>	<u>2,806,633,387,058</u>
Deferred tax liabilities:		
Deferred tax liabilities to be settled after more than 12 months	2,738,872,309,768	2,596,174,103,538
Deferred tax liabilities to be settled within 12 months	622,992,885,373	364,976,354,963
	<u>3,361,865,195,141</u>	<u>2,961,150,458,501</u>
Net-off	<u>(3,265,134,601,201)</u>	<u>(2,806,633,387,058)</u>
Net deferred income tax liabilities	<u>96,730,593,940</u>	<u>154,517,071,443</u>

22 DEFERRED INCOME TAX (continued)

Movements in the deferred income tax, taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Beginning of period/year	154,517,071,443	67,824,775,143
Separate interim income statement charge (Note 34)	(52,920,777,503)	86,692,296,300
End of period/year	<u>101,596,293,940</u>	<u>154,517,071,443</u>

As at 30 June 2022, the Company uses tax rate of 20% (as at 31 December 2021: 20%) to determine deferred income tax assets and deferred income tax liabilities.

Deferred income tax assets and deferred income tax liabilities mainly include temporary differences related payable to provision for maintenance costs, provision for return of leased assets; taxable temporary differences to maintenance reserves, prepaid aircraft maintenance, leased return costs; reevaluate amounts denominated in foreign currencies and tax losses carried forward.

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 Company'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 separate interim financial statements. The estimated amount of tax losses available for offset against the Company's future taxable profit is:

Year of tax loss	Status of tax authorities' review	Loss incurred VND	Loss utilised VND	Loss carried forward VND
2020	Outstanding	2,414,670,803,135	(1,005,216,623,073)	1,409,454,180,062
2022	Outstanding	<u>676,512,305,679</u>	<u>-</u>	<u>676,512,305,679</u>

23 OWNERS' CAPITAL**(a) Number of shares**

	As at 30.6.2022		As at 31.12.2021	
	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) Movement of share capital

	Number of shares	Ordinary shares VND
As at 1 January 2021	523,838,594	5,238,385,940,000
Sale of treasury shares	17,772,740	177,727,400,000
As at 31 December 2021	541,611,334	5,416,113,340,000
As at 30 June 2022	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 from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

VIETJET AVIATION JOINT STOCK COMPANY

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24 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Treasury shares VND	(Accumulated losses) Post-tax undistributed earnings/ losses) VND	Total VND
As at 1 January 2021	5,416,113,340,000	245,949,492,805	(2,347,121,362,620)	1,711,598,805,863	5,026,540,276,048
Net loss for the year	-	-	-	(7,238,162,750)	(7,238,162,750)
Appropriation to Bonus and welfare fund (Note 21)	-	-	-	(380,676,119,348)	(380,676,119,348)
Sale of treasury shares	-	1,533,625,094	2,347,121,362,620	-	2,348,654,987,714
As at 31 December 2021	5,416,113,340,000	247,483,117,899	-	1,323,684,523,765	6,987,280,981,664
Net profit for the period	-	-	-	80,331,284,291	80,331,284,291
As at 30 June 2022	5,416,113,340,000	247,483,117,899	-	1,404,015,808,056	7,067,612,265,955

Pursuant to the Resolution No. 02-22/VJ-DHCD-DD dated 25 May 2022, the General Meeting of Shareholders of the Company approved the share dividends to its existing shareholders at the rate of 20% on the total par value of existing shares in circulation. The General Meeting of Shareholders authorized the Board of Directors to decide the plan of issuance plan after the approval of the State Securities Committee.

25 DIVIDEND PAYABLE

	30.6.2022 VND	31.12.2021 VND
At the beginning/end of the period/year	<u>57,789,721,550</u>	<u>57,789,721,550</u>

26 OFF SEPARATE INTERIM BALANCE SHEET ITEMS**(a) Foreign currencies**

	30.6.2022	31.12.2021
USD	8,089,173	6,489,725
SGD	1,131,132	1,054,978
MYR	1,135,970	1,135,970
KRW	8,162,089,887	183,813,624
JPY	325,386,010	24,653,243
EUR	43,940	44,425
TWD	279,800	279,800
HKD	54,350	54,350
GBP	1,955	2,250
IDR	10,225,000	10,225,000
THB	87,550	94,420
CNY	394,329	18,478
INR	154,640	135,370
MMK	<u>2,864,650</u>	<u>2,864,650</u>

(b) Operating lease assets

The future minimum lease receipts/payments under non-cancellable operating lease agreement were presented in Note 39(a).

27 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Passenger transportation		
- Domestic routes	6,214,080,177,381	1,814,333,990,363
- International routes including charter flights	1,094,998,688,415	263,409,122,039
- Ancillary revenue	4,047,388,483,011	2,293,022,418,307
	<u>11,356,467,348,807</u>	<u>4,370,765,530,709</u>
Assignment fee for aircraft trading	2,306,000,000,000	-
Aircraft dry leases	674,024,899,674	628,573,747,296
Revenue from sales of engine	420,189,000,000	-
Other revenue	141,332,105,488	22,748,585,401
	<u>14,898,013,353,969</u>	<u>5,022,087,863,406</u>

28 COST OF GOODS SOLD AND SERVICES RENDERED

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Flight operation expenses	11,610,796,158,076	6,569,126,707,619
Technical expenses	1,279,287,954,055	780,902,857,506
Ground operation expenses	608,320,350,932	377,219,588,228
Cost of engine sold	411,251,291,000	-
Safety, security, quality and assurance expenses	159,045,695,989	20,450,266,733
Cargo expenses	12,532,698,012	9,665,572,000
Others	396,583,973,179	230,798,000,255
	<u>14,477,818,121,243</u>	<u>7,988,162,992,341</u>

29 FINANCIAL INCOME

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Profits income (Note 38(a)(vi))	845,705,000,000	-
Interest income from deposits and lendings	269,622,913,917	133,112,574,489
Realised foreign exchange gains	57,836,673,193	45,793,733,619
Income from shares transfer	-	3,584,000,000,000
Others	-	96,660,918
	<u>1,173,164,587,110</u>	<u>3,763,002,969,026</u>

30 FINANCIAL EXPENSES

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Interest expense	693,179,752,084	290,253,736,292
Provision for/(reversal of provision for) diminution in value of trading securities and long-term investment	235,000,000,000	(160,000,000,000)
Unwinding discount of provisions	120,111,426,110	21,805,574,986
Realised foreign exchange losses	105,512,721,327	11,670,409,500
Net loss from foreign currency translation at period-end	110,378,905,597	36,779,051,513
Others	15,018,000,964	1,893,400,619
	<u>1,279,200,806,082</u>	<u>202,402,172,910</u>

31 SELLING EXPENSES

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Advertising and marketing expenses	194,564,560,495	233,093,719,047
Sales commissions	98,377,057,329	95,095,899,370
Staff costs	66,713,259,760	30,298,594,125
Depreciation and amortisation	79,396,534	99,374,054
Others	24,484,330,158	5,215,190,725
	<u>384,218,604,276</u>	<u>363,802,777,321</u>

32 GENERAL AND ADMINISTRATION EXPENSES

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Staff costs	103,682,951,142	70,292,117,530
External service expenses	69,690,010,151	61,568,892,634
Rental	6,247,053,642	21,313,370,235
Depreciation and amortisation	3,336,178,564	2,277,066,330
Others	6,827,204,923	19,483,352,198
	<u>189,783,398,422</u>	<u>174,934,798,927</u>

33 OTHER INCOME AND OTHER EXPENSES

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Other income		
Income from compensation (*)	447,726,000,000	-
Others	9,011,511,301	8,718,553,689
	<u>456,737,511,301</u>	<u>8,718,553,689</u>
Other expenses		
Others	(343,015,569)	(287,735,957)
Net other income	<u>456,394,495,732</u>	<u>8,430,817,732</u>

(*) This income relates to a compensation entitled from an aircraft supplier.

34 CORPORATE INCOME TAX

The CIT on the Company's accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Net accounting profit before tax	196,551,506,788	64,218,908,665
Tax calculated at a rate of 20%	39,310,301,358	12,843,781,733
Effect of:		
Expenses not deductible for tax purposes	76,909,921,139	17,172,633,672
CIT charge (*)	116,220,222,497	30,016,415,405
Charged/(credited) to the separate interim income statement:		
CIT – current	169,141,000,000	-
CIT – deferred (Note 22)	(52,920,777,503)	30,016,415,405
	116,220,222,497	30,016,415,405

(*) The CIT charge for the six-month period is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

35 COSTS OF OPERATION BY FACTOR

Costs of operation by factor represent all costs incurred during the period from the Company's operating activities, excluding cost of merchandises for trading activities. Details are as follows:

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Fuel costs	6,219,602,551,752	2,345,460,784,323
Staff costs	1,390,005,225,148	966,575,156,373
Depreciation and amortisation	38,244,540,321	35,061,570,993
External service and other expenses	6,942,002,815,437	5,179,803,056,900
	<u>14,589,855,132,658</u>	<u>8,526,900,568,589</u>

36 SEGMENT REPORTING

The Board of Management of the Company determines that the management's decisions of the Company are based primarily on both the types of products and services provided by the Company and the geographic areas in which the Company supplies product and service. As a result, the segment reporting of the Company is presented in respect of the Company's business segments and geographical segments.

(a) Business segments

For management purpose, the Company 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 Company has no other business segments being aggregated to form a reportable business segment. Segmental information for total revenue and cost of sales is shown in Notes 27 and 28 to the separate interim financial statements. All the Company's assets, liabilities, financial income and financial expenses, selling expenses, general and administration expenses, other income and other expenses are unallocated.

36 SEGMENT REPORTING (continued)**b) Geographical segments**

The Company's revenue is presented by geographical areas (by country of destination) as follows:

	For the six-month period ended	
	30.6.2022	30.6.2021
	VND	VND
In Vietnam	9,945,991,132,730	3,909,263,832,117
Outside Vietnam	4,952,022,221,239	1,112,824,031,289
	<u>14,898,013,353,969</u>	<u>5,022,087,863,406</u>

The Company has no other geographical segments, except for revenue because the Board of Management of the Company determined that the management decisions are based primarily on revenue by geographical areas.

37 ADDITIONAL INFORMATION ON CERTAIN ITEMS OF THE SEPARATE INTERIM CASH FLOW STATEMENT**Non-cash transactions affecting the separate interim cash flow statement**

	For the six-month period ended	
	30.6.2022	30.6.2021
	VND	VND
Net-off profits income with other payables	845,705,000,000	-
Appropriation to bonus and welfare fund	-	380,676,119,348
	<u>-</u>	<u>380,676,119,348</u>

38 RELATED PARTY DISCLOSURES

Details of subsidiaries and associates are given in Note 4.

Details of the key related parties and relationship are given as below:

Related parties	Relationship
Sovico Holdings Company	Major shareholder
Ho Chi Minh City Development Joint Stock Commercial Bank ("HDBank")	Major shareholder
Vietjet Air IVB No. I Limited	Subsidiary
Vietjet Air IVB No. II Limited	Subsidiary
Vietjet Air Ireland No. I Limited	Subsidiary
Vietjet Air Singapore Pte. Ltd.	Subsidiary
Vietjet Air Cargo Joint Stock Company	Subsidiary
Galaxy Pay Company Limited	Subsidiary
Swift 247 Joint Stock Company	Subsidiary
Skymate Limited	Subsidiary
VietJet Ground Services Limited Liability Company	Subsidiary
Thai Vietjet Air Joint Stock Co., Ltd.	Associate
Cam Ranh International Terminal Joint Stock Company	Associate
Truong Son Plaza Joint Stock Company	Other related party
Sai Gon Ground Services Joint Stock Company	Other related party
Cong Hoa Commercial Investment Joint Stock Company	Other related party
Sovico Energy Holdings Company	Other related party
Sovico Group Joint Stock Company	Other related party
Menas Company Limited	Other related party
Angelica Holding Limited	Other related party
Apricot Aircraft Company (Ireland) 8577 Limited	Other related party
Apricot Aircraft Company (Ireland) 8592 Limited	Other related party
Apricot Aircraft Company (Ireland) 8605 Limited	Other related party
Apricot Aircraft Company (Ireland) 8670 Limited	Other related party
Apricot Aircraft Company (Ireland) 8676 Limited	Other related party
Apricot Aircraft Assets Limited	Other related party
Apricot Aircraft Assets No.1 Limited	Other related party
AAA Golden Aircraft Star No. 1 Limited	Other related party
AAA Golden Aircraft Star No. 2 Limited	Other related party
AAA Golden Aircraft Star No. 3 Limited	Other related party
AAA Golden Aircraft Star No. 4 Limited	Other related party
AAA Golden Aircraft Star No. 5 Limited	Other related party
AAA Aircraft Asset Company Limited	Other related party
World Go International Limited	Other related party
Indochina Beach Hotel Joint Stock Company	Other related party
Conasi Property Management and Development Corporation	Other related party
Victoria Academy Company Limited	Other related party
Guangzhou Representative of Vietjet Aviation Joint Stock Company	Other related party
New Generation Service Supply Joint Stock Company	Other related party

38 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions

During the period, the following major transactions were carried out with related parties:

		For the six-month period ended	
		30.6.2022	30.6.2021
		VND	VND
i)	Revenue from aircraft leasing		
	Subsidiary	475,702,563,924	464,466,759,696
	Associate	27,859,923,000	28,028,894,400
	Other related party	170,462,412,750	136,078,093,200
		<u>674,024,899,674</u>	<u>628,573,747,296</u>
ii)	Cargo activity		
	Subsidiary:		
	- Revenue	494,140,840,172	439,029,844,090
	- Commission expenses	29,648,450,412	34,688,257,435
		<u>523,789,290,584</u>	<u>473,718,101,525</u>
iii)	Assignment fee for aircraft trading		
	Subsidiary	2,306,000,000,000	-
iv)	Revenue from other services		
	Associate	92,290,025,240	14,469,093,464
v)	Aircraft operating lease expenses		
	Other related party	624,233,253,729	587,582,000,000
vi)	Financing activities		
	<i>Interest income</i>		
	HDBank	9,740,521,508	15,780,592,956
	Subsidiary	77,799,786,374	-
	Associate	103,731,879,905	111,920,089,349
	Other related parties	29,322,000,000	770,506,849
		<u>220,594,187,787</u>	<u>128,471,189,154</u>

38 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
vi) Financing activities (continued)		
<i>Interest expense</i>		
HDBank	40,601,147,764	31,632,294,305
Other related parties	30,616,438,355	24,408,904,110
	<u>71,217,586,119</u>	<u>56,041,198,415</u>
<i>Proceeds from borrowings</i>		
HDBank	2,437,550,606,352	1,924,284,538,314
Other related party	45,000,000,000	-
	<u>2,482,550,606,352</u>	<u>1,924,284,538,314</u>
<i>Repayments of borrowings</i>		
HDBank	2,363,936,481,101	1,857,720,570,816
Other related party	700,000,000,000	-
	<u>3,063,936,481,101</u>	<u>1,857,720,570,816</u>
<i>Term deposits and certificate of deposits with HDBank</i>		
Deposit	855,000,000,000	3,600,000,000,000
Settlement	805,000,000,000	4,915,000,000,000
	<u></u>	<u></u>
<i>Profits income (Note 29)</i>		
Subsidiary	<u>845,705,000,000</u>	<u>-</u>

38 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

		For the six-month period ended	
		30.6.2022	30.6.2021
		VND	VND
vii) Investment activities			
<i>Income from shares transfer</i>			
Other related parties	-	5,184,000,000,000	
<i>Payment received from transfer of the commercial right</i>			
Other related parties	-	290,000,000,000	
<i>Capital contribution</i>			
Subsidiary	-	22,500,000,000	
<i>Investment in projects with other related parties</i>			
Deposit received	-	1,200,000,000,000	
Deposit repaid	-	1,995,000,000,000	
<i>Investment in project with subsidiary</i>			
Deposit received	-	15,000,000,000	

38 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	For the six-month period ended	
	30.6.2022	30.6.2021
	VND	VND
viii) Other transactions		
Office rental expenses		
Major shareholder	4,189,121,946	4,189,121,957
Other related party	33,883,834,071	14,057,926,456
	<u>38,072,956,017</u>	<u>18,247,048,413</u>
Purchase engine		
Subsidiary	<u>411,251,291,000</u>	<u>-</u>
Prepayment for engine rental		
Other related party	<u>739,980,636,445</u>	<u>-</u>
Payments and (receipts) on behalf, net cashflows		
Subsidiary	(196,978,422,945)	(176,556,699,213)
Associate	57,658,193,045	81,935,769,215
	<u>(139,320,229,900)</u>	<u>(94,620,929,998)</u>
ix) Compensation of key management		
Board of Directors	3,640,761,267	4,241,370,683
Board of Management	9,076,612,218	6,291,279,254
	<u>12,717,373,485</u>	<u>10,532,649,937</u>

38 RELATED PARTY DISCLOSURES (continued)

(b) Period/year end balances with related parties

	30.6.2022 VND	31.12.2021 VND
Cash and cash equivalents (Note 3)		
HDBank	664,816,504,304	792,085,060,420
Short-term trade accounts receivable (Note 5)		
HDBank	780,000,000	-
Subsidiaries (i)	4,731,192,363,911	4,438,807,528,932
Associate	28,301,691,600	-
Other related parties (ii)	505,433,277,880	617,576,130,250
	<u>5,265,707,333,391</u>	<u>5,056,383,659,182</u>

(i) Receivables from aircraft dry leases and charter cargo.

(ii) The receivable balance mainly includes receivables from aircraft dry leases.

Short-term prepayments to suppliers (Note 6)

HDBank	1,305,629,479	-
Other related parties (iii)	753,916,211,787	392,344,113
	<u>755,221,841,266</u>	<u>392,344,113</u>

(iii) The balance represents the prepayment for engine rental.

Short-term lendings (Note 7)

Other related party	657,000,000,000	657,000,000,000
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Other short-term receivables (Note 8(a))

Major shareholder	1,042,580,000	-
Subsidiaries	130,098,274,210	27,472,128,649
Associate (iv)	2,582,289,017,439	1,840,698,245,048
Other related parties (v)	4,175,147,122,995	3,615,995,863,591
	<u>6,888,576,994,644</u>	<u>5,484,166,237,288</u>

(iv) The receivable balance mainly includes payment on behalf and earns interest at the rate of 9% per annum (2021: 9% per annum).

(v) The receivable balance mainly includes receivables from the transfer of the business and operation rights of the Vietjet Plaza Building, receivable relating to the disposal of rights and obligations in the Republic Plaza project, and receivables from transfer of shares in Pacific Star Investment and Development Company.

38 RELATED PARTY DISCLOSURES (continued)

(b) Period/year end balances with related parties (continued)

	30.6.2022 VND	31.12.2021 VND
Other long-term receivables (Note 8(b))		
Major shareholder	1,000,000,000	-
Associates	15,219,542,500	468,344,946,987
Other related parties (vi)	2,072,279,232,834	1,951,602,041,056
	<u>2,088,498,775,334</u>	<u>2,419,946,988,043</u>

(vi) The receivable balance mainly includes receivables from a related party regarding the maintenance reserves, deposit for aircraft leases and receivables from transfer of shares in Pacific Star Investment and Development Company.

Short-term trade accounts payable (Note 13)		
Major shareholders	24,859,785,367	24,859,785,367
HDBank	787,480,482	733,297,968
Subsidiary	235,339,224	136,908,540
Associate	-	2,335,782,331
Other related parties	1,104,271,451,941	185,884,019,033
	<u>1,130,154,057,014</u>	<u>213,949,793,239</u>

38 RELATED PARTY DISCLOSURES (continued)

(b) Period/year end balances with related parties (continued)

	30.6.2022 VND	31.12.2021 VND
Short-term advances from customers (Note 14)		
HDBank	-	448,777,861
Subsidiaries	309,085,722,152	90,725,082,784
Associate	8,649,099,558	8,649,099,558
Other related parties	1,578,321,520	1,965,569,620
	<u>319,313,143,230</u>	<u>101,788,529,823</u>
Short-term accrued expenses		
HDBank	-	1,712,695,006
Subsidiary	-	16,606,453,535
Other related parties	140,584,931,506	92,708,021,157
	<u>140,584,931,506</u>	<u>111,027,169,698</u>
Other short-term payables (Note 18)		
Major shareholders	70,964,404,160	69,869,108,860
Subsidiaries (vii)	409,669,047,527	4,196,805,985,344
Other related parties	19,556,164,384	19,556,164,384
	<u>500,189,616,071</u>	<u>4,286,231,258,588</u>
(viii) The payable balance mainly includes receipt on behalf.		
Short-term borrowings (Note 19(a))		
HDBank	2,495,874,856,927	2,384,576,498,152
Other related party	45,000,000,000	700,000,000,000
	<u>2,540,874,856,927</u>	<u>3,084,576,498,152</u>
Other long-term payable		
Subsidiary	<u>5,450,000,000</u>	<u>5,450,000,000</u>

39 PRINCIPLE AGREEMENTS**(a) Commitments under operating leases***(i) The Company as a lessee*

The Company signs operating lease agreements, the expected future lease payments, according to terms in these agreements, are as follows:

	30.6.2022 VND	31.12.2021 VND
Within one year	10,689,424,829,335	8,616,964,284,145
Between one and five years	38,369,569,468,221	37,298,127,372,065
Over five years	22,847,421,526,187	24,811,592,924,072
Total minimum payments	<u>71,906,415,823,743</u>	<u>70,726,684,580,282</u>

(ii) The Company as a lessor

The Company signs operating lease agreements, the expected future lease receipts, according to terms in these agreements, are as follows:

	30.6.2022 VND	31.12.2021 VND
Within one year	1,261,152,348,648	1,337,091,416,984
Between one and five years	4,258,471,424,576	4,397,115,040,369
Over five years	1,046,543,031,046	1,389,127,587,327
Total minimum receipts	<u>6,566,166,804,270</u>	<u>7,123,334,044,680</u>

39 PRINCIPLE AGREEMENTS (continued)**(b) Other commitments**

The Company signed a principle agreement and related amendments with Airbus S.A.S to purchase 186 aircrafts. As at 30 June 2022, the Company has received 67 of the aircraft, with the remaining aircraft being scheduled to be delivered to the Company up to 2026. To power these aircraft, the Company also ordered 106 aircraft engines from CFM International S.A and 128 aircraft engines from United Technologies Corporation (Pratt & Whitney Division), including maintenance service agreements. Pursuant to the aircraft purchase agreement between the Company and Airbus S.A.S, the Company's principal agreements in relation to the pre-delivery payments for aircraft that are to be delivered in 2023 are USD212.5 million as of 30 June 2022. The Company's agreements with respect to the principle agreement and related amendments are subject to the ability to comply with the aircraft delivery schedule committed by the manufacturer.

On 31 May 2017, the Company signed an agreement with Honeywell Aviation Services to purchase 98 auxiliary power units for the Airbus aircraft. This agreement runs through 2022 and includes maintenance services for 12 years.

The Company also signed a principle agreement and related amendments with Boeing Company to purchase aircraft. As at 30 June 2022, the Company and Boeing Company have agreed to an amendment to adjust the delivery schedule for the aircraft and other terms (including payment and commercial support from the manufacturer) on the basis of conformity with the Company's long-term development strategy.

40 EVENTS OCCURRED AFTER THE END OF SIX-MONTH PERIOD ENDED 30 JUNE 2022

Pursuant to Decision No. 477/QĐ-SGDHN dated 12 July 2022 of Hanoi Stock Exchange, the bond of Vietjet Aviation Joint Stock Company with stock code VJC11912 is due to delist on 15 July 2022, with the value of VND600,000,000,000 (6,000,000 bonds).

The separate interim financial statements were approved by the Board of Management on 29 August 2022.



Pham Ngoc Thoa
Chief Accountant

Ho Ngoc Yen Phuong
Vice President cum
Chief Finance Officer

Dinh Viet Phuong
Permanent Vice President
cum Managing Director