

VIETJET AVIATION JOINT STOCK COMPANY

**SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

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 Ha Noi Authority for Planning and Investment with the latest 30th amendment dated 19 April 2023.

Investment registration certificate

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

Board of Directors

Ms. Nguyen Thi Phuong Thao	Chairperson
Ms. Nguyen Thanh Ha	Vice Chairperson
Mr. Nguyen Anh Tuan	Vice Chairperson – Independent member
Mr. Donal Joshep Boylan	Vice Chairperson - Independent member
Mr. Nguyen Thanh Hung	Member
Mr. Dinh Viet Phuong	Member
Ms. Ho Ngoc Yen Phuong	Member
Mr. Luu Duc Khanh	Member
Mr. Chu Viet Cuong	Member

VIETJET AVIATION JOINT STOCK COMPANY

CORPORATE INFORMATION (continued)

Board of Management	Mr. Dinh Viet Phuong Ms. Ho Ngoc Yen Phuong	Chief Executive Officer Vice President cum Chief Finance Officer
	Mr. Micheal Hickey Mr. To Viet Thang Mr. Nguyen Thanh Son	Chief Operation Officer Vice President Vice President cum Chief Commercial Officer
Audit Committee	Mr. Nguyen Anh Tuan Mr. Luu Duc Khanh Mr. Chu Viet Cuong	Chairperson Member Member
Legal representative	Ms. Nguyen Thi Phuong Thao	Chairperson of the Board of Directors
	Mr. Dinh Viet Phuong Ms. Ho Ngoc Yen Phuong	Chief Executive Officer Vice President
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 2024, 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 error.

Approval of the separate interim financial statements

We hereby, approve the accompanying separate interim financial statements as set out on pages 6 to 82 which give a true and fair view of the separate interim financial position of the Company as at 30 June 2024, 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 ("the Group") for the six-month period ended 30 June 2024 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



Dinh Viet Phuong
Chief Executive Officer

Hanoi City, SR Vietnam
6 September 2024



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 2024, and approved by the Board of Management of the Company on 6 September 2024. The separate interim financial statements comprise the separate interim balance sheet as at 30 June 2024, 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 82.

Responsibility of the Board of Management

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these 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 the 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 financial position of the Company as at 30 June 2024, 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.

Emphasis of Matter

We draw attention to Note 41 in the separate interim financial statements, in which the Company disclosed the aircraft commercial dispute between the Company and an Entity. Our conclusion is not modified in respect of this matter.

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



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

Report reference number: HCM15864
Ho Chi Minh City, 6 September 2024



SEPARATE INTERIM BALANCE SHEET

Code	ASSETS	Note	As at	
			30.6.2024 VND	31.12.2023 VND
100	CURRENT ASSETS		38,994,977,228,770	38,685,648,486,600
110	Cash and cash equivalents	3	2,560,825,454,639	5,021,589,880,532
111	Cash		2,005,871,844,427	2,398,636,951,999
112	Cash equivalents		554,953,610,212	2,622,952,928,533
120	Short-term investments	4(a)	2,400,563,890,000	603,550,000,000
121	Trading securities		990,000,000,000	990,000,000,000
122	Provision for diminution in value of trading securities		(398,750,000,000)	(486,450,000,000)
123	Investments held to maturity		1,809,313,890,000	100,000,000,000
130	Short-term receivables		32,824,363,214,887	32,150,722,690,680
131	Short-term trade accounts receivable	5	8,303,327,966,659	9,499,014,343,377
132	Short-term prepayments to suppliers	6	1,861,378,624,433	1,783,645,127,097
135	Short-term lendings	7	509,466,531,793	457,000,000,000
136	Other short-term receivables	8(a)	22,228,968,532,002	20,411,063,220,206
137	Provision for doubtful debts – short term		(78,778,440,000)	-
140	Inventories		997,508,725,571	703,384,543,264
141	Inventories	9	997,508,725,571	703,384,543,264
150	Other current assets		211,715,943,673	206,401,372,124
151	Short-term prepaid expenses	10(a)	167,568,349,188	138,358,270,048
153	Tax and other receivables from the State	15(a)	44,147,594,485	68,043,102,076

The notes on pages 12 to 82 are an integral part of these separate interim financial statements.

SEPARATE INTERIM BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at	
			30.6.2024 VND	31.12.2023 VND
200	LONG-TERM ASSETS		41,657,823,375,050	37,244,094,435,294
210	Long-term receivable		20,558,626,514,429	17,425,468,743,158
215	Long-term lending		55,145,921,500	55,145,921,500
216	Other long-term receivables	8(b)	20,503,480,592,929	17,370,322,821,658
220	Fixed assets		11,088,775,825,589	10,139,816,302,095
221	Tangible fixed assets	11(a)	5,093,705,364,730	3,989,655,820,455
222	Historical cost		5,922,732,963,654	4,636,945,711,789
223	Accumulated depreciation		(829,027,598,924)	(647,289,891,334)
224	Finance lease fixed assets	11(b)	5,981,703,403,588	6,135,424,462,924
225	Historical cost		6,181,116,755,409	6,181,116,755,409
226	Accumulated depreciation		(199,413,351,821)	(45,692,292,485)
227	Intangible fixed assets	11(c)	13,367,057,271	14,736,018,716
228	Historical cost		48,138,908,433	48,138,908,433
229	Accumulated amortisation		(34,771,851,162)	(33,402,889,717)
240	Long-term asset in progress		293,158,916,421	298,407,984,014
242	Construction in progress	12	293,158,916,421	298,407,984,014
250	Long-term investments	4(b)	230,917,024,400	230,917,024,400
251	Investments in subsidiaries		81,500,000,000	81,500,000,000
252	Investments in associates		60,000,000,000	60,000,000,000
253	Investments in other entities		149,417,024,400	149,417,024,400
254	Provision for long-term investments		(60,000,000,000)	(60,000,000,000)
260	Other long-term asset		9,486,345,094,211	9,149,484,381,627
261	Long-term prepaid expenses	10(b)	9,486,345,094,211	9,052,934,537,222
262	Deferred income tax assets	23	-	96,549,844,405
270	TOTAL ASSETS		80,652,800,603,820	75,929,742,921,894

The notes on pages 12 to 82 are an integral part of these separate interim financial statements

SEPARATE INTERIM BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at	
			30.6.2024 VND	31.12.2023 VND
300	LIABILITIES		75,215,552,871,629	71,371,826,910,048
310	Short-term liabilities		38,288,477,515,585	38,556,965,205,893
311	Short-term trade accounts payable	13	9,081,285,802,243	8,865,645,481,094
312	Short-term advances from customers	14	936,881,374,766	3,477,614,808,048
313	Tax and other payables to the State	15(b)	362,135,131,551	452,084,031,628
314	Payable to employees	16	187,260,858,874	150,937,867,472
315	Short-term accrued expenses	17	2,355,234,286,073	1,869,136,935,648
318	Short-term unearned revenue	18	3,168,512,061,633	3,600,018,592,599
319	Other short-term payables	19(a)	3,758,240,458,357	3,919,992,255,753
320	Short-term borrowings and finance lease liabilities	20(a)	16,801,094,509,366	13,553,794,368,608
321	Provision for short-term liabilities	21	1,630,467,438,927	2,662,251,126,094
322	Bonus and welfare fund	22	7,365,593,795	5,489,738,949
330	Long-term liabilities		36,927,075,356,044	32,814,861,704,155
337	Other long-term payables	19(b)	397,066,672,815	5,681,293,908
338	Long-term borrowings and finance lease liabilities	20(b)	18,564,967,397,002	17,257,038,503,121
341	Deferred income tax liabilities	23	189,859,400,184	-
342	Provision for long-term liabilities	21	17,775,181,886,043	15,552,141,907,126
400	OWNERS' EQUITY		5,437,247,732,191	4,557,916,011,846
410	Capital and reserves		5,437,247,732,191	4,557,916,011,846
411	Owners' capital	24, 25	5,416,113,340,000	5,416,113,340,000
411a	- Ordinary shares with voting rights		5,416,113,340,000	5,416,113,340,000
412	Share premium	25	247,483,117,899	247,483,117,899
421	Accumulated losses	25	(226,348,725,708)	(1,105,680,446,053)
421a	- Undistributed post-tax profits of previous years		(1,105,680,446,053)	(1,268,914,735,780)
421b	- Post-tax profits of current period/year		879,331,720,345	163,234,289,727
440	TOTAL RESOURCES		80,652,800,603,820	75,929,742,921,894

 Nguyen Thi Thanh Nga
 Chief Accountant/Preparer

 Ho Ngoc Yen Phuong
 Vice President cum
 Chief Finance Officer



 Dinh Viet Phuong
 Chief Executive Officer
 6 September 2024

The notes on pages 12 to 82 are an integral part of these separate interim financial statements.

SEPARATE INTERIM INCOME STATEMENT

Code	Note	For the six-month period ended	
		30.6.2024 VND	30.6.2023 VND
01	Revenue from sales of goods and rendering of services	33,861,858,373,690	25,133,613,658,496
02	Less deductions	-	-
10	Net revenue from sales of goods and rendering of services	33,861,858,373,690	25,133,613,658,496
11	Cost of goods sold and services rendered	(30,198,390,822,211)	(23,420,629,306,088)
20	Gross profit from sales of goods and rendering of services	3,663,467,551,479	1,712,984,352,408
21	Financial income	1,123,114,604,709	685,349,615,718
22	Financial expenses	(2,006,526,912,448)	(1,036,504,050,406)
23	- Including: Interest expense	(1,429,144,951,153)	(769,153,377,725)
25	Selling expenses	(1,304,258,230,914)	(864,087,318,755)
26	General and administration expenses	(547,752,970,584)	(380,408,487,298)
30	Net operating profit	928,044,042,242	117,334,111,667
31	Other income	261,439,787,649	48,720,483,398
32	Other expenses	(23,742,864,957)	(17,493,879,412)
40	Net other income	237,696,922,692	31,226,603,986
50	Accounting profit before tax	1,165,740,964,934	148,560,715,653
51	Corporate income tax ("CIT") - current	-	-
52	CIT - deferred	(286,409,244,589)	(100,627,166,881)
60	Profit after tax	879,331,720,345	47,933,548,772

Nguyen Thi Thanh Nga
Chief Accountant/Preparer

Ho Ngoc Yen Phuong
Vice President cum
Chief Finance Officer

Dinh Viet Phuong
Chief Executive Officer
6 September 2024



The notes on pages 12 to 82 are an integral part of these separate interim financial statements.

SEPARATE INTERIM CASH FLOW STATEMENT
(Indirect method)

		For the six-month period ended	
		30.6.2024	30.6.2023
Code	Note	VND	VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax	1,165,740,964,934	148,560,715,653
	Adjustments for:		
02	Depreciation and amortisation	336,827,728,371	191,564,797,300
03	Provisions	685,926,551,657	3,129,299,176,095
04	Unrealised foreign exchange (gains)/losses	(292,775,299,903)	132,551,300,801
05	Profits from investing activities	(439,983,877,084)	(266,103,720,738)
06	Interest expense and bond issuance expense	1,475,324,223,672	769,153,377,725
08	Operating profit before changes in working capital	2,931,060,291,647	4,105,025,646,836
09	(Increase)/decrease in receivables	(2,298,403,681,877)	170,977,912
10	Increase in inventories	(294,124,182,307)	(92,398,148,598)
11	Decrease in payables	(2,328,992,972,993)	(1,078,000,591,662)
12	Increase in prepaid expenses	(270,960,988,219)	(1,668,747,170,819)
14	Interest paid	(1,459,786,423,247)	(905,543,995,231)
17	Other payments on operating activities	(130,000,000)	(27,157,060,332)
20	Net cash (outflows)/inflows from operating activities	(3,721,337,956,996)	333,349,658,106
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets	(1,595,194,310,916)	(119,644,626,871)
22	Proceeds from disposals of fixed assets	-	104,478,032,313
23	Loans and term deposits granted	(1,880,069,890,000)	-
24	Collection of loans and investment held to maturity	118,289,468,207	178,000,000,000
27	Interest received	279,979,075,604	182,363,517,415
30	Net cash (outflows)/inflows from investing activities	(3,076,995,657,105)	345,196,922,857

The notes on pages 12 to 82 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	30.6.2024 VND	30.6.2023 VND
	CASH FLOWS FROM FINANCING ACTIVITIES		
33	Proceeds from borrowings	29,438,542,609,854	11,562,183,961,264
34	Repayments of borrowings	(24,954,151,183,502)	(11,944,018,641,897)
35	Finance lease principal repayments	(155,567,723,502)	(3,264,360,620)
40	Net cash inflows/(outflows) from financing activities	4,328,823,702,850	(385,099,041,253)
50	Net (decrease)/increase in cash and cash equivalents	(2,469,509,911,251)	293,447,539,710
60	Cash and cash equivalents at beginning of period	5,021,589,880,532	1,840,277,216,149
61	Effect of foreign exchange differences	8,745,485,358	(7,820,248,963)
70	Cash and cash equivalents at end of period	2,560,825,454,639	2,125,904,506,896

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

 _____ Nguyen Thi Thanh Nga Chief Accountant/Preparer	 _____ Ho Ngoc Yen Phuong Vice President cum Chief Finance Officer	 _____ Dinh Viet Phuong Chief Executive Officer 6 September 2024
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**NOTES TO THE SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

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 Ha Noi Authority for Planning and Investment and the latest 30th amendment of the Enterprise registration certificate dated 19 April 2023.

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

The principal activities of the Company are to provide passenger and cargo transportation services on domestic and international air routes, airline-related support services and to trade aircraft and aircraft's components.

The normal business cycle of the Company is 12 months.

VIETJET AVIATION JOINT STOCK COMPANY

Form B 09a – DN

1 GENERAL INFORMATION (continued)

As at 30 June 2024, the Company had 7 direct subsidiaries, 2 indirect subsidiaries and 2 associates as presented in Note 4(b) – Long-term investments. Details are as follows:

Directly-owned subsidiaries	Principal activities	Enterprise registration certificate	Place of incorporation and operation	30.6.2024		31.12.2023	
				Ownership (%)	Voting right (%)	Ownership (%)	Voting right (%)
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 10 April 2024	Vietnam	100	100	100	100
Swift 247 Joint Stock Company	To provide other activities and support services related to transportation	No. 0315524536 dated 27 November 2023	Vietnam	67	67	67	67
VietJet Ground Services Limited Liability Company	To provide direct support services 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	31.12.2023		
					30.6.2024	Ownership (%)	Voting right (%)
	Skymate Limited	To trade and lease aircraft	No. 327015 dated 15 September 2017	Cayman Islands	100	100	100
	VietjetAir Cargo Joint Stock Company	To provide cargo transportation and related support services	No. 0312759089 dated 13 June 2024	Vietnam	64	67	67
Associates							
	Thai Vietjet Air Joint Stock Co., Ltd. (*)	To provide passenger and cargo transportation and related services	No. 01055556100551 dated 25 June 2013	Thailand	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

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

VIETJET AVIATION JOINT STOCK COMPANY

Form B 09a – DN

1 GENERAL INFORMATION (continued)

As at 30 June 2024 and as at 31 December 2023, the Company had 1 dependent accounting branch and 1 representative office. The details are as follows:

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

As at 30 June 2024, the Company had 6,512 employees, including 5,942 direct employees and 570 outsourced employees through human resources service (as at 31 December 2023: 5,972 employees including 5,286 direct employees and 686 outsourced employees through human resources service).



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**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 2024 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 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.

2.3 Currency

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.4 Exchange rates**

Transactions arising in foreign currencies are translated at an exchange rate which is the rate approximating the average transfer exchange rate of the buying and selling rates of the commercial banks where the 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.

2.5 Cash and cash equivalents

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

2.6 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. The difference between the provision of this period and the provision of the previous period is recognised as an increase or decrease of general and administration expenses in the period. 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 Maintenance reserves of leased aircraft**

Under terms of aircraft operating lease agreements, the Company has legal and contractual obligations for maintenance and repair of the leased aircraft during the term of the lease and shall contribute maintenance reserves with the lessors. The maintenance reserves is recognised as other receivables when the Company contributes money to the aircraft maintenance fund and there is certainty about the Company's ability to use this contribution from the lessors for periodic aircraft maintenance and repair activities pursuant to the aircraft operating lease agreements. Contribution 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 after the completion and liquidation of redelivery procedures, if any, at the end of lease terms will be owned by the lessor.

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

2.8 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 directly-related 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 is recognised as an increase or decrease of cost of goods sold in the period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 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. The fair value of the investment in unlisted shares traded on Unlisted Public Company Market ("UPCoM") is determined by the average reference price of the last 30 consecutive trading days prior to the date of the separate balance sheet. 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 held to maturity

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Investments (continued)****(c) 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.

(d) 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.

(e) 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.

(f) 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 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 lending 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.

2.11 Business cooperation contract

A business cooperation contract ("BCC") is a contract between the Company and other parties to carry out specific business activities without establishing a new legal entity. These activities are controlled by one of the parties. The Company agrees with the parties participating in the BCC to share the profit before tax of the BCC according to the actual contribution ratio of the Company, however, it shall not be lower than a fixed profit-sharing ratio, regardless of the business performance of the contract.

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

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 using the straight-line basis so as to write off the historical cost of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the separate interim financial statements minus (-) the estimated disposal value of such assets.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.12 Fixed assets (continued)**

The estimated useful lives of each asset class are as follows:

Aircraft and aircraft engines	8 - 20 years
Buildings and structures	5 - 47 years
Machinery and equipment	3 - 15 years
Motor vehicles	6 - 10 years
Office equipment	3 - 10 years
Software	2 - 10 years

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the 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 of property, plant and equipment where the lessor has transferred the ownership at the end of the lease period, and transferred substantially the risks and rewards, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of leased assets or the present value of the minimum lease payments.

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

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

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the separate interim income statement on a straight-line basis over the term of the lease.

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

(b) Long-term prepaid expenses

Long-term prepaid expenses of the Company include:

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

Accounting policies related to the recognition and allocation of maintenance costs of leased aircraft falls within the scope of the aircraft maintenance fund for leased aircraft and costs to make good on leased aircraft are presented in Note 2.19 to these separate interim financial statements.

(ii) *Aircraft inspection expenditure*

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

(iii) *Parts*

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

(iv) *Tools and instruments*

Tools and instruments include assets held-for-use by the 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) *Deferred aircraft lease expenses*

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

(vi) *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 and finance lease liabilities

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

Borrowings and finance lease liabilities are classified into short-term and long-term borrowings and finance lease liabilities 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.

2.19 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.

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

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 the Company's aircraft or the lease agreements with Japanese lessors with call options contracts to purchase aircraft at the end of the lease term, referred as Japanese Operating Leases with Call Option Contracts ("JOLCO"), the costs of periodic maintenance for leased aircraft are recognised when incurred as long-term prepaid expenses and are amortised in the separate interim income statements using the basis of actual flight hours or cycles to the next maintenance (Note 2.14(b)(i));
- with respect to aircraft operating lease agreements which are sub-leased by Thai Vietjet Air Joint Stock Co., Ltd. ("Thai Vietjet") – an associate, according to the sublease contract with Thai Vietjet, maintained costs are incurred and settled by Thai Vietjet so the Company does not record provisions for periodic maintenance costs in the scope of maintenance reserves with these contracts;
- with respect to other aircraft operating leases, pursuant to aircraft lease agreements between the Company and its lessors, and according to the requirements of Vietnam Aviation Authority, the Company is responsible to perform the routine maintenance and periodic maintenance for leased aircraft based on Maintenance Planning Development for each aircraft which was developed based on the guidance of airline manufacturers. Routine maintenance is recognised as expenses during the period they incurred while the periodic maintenance subject to period maintenance cost. The Company is able to use the leased aircraft maintenance reserves to perform periodic maintenance within the scope of the aircraft maintenance reserves.

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.19 Provisions (continued)****(a) Provisions for periodic maintenance costs in the scope of maintenance reserves (continued)**

The provisions for LLP and LDG are determined by the estimated future cost of maintenance and replacement of these components, equipment based on the current fleet plan. At the beginning of lease and during the term of lease, the estimated costs of maintenance and replacement for the next maintenance are recognised as a provision with a corresponding asset in long-term prepaid expenses. The long-term prepaid expenses are amortised in the separate income statement using the basis of actual flight hours or cycles to the next maintenance. 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.
- with respect to aircraft operating lease agreements which are sub-leased by Thai Vietjet, cost to make good on leased assets are incurred and settled by Thai Vietjet.
- with respect to aircraft operating lease agreements of which the Company is required to return aircraft with adherence to certain maintenance conditions, cost to make good on leased assets is estimated at the beginning of the lease based on the present value of the future expected costs at the end of the lease in order for the Company 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 Company's modifications, if any, repainting aircraft's body, and return of aircraft to a specified location. At the beginning of the lease, the estimated cost is recorded as a provision with a corresponding asset in long-term prepaid expenses. The long-term prepaid expenses are amortised in the separate interim income statements on a straight-line basis over the term of the lease.

2.20 Unearned revenue

Unearned revenue mainly comprises revenue from passenger transportation and ancillary services, pilots and flight attendants training revenue. 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**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.

Undistributed earnings/(accumulated losses) record the Company's results (profit or loss) 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 at the General Meeting of Shareholders and the list of shareholders receiving dividends is approved according to the Resolution of the Board of Directors of the Company.

Net profit after CIT could be distributed to shareholders after approval at the General Meeting of Shareholders, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations. The General Meeting of Shareholders authorised 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 pursuant to Resolution of the Board of Directors and being approved by shareholders at the Annual General Meeting of Shareholders. Fund is presented as a liability in 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.

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 customers by the intended flight date. Tickets and related service fees that have been extended at the customer's request but not used within the extended period will be recognized as revenue. 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.23 Revenue recognition (continued)****(b) Ancillary revenue**

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

- (i) Revenue from cargo transportation is recognised in the separate interim income statement when the services are provided.
- (ii) 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.
- (iii) Other revenue related to passenger transportation such as fees charged in association with changes or extensions of non-refundable tickets are recorded as ancillary revenue as a separate transaction from passenger transportation upon the completion of updating information on the system as requested by customers or successfully renewing airline tickets with fees that have been specifically specified and determined in advance for each service.
- (iv) Sales of in-flight and duty-free merchandise are recognised in the 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.
- (v) Advertising revenue and commission are recorded as ancillary revenue when the completed stage is determined according to specific provisions in each advertising contract or when performing sales activities with enjoy commissions as agreed in relevant contracts and agreements with fees recorded for each activity also specified in detail in these documents.

(c) Revenue from charter flights and charter cargo transportation

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.23 Revenue recognition (continued)****(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.

(e) Sales and leaseback transactions

The Company's assets sales and leaseback transaction is a transaction where an asset 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 sales price is at fair value, there is a normal sale transaction and any profit or loss is recognised immediately in the accounting period when the transaction takes place.
- If the sales price is below fair value, any profit or loss shall be recognised immediately in the accounting period when the transaction takes place 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 sales price is above fair value, the excess over fair value shall be deferred and amortised over the period for which the aircraft or engine 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 or engine, a loss equal to the amount of the difference between the carrying amount and fair value shall be recognised immediately in the accounting period when the transaction takes place.

(f) Revenue from sales of aircraft and aircraft's components

Revenue from sale of aircraft and aircraft's components is 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 aircraft and aircraft's components;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over aircraft and the aircraft's components sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.23 Revenue recognition (continued)****(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. Revenue is not recognised if there are significant uncertainties regarding recovery of the receivables.

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 the basis of the actual time and interest rates for each period when both (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Company; and
- Income can be measured reliably.

(i) Dividend income

Income from dividend is recognised when both (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Company; and
- Income can be measured reliably.

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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.25 Financial expenses**

Financial expenses are expenses incurred in the period for financial activities including expenses or losses relating to provision for diminution in the value of trading securities; provision for diminution in value of other entities; unwinding discount of provision; expenses of lending and borrowing; finance lease interest expense; 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 of the Company.

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.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**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 subsidiaries, associates 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 members of 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.

2.31 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 six-month period ended 30 June 2024.

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 21); and
- Deferred income tax (Notes 2.28 and 23).

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

	30.6.2024 VND	31.12.2023 VND
Cash on hand	5,111,266,810	6,303,871,314
Cash at banks (*)	2,000,760,577,617	2,392,333,080,685
Cash equivalents (**)	554,953,610,212	2,622,952,928,533
	<u>2,560,825,454,639</u>	<u>5,021,589,880,532</u>

(*) As at 30 June 2024, the demand deposits amounted to USD11,013,600 at HSBC Bank (Vietnam) Ltd. has been placed to secure for obligations arising from the issuance of Letter of Credit (as at 31 December 2023: USD11,013,600).

(**) As at 30 June 2024, 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 1.9% to 2.9% per annum (as at 31 December 2023: from 2.7% to 3.85% per annum), included a term deposit amounted to VND58 billion (as at 31 December 2023: VND580 billion) at Vietnam Joint Stock Commercial Bank of Industry and Trade placed to secure for obligations arising from the issuance of Letter of Credit and term deposits amounted to VND200 billion (as at 31 December 2023: VND200 billion) at Military Commercial Joint Stock Bank which were secured for a part of Credit Facility of the Company.

As at 30 June 2024, the Company had demand and term deposit amounted to VND1,385 billion (as at 31 December 2023: VND2,946 billion) at Ho Chi Minh City Development Joint Stock Commercial Bank - a related party with the normal terms and conditions applied (Note 39(b)).

In addition to cash and cash equivalents presented in this note, as at 30 June 2024, the Company also had term deposits in VND at banks which had original maturities from 4 to 12 months, earned interest at rates ranging from 2.2% to 4.9% per annum and will be due by 31 December 2024 amounted to VND1,797 billion (as at 31 December 2023: nil) (Note 4(a)(ii)).

4 INVESTMENTS**(a) Short-term****(i) Trading securities**

	As at 30.6.2024			
	Quantity	Cost VND	Fair value VND	Provision VND
Petro Vietnam Oil Corporation	50,000,000	990,000,000,000	591,250,000,000	(398,750,000,000)
	As at 31.12.2023			
	Quantity	Cost VND	Fair value VND	Provision VND
Petro Vietnam Oil Corporation	50,000,000	990,000,000,000	503,550,000,000	(486,450,000,000)

In 2020, the Company signed a non-cancellation agreement to sell the purchase right option of 50 million shares of Petro Vietnam Oil Corporation ("PV Oil") for the consideration of VND500 billion and the Company fully collected this consideration. According to the latest extended appendix on 30 June 2024, the buyer will have an option to purchase these shares at the market price before 31 December 2024.

(ii) Investments held to maturity

	As at 30.6.2024		As at 31.12.2023	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits (*)	1,809,313,890,000	1,809,313,890,000	100,000,000,000	100,000,000,000

(*) As at 30 June 2024, investments held to maturity mainly include term deposits in VND at banks with their original maturity from 4 to 12 months earn interest at rates ranging from 2.2% to 4.9% per annum (as at 31 December 2023: 4.3% per annum). Investments held to maturity include term deposits which will be due by 31 December 2024 amounted to VND1,797 billion (as at 31 December 2023: nil).

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4 INVESTMENTS (continued)

(b) Long-term

	As at 30.6.2024			As at 31.12.2023		
	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)	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 entities (**)						
Sai Gon Ground Services Joint Stock Company	9.1	149,417,024,400	-	9.1	149,417,024,400	-

4 INVESTMENTS (continued)**(b) Long-term (continued)**

- (*) As at 30 June 2024 and 31 December 2023, the Company could not determine the fair value of these investments in subsidiaries and investments in associates to disclose in the separate interim financial statements as these investments are not quoted in the market. The fair value of such investments may differ from their book values.
- (**) The fair value of investments in other entities is its share price which is determined by referencing to the closing prices on the Ho Chi Minh City Stock Exchange (HOSE). As at 30 June 2024, the fair value of the investments in Sai Gon Ground Services Joint Stock Company is VND250 billion (as at 31 December 2023: VND222 billion).
- (i) As at 30 June 2024 and 31 December 2023, the Company has not yet contributed capital in these subsidiaries and associates. The Board of Management clearly understands the current regulations related to capital contributions to this company and assesses that there are no violations or material effects that need to be disclosed at the date of approval of the separate interim financial statements.
- (ii) As at 30 June 2024 and 31 December 2023, the Company has not yet contributed the capital in this subsidiary and this company has not been put into operation yet. The Board of Management clearly understands the current regulations related to capital contributions to these companies and assesses that there are no violations or material effects that need to be disclosed at the date of approval of the separate interim financial statements.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2024 VND	31.12.2023 VND
Third parties		
Hangzhou BaoLi Co., Ltd.	255,362,354,100	418,799,710,148
Nam Anh Technology Limited Company	201,663,273,119	298,590,000,000
Others	789,667,083,969	596,526,969,527
	<u>1,246,692,711,188</u>	<u>1,313,916,679,675</u>
Related parties (Note 39(b))	<u>7,056,635,255,471</u>	<u>8,185,097,663,702</u>
	<u>8,303,327,966,659</u>	<u>9,499,014,343,377</u>

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30.6.2024 VND	31.12.2023 VND
Third parties		
Angelica Aviation Capital Vietnam Joint Stock Company (*)	788,000,000,000	788,000,000,000
Others	761,789,295,731	566,700,044,825
	<u>1,549,789,295,731</u>	<u>1,354,700,044,825</u>
Related parties (Note 39(b))	311,589,328,702	428,945,082,272
	<u>1,861,378,624,433</u>	<u>1,783,645,127,097</u>

(*) The balance is related to the prepayment of the aircraft engine business contract.

7 SHORT-TERM LENDING

Borrower	Currency	Annual interest rate	Year of maturity	30.6.2024 VND	31.12.2023 VND
Truong Son Plaza Joint Stock Company (*)	VND	9%	2024	338,710,531,793	457,000,000,000
Angelica Aviation Capital Vietnam Joint Stock Company (**)	VND	11%	2025	170,756,000,000	-
				<u>509,466,531,793</u>	<u>457,000,000,000</u>

(*) This amount represents the loan balance to Truong Son Plaza Joint Stock Company to finance working capital of this company. These loans are unsecured and will be matured on 9 September 2024.

(**) This amount represents the loan balance to Angelica Aviation Capital Vietnam Joint Stock Company to finance investment capital and working capital of this company. These loans are secured by the borrower's revenue arising from aircraft leasing activities to the Company with the estimated value of each lease year as at 30 June 2024 of VND358,644,000,000 and will be matured on 28 February 2025 and 20 March 2025, respectively.

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8 OTHER RECEIVABLES

(a) Short-term

	As at 30.6.2024		As at 31.12.2023	
	Book value VND	Provision VND	Book value VND	Provision VND
Third parties				
Deposits for aircraft purchases within next 12 months	5,384,862,076,515	-	3,023,006,578,142	-
Receivables from transfer of Pacific Star's shares (i)	2,436,600,000,000	-	2,436,600,000,000	-
Maintenance reserves of leased aircraft				
- Regular contributions	2,196,179,889,125	-	1,900,288,003,915	-
- Receivables from maintenance reserves of leased aircraft	55,725,977,838	-	144,203,942,409	-
Receivables from business cooperation (ii)	2,186,560,400,000	-	2,186,560,400,000	-
Deposit to repurchase the transferred business rights (iii)	2,027,000,000,000	-	-	-
Receivables from transfer of commercial and operational right (iii)	1,252,524,469,623	-	1,151,067,552,161	-
Receivables from transfer of Vinh Son's shares (iv)	1,080,000,000,000	-	2,070,000,000,000	-
Purchase discounts receivable from suppliers	561,766,618,919	-	173,433,588,050	-
Interest receivables from BCC, lendings and deposit	249,342,347,803	-	293,085,862,361	-
Receivables from transfer of capital contribution deposit contracts	-	-	338,650,000,000	-
Others	784,085,703,973	-	1,954,736,353,103	-
	18,214,647,483,796	-	15,671,632,280,141	-
Related parties (Note 39(b))				
	4,014,321,048,206	-	4,739,430,940,065	-
	22,228,968,532,002	-	20,411,063,220,206	-

8 OTHER RECEIVABLES**(a) Short-term**

- (i) Receivables related to the transfer of shares of Pacific Star Investment and Development Company to Conasi Real Estate Management and Development Joint Stock Company ("Conasi") and Flex Financial Investment Limited Liability Company ("Flex"). As at 30 June 2024, these receivables are secured by collateral of 3.6 million shares of Pacific Star. The overdue balance of receivables are VND993.6 billion (as at 31 December 2023: VND1,777 billion). From 1 January 2024 to the date of approval of these separate interim financial statements, the Company has collected VND1,800 billion. Based on the payment history of these third parties, as well as the collateral for the aforementioned receivables, the Board of Management assessed that these receivables are recoverable.
- (ii) The Company signed a business cooperation contract ("BCC") to implement the Hoa Sen Dai Phuoc Project with a third party. Accordingly, the Company enjoys pre-tax profits of the BCC corresponding to the actual contribution ratio of the Company, but not less than 9% per annum calculated on the capital contributed by the Company to the project.
- (iii) Receivables of VND1,253 billion related to the transfer of commercial and operational rights of the Vietjet Plaza Building to a third party before 2024. During the six-month period ended 30 June 2024, in order to secure the right to rent a building at a location near Tan Son Nhat airport for the convenience of the Company's office, the Company signed a contract to repurchase the commercial and operational rights of Vietjet Plaza Building, and made a deposit of VND2,027 billion for this contract. The transfer of the building to the Company will be completed as planned in the last 6 months of 2024. Related receivable and payable balances will be settled at the time of handover.
- (iv) Receivables related to the transfer of shares of Vinh Son Joint Stock Company ("Vinh Son") to Viet Phap International Construction Design Consultant Joint Stock Company ("Viet Phap"). From 1 January 2024 to the date of approval of these separate interim financial statements, the Company has collected VND990 billion. The remaining receivables in due are secured by the collateral assets of 3 million shares of Vinh Son which are owned by Viet Phap.

8 OTHER RECEIVABLES (continued)

(b) Long-term

	As at 30.6.2024		As at 31.12.2023	
	Book value VND	Provision VND	Book value VND	Provision VND
Third parties				
Regular contribution of maintenance reserves of leased aircraft	12,484,739,663,469	-	10,921,765,414,953	-
Deposit for aircraft purchases after next 12 months (i)	4,259,959,969,033	-	3,069,311,858,793	-
Deposit for aircraft leases	2,242,618,546,465	-	2,051,906,249,573	-
Others	607,514,514,566	-	543,821,508,687	-
	<u>19,594,832,693,533</u>	<u>-</u>	<u>16,586,805,032,006</u>	<u>-</u>
Related parties (Note 39(b))				
	908,647,899,396	-	783,517,789,652	-
	<u>20,503,480,592,929</u>	<u>-</u>	<u>17,370,322,821,658</u>	<u>-</u>

(i) The amounts represent deposits for aircraft purchases from 2025 to 2029 to Airbus S.A.S and Boeing Company.

9 INVENTORIES

	As at 30.6.2024		As at 31.12.2023	
	Cost VND	Provision VND	Cost VND	Provision VND
Tools and supplies	937,641,893,147	-	653,814,006,771	-
Merchandise	59,866,832,424	-	49,570,536,493	-
	<u>997,508,725,571</u>	<u>-</u>	<u>703,384,543,264</u>	<u>-</u>

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10 PREPAID EXPENSES

(a) Short-term

	30.6.2024 VND	31.12.2023 VND
Tools and instruments	126,642,656,611	100,470,111,960
Others	40,925,692,577	37,888,158,088
	<u>167,568,349,188</u>	<u>138,358,270,048</u>

(b) Long-term

	30.6.2024 VND	31.12.2023 VND
Maintenance costs of leased aircraft	5,898,376,954,815	6,360,989,325,732
Deferred aircraft lease expenses	1,660,409,683,105	875,071,909,143
Costs to make good on leased assets	648,114,624,215	681,066,083,405
Major inspection and overhaul expenditure	572,773,200,607	573,703,403,431
Parts, tools and instruments	495,468,155,279	274,065,702,067
Others	211,202,476,190	288,038,113,444
	<u>9,486,345,094,211</u>	<u>9,052,934,537,222</u>

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10 PREPAID EXPENSES (continued)

(b) Long-term (continued)

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

	Maintenance costs of leased aircraft VND	Costs to make good on leased assets VND	Parts, tools and instruments VND	Major inspection and overhaul expenditure VND	Deferred aircraft lease expenses VND	Others VND	Total VND
As at 1 January 2023	5,023,761,090,900	608,163,922,799	266,882,921,837	495,343,640,432	-	241,723,764,157	6,635,875,340,125
Increase	2,066,687,396,654	190,027,889,069	1,363,169,368	208,923,663,311	875,071,909,143	41,069,438,267	3,383,143,465,812
Transfers from inventory	-	-	468,600,576,985	-	-	-	468,600,576,985
Transfers from construction in progress (Note 12)	-	-	45,113,720,216	196,932,615,877	-	5,376,482,409	247,422,818,502
Reclassification	-	-	(65,499,397,072)	(166,978,535,748)	-	218,298,389,324	(14,179,543,496)
Allocation	(729,459,161,822)	(117,125,728,463)	(442,395,289,267)	(160,517,980,441)	-	(218,429,960,713)	(1,667,928,120,706)
As at 31 December 2023	6,360,989,325,732	681,066,083,405	274,065,702,067	573,703,403,431	875,071,909,143	288,038,113,444	9,052,934,537,222
Increase	69,283,848,174	27,829,045,296	11,565,717,426	8,680,868,000	785,337,773,962	21,093,512,831	923,790,765,689
Transfers from inventory	-	-	227,496,182,591	-	-	-	227,496,182,591
Transfers from construction in progress (Note 12)	-	-	55,748,384,037	127,150,064,130	-	7,090,133,386	189,988,581,553
Reclassification	-	-	76,607,866,094	-	-	(43,946,861,570)	32,661,004,524
Allocation	(531,896,219,091)	(60,780,504,486)	(150,015,696,936)	(136,761,134,954)	-	(61,072,421,901)	(940,525,977,368)
As at 30 June 2024	5,898,376,954,815	648,114,624,215	495,468,155,279	572,773,200,607	1,660,409,683,105	211,202,476,190	9,486,345,094,211

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11 FIXED ASSETS

(a) Tangible fixed assets

	Aircraft and aircraft engines VND	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Historical cost						
As at 1 January 2024	3,931,293,994,227	411,126,152,378	135,089,985,418	99,583,461,178	59,852,118,588	4,636,945,711,789
New purchases	1,132,713,000,000	275,966,492	3,323,870,828	148,213,428,726	1,260,985,819	1,285,787,251,865
As at 30 June 2024	5,064,006,994,227	411,402,118,870	138,413,856,246	247,796,889,904	61,113,104,407	5,922,732,963,654
Accumulated depreciation						
As at 1 January 2024	476,921,405,603	34,770,145,883	66,187,859,291	33,025,929,918	36,384,550,639	647,289,891,334
Charge for the period	159,516,473,412	4,420,132,252	7,250,651,063	7,703,108,922	2,847,341,941	181,737,707,590
As at 30 June 2024	636,437,879,015	39,190,278,135	73,438,510,354	40,729,038,840	39,231,892,580	829,027,598,924
Net book value						
As at 1 January 2024	3,454,372,588,624	376,356,006,495	68,902,126,127	66,557,531,260	23,467,567,949	3,989,655,820,455
As at 30 June 2024	4,427,569,115,212	372,211,840,735	64,975,345,892	207,067,851,064	21,881,211,827	5,093,705,364,730

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

As at 30 June 2024, tangible fixed assets with a carrying value of VND536 billion (as at 31 December 2023: VND557 billion) were pledged at Military Commercial Joint Stock Bank as collateral assets for long-term borrowings granted to the Company (Note 20(b)(iv)).

The historical cost of fully depreciated tangible fixed assets but still in use as at 30 June 2024 and 31 December 2023 was VND59 billion.

(b) Finance lease fixed assets

**Aircraft
VND**

Historical cost

As at 1 January 2024 and as at 30 June 2024

6,181,116,755,409

Accumulated depreciation

As at 1 January 2024

45,692,292,485

Charge for the period

153,721,059,336

As at 30 June 2024

199,413,351,821

Net book value

As at 1 January 2024

6,135,424,462,924

As at 30 June 2024

5,981,703,403,588

11 FIXED ASSETS (continued)

(c) Intangible fixed assets

Software
VND**Historical cost**

As at 1 January 2024 and 30 June 2024

48,138,908,433

Accumulated amortisation

As at 1 January 2024

33,402,889,717

Charge for the period

1,368,961,445

As at 30 June 2024

34,771,851,162

Net book value

As at 1 January 2024

14,736,018,716

As at 30 June 2024

13,367,057,271

The historical cost of intangible fixed assets that were fully amortised but still in use as at 30 June 2024 and 31 December 2023 was VND30 billion.

12 CONSTRUCTION IN PROGRESS

Details of construction in progress by projects are as follows:

	As at 30.6.2024 VND	As at 31.12.2023 VND
Major inspection and overhaul expenses (*)	161,086,095,204	172,175,563,569
Purchase costs of aircraft and aircraft engines	103,023,754,055	107,615,963,091
Others	29,049,067,162	18,616,457,354
	<u>293,158,916,421</u>	<u>298,407,984,014</u>

(*) After the completion of inspection and overhaul, these expenses will be transferred to prepaid expenses and allocated over the cycle of periodic inspection and overhaul activities.

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

	For the six-month period ended 30.6.2024 VND	For the year ended 31.12.2023 VND
Beginning of period/year	298,407,984,014	205,173,460,148
Purchases	186,410,580,317	340,657,342,368
Transfers to long-term prepaid expenses (Note 10(b))	(189,988,581,553)	(247,422,818,502)
Others	(1,671,066,357)	-
End of period/year	<u>293,158,916,421</u>	<u>298,407,984,014</u>

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13 SHORT-TERM TRADE ACCOUNTS PAYABLE

	As at 30.6.2024		As at 31.12.2023	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Petrolimex Aviation Fuel Joint Stock Company	2,150,423,450,762	2,150,423,450,762	2,421,289,466,998	2,421,289,466,998
Tan Son Nhat Petrol Commercial Joint Stock Company	945,763,077,048	945,763,077,048	481,018,603,401	481,018,603,401
Others	5,058,626,271,242	5,058,626,271,242	4,895,524,237,367	4,895,524,237,367
	<u>8,154,812,799,052</u>	<u>8,154,812,799,052</u>	<u>7,797,832,307,766</u>	<u>7,797,832,307,766</u>
Related parties (Note 39(b))				
	926,473,003,191	926,473,003,191	1,067,813,173,328	1,067,813,173,328
	<u>9,081,285,802,243</u>	<u>9,081,285,802,243</u>	<u>8,865,645,481,094</u>	<u>8,865,645,481,094</u>

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14 SHORT-TERM ADVANCES FROM CUSTOMERS

	30.6.2024 VND	31.12.2023 VND
Third parties		
Angelica Aviation Capital Vietnam Company Limited	-	1,268,260,000,000
Nam Anh Technology Limited Company	-	1,220,000,000,000
Others	930,974,500,590	973,232,534,509
	<u>930,974,500,590</u>	<u>3,461,492,534,509</u>
Related parties (Note 39(b))	5,906,874,176	16,122,273,539
	<u>936,881,374,766</u>	<u>3,477,614,808,048</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 1.1.2024 VND	Receivable/payable during the period VND	Payment during the period VND	Net-off during the period VND	Refund during the period VND	As at 30.6.2024 VND
a) Tax receivables						
Foreign contractor tax	60,625,009,285	-	-	(16,477,414,800)	-	44,147,594,485
Goods and services tax in foreign countries	7,418,092,791	40,045,398,082	-	(10,620,293,312)	(36,843,197,561)	-
Deductible VAT	-	1,009,591,077,540	-	(1,009,591,077,540)	-	-
	<u>68,043,102,076</u>	<u>1,049,636,475,622</u>	<u>-</u>	<u>(1,036,688,785,652)</u>	<u>(36,843,197,561)</u>	<u>44,147,594,485</u>
b) Tax payables						
Personal income tax	73,284,264,780	257,243,335,576	(151,251,052,155)	-	(9,009,479,419)	170,267,068,782
CIT	169,141,000,000	-	-	-	-	169,141,000,000
VAT	209,658,766,848	1,066,684,673,189	(247,143,272,505)	(1,009,591,077,540)	-	19,609,089,992
Goods and services tax in foreign countries	-	52,807,495,021	(39,069,228,932)	(10,620,293,312)	-	3,117,972,777
Import taxes	-	97,682,741,087	(97,682,741,087)	-	-	-
Foreign contractor tax	-	16,477,414,800	-	(16,477,414,800)	-	-
Others	-	17,529,411,771	(17,529,411,771)	-	-	-
	<u>452,084,031,628</u>	<u>1,508,425,071,444</u>	<u>(552,675,706,450)</u>	<u>(1,036,688,785,652)</u>	<u>(9,009,479,419)</u>	<u>362,135,131,551</u>

16 PAYABLE TO EMPLOYEES

The balances as at 30 June 2024 represent June salaries payable to employees.

17 SHORT-TERM ACCRUED EXPENSES

	30.6.2024 VND	31.12.2023 VND
Technical and aircraft related expenses	1,026,338,096,112	995,616,357,198
Interest expense	369,565,226,081	400,206,698,175
Maintenance	117,781,446,472	50,167,897,695
Others	841,549,517,408	423,145,982,580
	<u>2,355,234,286,073</u>	<u>1,869,136,935,648</u>

18 SHORT-TERM UNEARNED REVENUE

	30.6.2024 VND	31.12.2023 VND
Passenger transportation and ancillary services revenue received in advance, to be realised within next 12 months	3,129,291,984,114	3,545,846,183,336
Others	39,220,077,519	54,172,409,263
	<u>3,168,512,061,633</u>	<u>3,600,018,592,599</u>

19 OTHER PAYABLES**(a) Short-term**

	30.6.2024 VND	31.12.2023 VND
Third party		
Airport fees and charges payables	2,405,020,082,844	2,357,369,919,640
Airport fees received on behalf of passengers	823,282,267,154	1,057,481,042,821
Others	124,031,221,522	99,807,712,973
	<u>3,352,333,571,520</u>	<u>3,514,658,675,434</u>
Related parties (Note 39(b))	<u>405,906,886,837</u>	<u>405,333,580,319</u>
	<u>3,758,240,458,357</u>	<u>3,919,992,255,753</u>

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19 OTHER PAYABLES (continued)

(b) Long-term

	30.6.2024 VND	31.12.2023 VND
Third parties	255,257,459	231,293,908
Related parties (Note 39(b))	396,811,415,356	5,450,000,000
	<u>397,066,672,815</u>	<u>5,681,293,908</u>

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20 BORROWINGS AND FINANCE LEASE LIABILITIES

(a) Short-term

	As at 1.1.2024 VND	Increase VND	Decrease VND	Reclassification VND	Revaluation VND	As at 30.6.2024 VND
Borrowings from banks (i)	8,132,929,053,581	28,037,542,609,854	(24,920,436,083,502)	-	13,129,973,812	11,263,165,553,745
Current portion of long-term bonds (Note 20(b)(v))	5,000,000,000,000	-	-	-	-	5,000,000,000,000
Current portion of long-term finance lease (Note 20(b)(vi))	305,164,895,027	-	(155,567,723,502)	156,689,884,025	11,923,038,071	318,210,093,621
Borrowings from third party (ii)	-	101,000,000,000	-	-	-	101,000,000,000
Current portion of long-term borrowings (Note 20(b)(iv))	70,700,420,000	-	(33,715,100,000)	35,478,342,191	1,255,199,809	73,718,862,000
Borrowings from related parties (iii) (Note 39(b))	45,000,000,000	-	-	-	-	45,000,000,000
	13,553,794,368,608	28,138,542,609,854	(25,109,718,907,004)	192,168,226,216	26,308,211,692	16,801,094,509,366

20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)**(a) Short-term (continued)****(i) Borrowings from banks**

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

Lenders	Currency	Maturity	30.6.2024 VND	31.12.2023 VND
Secured loans				
Ho Chi Minh City Development Joint Stock Commercial Bank, a related party (Note 39(b))(*)	USD VND	September 2024 to June 2025	3,294,129,211,567	3,300,425,512,901
Unsecured loans				
Vietnam Joint Stock Commercial Bank of Industry and Trade	VND	July to September 2024	2,299,977,146,481	1,159,674,562,979
Military Commercial Joint Stock Bank	VND	July to December 2024	2,039,711,071,687	2,058,001,325,721
Vietnam Maritime Commercial Joint Stock Bank	VND	September 2024 to February 2025	1,911,375,758,593	899,060,278,181
Vietnam International Commercial Joint Stock Bank	VND	September to October 2024	999,800,597,028	-
Woori Bank Vietnam Limited, Ho Chi Minh City Branch	VND	July to September 2024	649,892,770,033	650,000,000,000
HSBC Bank (Vietnam) Ltd.	VND	July to October 2024	68,278,998,356	65,767,373,799
			<u>11,263,165,553,745</u>	<u>8,132,929,053,581</u>

(*) This loan is secured by the estimated receivables arising from the Company's sales of flight tickets in the future as at 30 June 2024 and 31 December 2023 amounted to VND6,355 billion.

During the period, these borrowings bear interest at rates ranging from 4.9% to 8.8% per annum for borrowings in VND, and from 5.8% to 6% per annum for borrowings in USD (for the year ended 31 December 2023: 5% to 10.8% per annum and 5.6% to 6.9% per annum).

20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)**(a) Short-term (continued)****(ii) Borrowing from third party**

Details of short-term borrowings from third party are as follows:

Lenders	Currency	30.6.2024 VND	31.12.2023 VND
Unsecured loans			
Vi Na Man Equipment And Automobiles Company Limited	VND	101,000,000,000	-

During the period, this borrowing bears interest at an interest rate of 13.83% per annum, with a maturity date of November 2024.

(iii) Borrowings from related party

Details of short-term borrowings from related party are as follows:

Lenders	Currency	30.6.2024 VND	31.12.2023 VND
Unsecured loans			
Victoria Academy Company Limited	VND	45,000,000,000	45,000,000,000

During the period, this borrowing bears an interest rate of 5% per annum (for the year ended 31 December 2023: 5% per annum), with a maturity date of May 2025.

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20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(b) Long-term

	As at 1.1.2024 VND	Increase VND	Decrease VND	Reclassification VND	Revaluation VND	As at 30.6.2024 VND
Straight bonds (v)	14,000,000,000,000	1,300,000,000,000	-	-	-	15,300,000,000,000
Long-term finance lease liabilities (Note 20(a)(vi))	3,444,270,067,438	-	-	(156,689,884,025)	144,628,186,878	3,432,208,370,291
Borrowings from banks (iv)	249,939,031,053	-	-	(35,478,342,191)	9,289,660,700	223,750,349,562
Bond issuance costs	(437,170,595,370)	-	46,179,272,519	-	-	(390,991,322,851)
	17,257,038,503,121	1,300,000,000,000	46,179,272,519	(192,168,226,216)	153,917,847,578	18,564,967,397,002

(iv) Borrowings from banks

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

Lenders	Currency	Maturity	As at 30.6.2024		As at 31.12.2023	
			Current portion VND	Long-term VND	Current portion VND	Long-term VND
Military Commercial Joint Stock Bank (*)	USD	June 2028	73,718,862,000	223,750,349,562	70,700,420,000	249,939,031,053

20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)**(b) Long-term (continued)****(iv) Borrowings from banks (continued)**

- (*) 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 rates ranging from 8.42% to 8.47% per annum (for the year ended 31 December 2023: from 7.84% to 8.42% per annum) and is secured by the Company's tangible fixed assets with the carrying amount as follows:

	30.6.2024	31.12.2023
	VND	VND
Aircraft No. A320 MSN7167, VNA675 (Note 11(a))	<u>535,530,574,841</u>	<u>557,724,963,053</u>

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20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(b) Long-term (continued)

(v) Straight bonds

Details of long-term straight bonds are as follows:

	Currency	Year of maturity	As at 30.6.2024		As at 31.12.2023	
			Current portion of long-term borrowings VND	Long-term VND	Current portion of long-term borrowings VND	Long-term VND
Bonds issued at par value, maturing after 36 months (*)	VND	2024	2,000,000,000,000	-	2,000,000,000,000	-
Bonds issued at par value, maturing after 36 months (**)	VND	2024	3,000,000,000,000	-	3,000,000,000,000	-
Bonds issued at par value, maturing after 60 months (***)	VND	2026	-	5,000,000,000,000	-	5,000,000,000,000
Bonds issued at par value, maturing after 60 months (****)	VND	2028	-	6,000,000,000,000	-	6,000,000,000,000
Bonds issued at par value, maturing after 60 months (*****)	VND	2028	-	3,000,000,000,000	-	3,000,000,000,000
Bonds issued at par value, maturing after 60 months (*****)	VND	2029	-	1,300,000,000,000	-	-
			5,000,000,000,000	15,300,000,000,000	5,000,000,000,000	14,000,000,000,000

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

(**) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 9.5% per annum for the first 2 semi-annual periods from the date of issuance, and a floating interest rate equal to 3.5% per annum plus the average interest rates of the 12-month individual deposits in VND in the following semi-annual periods until the maturity date.

20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)**(b) Long-term (continued)****(v) Straight bonds (continued)**

(***) 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 3.5% per annum plus the average interest rates of the 12-month corporate deposits in VND in the following semi-annual periods until the maturity date.

(****) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 12% per annum for the first 2 semi-annual periods from the date of issuance, and a floating interest rate equal to 3.5% per annum plus the average interest rates of the 12-month individual deposits in VND in the following semi-annual periods until the maturity date.

(*****) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 10.5% until the maturity date.

(*****) This bond is unsecured. Interest is payable in each semi-annual period, with a fixed interest rate of 10.5% per annum for the first 4 semi-annual periods from the date of issuance, and a floating interest rate equal to 3.5% per annum plus the average interest rates of the 13-month individual deposits in VND but not lower than the interest rate of 10.5% in the following semi-annual periods until the maturity date.

(vi) Finance lease liabilities

Details of finance lease liabilities are as follows:

	As at 30 June 2024		
	Principal VND	Lease interest expense VND	Total VND
Under 1 year	318,210,093,621	403,490,297,063	721,700,390,684
From 1 to 5 years	1,273,248,542,214	1,257,607,583,402	2,530,856,125,616
Over 5 years	2,158,959,828,077	718,674,097,075	2,877,633,925,152
	<u>3,750,418,463,912</u>	<u>2,379,771,977,540</u>	<u>6,130,190,441,452</u>

As at 30 June 2024, the balance of financial lease liabilities includes leases of aircraft with Wilmington Trust SP Services (Dublin) Limited.

20 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)**(b) Long-term (continued)****(vi) Finance lease liabilities (continued)**

Detailed of financial lease contracts are as follows:

Contract	Type	Principal debt As at 30 June 2024 VND	Term
VP/#62719953.3 15 September 2023	Financial lease	1,244,247,453,338	120 months from the delivery of aircraft
VP/#62719971.3 15 September 2023	Financial lease	1,244,248,157,026	120 months from the delivery of aircraft
VP/#62720020.3 15 September 2023	Financial lease	1,261,922,853,548	120 months from the delivery of aircraft
		<u>3,750,418,463,912</u>	
Current portion of long-term finance lease		<u>(318,210,093,621)</u>	
		<u>3,432,208,370,291</u>	

As at 30 June 2024, the balance of foreign currency-denominated financial lease liabilities is USD147,231,126 (as at 31 December 2023: USD153,476,666).

21 PROVISION FOR LIABILITIES

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

	Provision for maintenance expenses VND	Provision to make good on leased assets VND	Total VND
As at 1 January 2023	12,868,906,445,239	1,231,940,405,974	14,100,846,851,213
Provision made during the year	4,334,205,398,116	271,529,172,023	4,605,734,570,139
Utilised of provision	(492,188,388,132)	-	(492,188,388,132)
As at 31 December 2023	16,710,923,455,223	1,503,469,577,997	18,214,393,033,220
Provision made during the period	1,453,806,810,980	78,430,610,645	1,532,237,421,625
Utilised of provision	(318,857,430,808)	(22,123,699,067)	(340,981,129,875)
As at 30 June 2024	<u>17,845,872,835,395</u>	<u>1,559,776,489,575</u>	<u>19,405,649,324,970</u>
Short-term	1,630,467,438,927	-	1,630,467,438,927
Long-term	16,215,405,396,468	1,559,776,489,575	17,775,181,886,043
	<u>17,845,872,835,395</u>	<u>1,559,776,489,575</u>	<u>19,405,649,324,970</u>

22 BONUS AND WELFARE FUND

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

	30.6.2024 VND	31.12.2023 VND
Beginning of period/year	5,489,738,949	146,291,785,064
Increase from other contribution	2,005,854,846	-
Utilization of the fund	(130,000,000)	(140,802,046,115)
End of period/year	<u>7,365,593,795</u>	<u>5,489,738,949</u>

23 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority and same taxable unit. The details were as follows:

	30.6.2024 VND	31.12.2023 VND
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	3,783,459,607,627	3,777,048,834,990
Deferred tax assets to be recovered within 12 months	438,901,903,152	641,740,225,218
	<u>4,222,361,510,779</u>	<u>4,418,789,060,208</u>
Deferred tax liabilities:		
Deferred tax liabilities to be recovered after more than 12 months	(3,493,465,155,611)	(3,792,088,124,164)
Deferred tax liabilities to be recovered within 12 months	(918,755,755,352)	(530,151,091,639)
	<u>(4,412,220,910,963)</u>	<u>(4,322,239,215,803)</u>
Net-off	<u>4,222,361,510,779</u>	<u>4,418,789,060,208</u>
Net deferred income tax liabilities/deferred income tax assets	<u>(189,859,400,184)</u>	<u>96,549,844,405</u>

23 DEFERRED INCOME TAX (continued)

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

	For the six-month period ended 30.6.2024 VND	For the year ended 31.12.2023 VND
Beginning of period/year	96,549,844,405	404,270,547,790
Income statement charge (Note 35)	(286,409,244,589)	(307,720,703,385)
End of period/year	<u>(189,859,400,184)</u>	<u>96,549,844,405</u>

The Company uses tax rate of 20% for the six-month period ended 30 June 2024 (for the year ended 31 December 2023: 20%) to determine deferred income tax assets and deferred income tax liabilities.

Details of deferred income tax assets and deferred income tax liabilities are as follows:

	30.6.2024 VND	31.12.2023 VND
Details of deferred tax assets		
Provision for maintenance expenses	3,569,174,567,079	3,342,184,691,044
Provision to make good on leased assets	311,955,297,915	300,693,915,599
Tax losses carried forward	216,423,230,418	666,620,453,565
Provision for diminution in the financial investments	91,750,000,000	109,290,000,000
Other accrued expenses	17,302,727,367	-
Provision for doubtful debts	15,755,688,000	-
	<u>4,222,361,510,779</u>	<u>4,418,789,060,208</u>

	30.6.2024 VND	31.12.2023 VND
Details of deferred tax liabilities		
Maintenance reserves	(2,291,320,881,009)	(2,588,720,261,291)
Maintenance costs of leased aircraft	(1,179,675,390,963)	(1,272,197,865,146)
Deferred aircraft lease expenses	(332,081,936,621)	(175,014,381,829)
Revaluation of foreign currencies at period/year-end	(479,519,777,527)	(150,093,490,856)
Costs to make good on leased assets	(129,622,924,843)	(136,213,216,681)
	<u>(4,412,220,910,963)</u>	<u>(4,322,239,215,803)</u>
	<u>(189,859,400,184)</u>	<u>96,549,844,405</u>

23 DEFERRED INCOME TAX (continued)

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	(2,414,670,803,135)	-
2022	Outstanding	3,051,323,296,483	(1,969,207,144,392)	1,082,116,152,091

According to Decree 132/2020/ND-CP issued by the Government on 5 November 2020, interest expenses exceeding 30% of the total net profit from business activities during the period plus interest expenses after deducting deposit interest and lending interest plus depreciation expenses incurred during the period (EBITDA) will not be deductible when calculating the current business income tax. These excess interest expenses can be carried forward to subsequent tax periods within 5 years to offset taxable income if the total deductible interest expenses of the subsequent tax periods are below the limit specified in this Decree. The Company has not recognised deferred income tax assets related to these excess interest expenses due to the Company's ability to have deductible interest expenses in subsequent tax periods below the specified limit to offset these excess interest expenses cannot be assessed as probable. As at 30 June 2024, the excess interest expenses which can be carried forwards to the next subsequent tax period is VND2,724,823,168,025 (as at 31 December 2023: VND2,458,517,910,016).

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

	As at 30.6.2024		As at 31.12.2023	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	541,611,334	-	541,611,334	-
Number of shares issued	541,611,334	-	541,611,334	-
Number of existing shares in circulation	541,611,334	-	541,611,334	-

(b) Details of owners shareholding

	As at 30.6.2024		As at 31.12.2023	
	Ordinary shares	%	Ordinary shares	%
Domestic shareholders	452,325,192	83.51	446,782,129	82.54
Foreign shareholders	89,286,142	16.49	94,829,205	17.46
Number of shares	541,611,334	100	541,611,334	100

(c) Movement of share capital

	Number of shares	Ordinary shares VND
As at 1 January 2023 and as at 31 December 2023 and as at 30 June 2024	541,611,334	5,416,113,340,000

Par value per share: VND10,000.

Each share is entitled to one vote at the Shareholders' meetings of the Company. Shareholders are entitled to receive dividend as declared each specified time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

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25 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Accumulated losses VND	Total VND
As at 1 January 2023	5,416,113,340,000	247,483,117,899	(1,268,914,735,780)	4,394,681,722,119
Profit for the year	-	-	163,234,289,727	163,234,289,727
As at 31 December 2023	5,416,113,340,000	247,483,117,899	(1,105,680,446,053)	4,557,916,011,846
Profit for the period	-	-	879,331,720,345	879,331,720,345
As at 30 June 2024	5,416,113,340,000	247,483,117,899	(226,348,725,708)	5,437,247,732,191

26 DIVIDEND PAYABLE

As at 30 June 2024 and 31 December 2023, the balance of dividends payable to shareholders is VND57 billion.

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

	30.6.2024	31.12.2023
USD	13,350,226	20,432,367
SGD	139,158	200,547
MYR	1,135,970	1,135,970
KRW	2,439,441,776	4,400,704,971
JPY	150,651,819	40,239,376
EUR	189,081	41,730
TWD	267,300	267,300
HKD	70,615	713,933
GBP	1,655	1,655
IDR	6,354,672,511	113,645,890
THB	75,314	3,223,522
CNY	6,271,270	212,308
INR	238,157,318	141,158,821
MMK	2,864,650	2,864,650
AUD	2,702,209	4,368,771

(b) Operating lease assets

The future minimum lease receipts under non-cancellable operating leases were presented in Note 40(a)(ii).

28 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	For the six-month period ended	
	30.6.2024 VND	30.6.2023 VND
Passenger and cargo transportation revenue:		
- Domestic passenger transportation	7,980,945,067,650	5,925,425,714,224
- International passenger transportation including regular charter flights	11,076,126,872,215	6,890,980,311,948
- Ancillary and cargo transportation revenue	11,433,949,048,514	9,905,740,856,121
	<u>30,491,020,988,379</u>	<u>22,722,146,882,293</u>
Revenue from sales of aircraft	1,488,300,000,000	-
Aircraft dry leases (Note 39(a)(i))	923,323,331,887	827,583,900,352
Revenue from sales of aircraft engines	509,480,000,000	1,219,000,000,000
Assignment fee for aircraft trading (Note 39(a)(iii))	175,000,000,000	-
Other revenue	274,734,053,424	364,882,875,851
	<u>33,861,858,373,690</u>	<u>25,133,613,658,496</u>

29 COST OF GOODS SOLD AND SERVICES RENDERED

	For the six-month period ended	
	30.6.2024 VND	30.6.2023 VND
Flight operation expenses	21,259,888,050,387	16,977,939,743,079
Technical expenses	3,551,995,892,662	2,787,644,098,194
Ground operation expenses	2,980,947,011,334	1,971,745,710,496
Cost of aircraft sold	1,463,217,154,150	-
Cost of aircraft engines sold	302,783,709,260	1,209,264,000,000
Safety, security, quality and assurance expenses	286,582,800,581	232,005,552,963
Cargo expenses	120,445,760,521	78,570,731,174
Others	232,530,443,316	163,459,470,182
	<u>30,198,390,822,211</u>	<u>23,420,629,306,088</u>

30 FINANCIAL INCOME

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Realised foreign exchange gains	311,576,987,722	420,321,349,518
Interest income from deposits and lendings	341,858,235,023	186,249,826,200
Net gain from foreign currency translation at period-end	292,775,299,903	-
Profits shared from BCC	98,125,642,061	-
Interest income from late payment	78,778,440,000	78,778,440,000
	<u>1,123,114,604,709</u>	<u>685,349,615,718</u>

31 FINANCIAL EXPENSES

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Interest expense and finance lease interest expense	1,429,144,951,153	769,153,377,725
Realised foreign exchange losses	297,118,398,685	76,182,017,939
Late payment interest expenses	276,768,021,347	-
Bond issuance costs	46,179,272,519	-
Reversal of provision for diminution in value of trading securities	(87,700,000,000)	(19,100,000,000)
Net loss from foreign currency translation at period-end	-	132,551,300,801
Others	45,016,268,744	77,717,353,941
	<u>2,006,526,912,448</u>	<u>1,036,504,050,406</u>

32 SELLING EXPENSES

	For the six-month period ended	
	30.6.2024	30.6.2023
	VND	VND
Advertising and marketing	524,838,797,532	296,759,578,163
External services	462,089,446,466	388,345,840,812
Commission fee	207,274,600,620	92,332,824,890
Staff costs	87,972,534,499	73,436,326,965
Depreciation and amortisation	450,624,147	428,320,088
Others	21,632,227,650	12,784,427,837
	<u>1,304,258,230,914</u>	<u>864,087,318,755</u>

33 GENERAL AND ADMINISTRATION EXPENSES

	For the six-month period ended	
	30.6.2024 VND	30.6.2023 VND
External services	260,159,530,284	252,937,422,844
Staff costs	93,946,609,653	85,265,457,406
Provision for doubtful debts	78,778,440,000	-
Depreciation and amortisation	1,864,119,344	1,283,126,435
Others	113,004,271,303	40,922,480,613
	<u>547,752,970,584</u>	<u>380,408,487,298</u>

34 OTHER INCOME AND OTHER EXPENSES

	For the six-month period ended	
	30.6.2024 VND	30.6.2023 VND
Other income		
Income from non-refund airport fee	186,624,468,835	-
Compensations received	29,589,383,688	-
Support from aircraft's suppliers	12,571,968,460	43,440,865,350
Others	32,653,966,666	5,279,618,048
	<u>261,439,787,649</u>	<u>48,720,483,398</u>
Other expenses		
Others	<u>23,742,864,957</u>	<u>17,493,879,412</u>

35 CORPORATE INCOME TAX ("CIT")

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	
	30.6.2024	30.6.2023
	VND	VND
Accounting profit before tax	1,165,740,964,934	148,560,715,653
Tax calculated at a rate of 20%	233,148,192,987	29,712,143,131
Effect of:		
Expenses not deductible for tax purposes	53,261,051,602	70,915,023,750
CIT charge (*)	286,409,244,589	100,627,166,881
Charged to the separate interim income statement:		
CIT – current	-	-
CIT – deferred (Note 23)	286,409,244,589	100,627,166,881
CIT charge	286,409,244,589	100,627,166,881

(*) 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.

The global minimum tax

On 29 November 2023, the National Assembly of Vietnam passed Resolution No. 107/2023/QH15 ("Resolution 107") on the application of Qualified Domestic Minimum Top-up Tax ("QDMTT") rule and Income Inclusion Rule ("IIR"). These rules align with the Pillar Two of the Global Anti-Base Erosion Model Rules ("BESP 2.0") of the OECD and will be effective from 1 January 2024 (hereinafter referred to as the "Global Minimum Tax Regulations"). The Resolution mandates that large multinational corporations are required to pay a minimum global corporate income tax rate of 15% on profits earned in the jurisdictions where they operate. The Company is within the scope of Resolution 107 and this new tax rule requires the calculation of the effective tax rate on a jurisdictional basis and the execution of top-up tax payments when the effective tax rate falls below the minimum threshold. This change will impact the calculation and accounting for corporate income tax obligation, including the current corporate income tax, deferred tax assets, and deferred tax liabilities.

35 CORPORATE INCOME TAX (“CIT”) (continued)

Although Resolution 107 has been effective from 1 January 2024, and applies to the fiscal year 2024, the Decree detailing the implementation of Resolution 107 is still being drafted and has not been issued yet and that the Company is still in the process to determine the constituent entities and estimate the additional income tax obligations in Vietnam. Therefore, the Company has not been able to determine the additional corporate income tax obligations under the Global Minimum Tax Regulations for the accounting period then ended 30 June 2024. The Company will recognise the additional corporate income tax obligations (if any) when the Company completes its impact assessment or when there is additional guidance by the tax authorities.

36 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	
	30.6.2024	30.6.2023
	VND	VND
Fuel costs	12,425,719,019,411	9,613,939,054,912
Rental fee	6,132,846,959,497	5,116,497,938,359
Staff costs	2,512,520,511,474	2,146,512,549,191
Depreciation and amortisation	336,827,728,371	191,564,797,300
Provision for doubtful debts	78,778,440,000	-
External service and other expenses	8,797,708,501,546	6,387,346,772,379
	<u>30,284,401,160,299</u>	<u>23,455,861,112,141</u>

37 SEGMENT REPORTING**(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. Accordingly, the financial information presented on the separate interim balance sheet as at 30 June 2024 and all revenues and expenses presented on the separate interim income statement for the six-month period then ended mainly related to the above mentioned main business activities.

(b) Geographical segments

The Company's main business activities are to provide passenger and cargo transportation services, ancillary services, aircraft rental and on-board advertising (collectively referred to as "aviation services"). These activities took place in Vietnam and countries around the world. During the period ended 30 June 2024, the Company had no revenue in countries other than Vietnam which accounting for more than 10% of the total revenue, accordingly, the Company did not prepare geographical segments.

38 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	
	30.6.2024 VND	30.6.2023 VND
Net-off receivables from disposal fixed asset with payables to purchase fixed asset	-	212,691,190,810

39 RELATED PARTY DISCLOSURES

The Company is a joint stock company. Details of subsidiaries and associates are given in Note 4.

During the period, in addition to transactions with subsidiaries and associates as presented in Note 1, the Company has transactions and balances with main related parties, which are companies that have mutual management personnel or affiliates of the group of major shareholders, as follows:

- Sovico Holdings Joint Stock Company
- Sovico Group Joint Stock Company
- Ho Chi Minh City Development Joint Stock Commercial Bank (“HDBank”)
- HD SAISON Finance Co., Ltd;
- HD Insurance Company Limited (“HD Insurance”)
- GalaxyOne Company Limited
- Victoria Academy Company Limited
- Saigon Ground Services Joint Stock Company
- Angelica Holding Limited
- Apricot Aircraft Assets Limited
- Angelica Aircraft Assets Limited
- Apricot Aircraft Company (Ireland)
- Apricot Aircraft Company (Ireland) 8577 Limited
- Apricot Aircraft Company (Ireland) 8592 Limited
- Apricot Aircraft Company (Ireland) 8605 Limited
- Apricot Aircraft Company (Ireland) 8670 Limited
- Apricot Aircraft Company (Ireland) 8676 Limited
- Apricot Aircraft Assets No.1 Limited
- AAA Aircraft Company Limited
- AAA Golden Aircraft Star No.1 Limited
- AAA Golden Aircraft Star No.2 Limited
- AAA Golden Aircraft Star No.3 Limited
- AAA Golden Aircraft Star No.4 Limited
- AAA Golden Aircraft Star No.5 Limited
- AAA Aircraft Asset Company Limited

39 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	
		30.6.2024	30.6.2023
		VND	VND
i)	Revenue from aircraft dry lease (Note 28)		
	Vietjet Air Ireland No.1 Limited	683,664,116,291	600,905,719,271
	AAA Golden Aircraft Star No.5 Limited	239,659,215,596	197,773,892,681
	Thai Vietjet Air Joint Stock Co., Ltd	-	28,904,288,400
		<u>923,323,331,887</u>	<u>827,583,900,352</u>
ii)	Cargo activity		
	Revenue		
	Swift247 Joint Stock Company	956,901,978,871	507,977,077,407
	Vietjet Air IVB No. I Limited	-	982,279,290,000
		<u>956,901,978,871</u>	<u>1,490,256,367,407</u>
	Commission expenses		
	Swift247 Joint Stock Company	<u>100,835,151,507</u>	<u>73,726,324,142</u>
iii)	Assignment fees for purchase right option		
	Vietjet Air IVB No. I Limited	<u>175,000,000,000</u>	<u>-</u>
iv)	Other revenues		
	Thai Vietjet Air Joint Stock Co., Ltd	44,555,755,257	123,379,938,022
	Victoria Academy Company Limited	13,249,043,907	18,929,582,764
	HD Insurance	1,903,806,868	52,721,888,969
	Others	5,456,178,031	-
		<u>65,164,784,063</u>	<u>195,031,409,755</u>

39 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

		For the six-month period ended	
		30.6.2024	30.6.2023
		VND	VND
v) Aircraft/engines operating lease expenses			
AAA Golden Aircraft Star No.5 Limited	107,052,171,122		108,278,207,009
Apricot Aircraft Assets No. 1 Limited	83,226,882,387		66,559,247,078
Apricot Aircraft Company (Ireland) 8676 Limited	80,478,991,753		42,321,519,418
AAA Golden Aircraft Star No. 4 Limited	73,760,218,123		65,786,947,200
Apricot Aircraft Company (Ireland) 8605 Limited	73,469,453,380		63,439,795,790
Apricot Aircraft Company (Ireland) 8670 Limited	71,994,886,454		117,107,126,861
AAA Golden Aircraft Star No. 3 Limited	71,622,677,327		66,197,774,019
Angelica Holding Limited	33,329,452,000		-
Victoria Academy Company Limited	23,448,000,000		23,177,496,774
	<u>618,382,732,546</u>		<u>552,868,114,149</u>
vi) Purchase of services			
Sai Gon Ground Services Joint Stock Company	219,493,569,806		176,631,334,250
Vietjet Air IVB No. I Limited	196,010,330,034		56,727,489,600
HD Insurance	87,791,751,000		70,215,586,862
Others	49,625,877,538		20,224,606,611
	<u>552,921,528,378</u>		<u>323,799,017,323</u>
vii) Receipts on behalf of the Company, net cashflows			
Thai Vietjet Air Joint Stock Co., Ltd.	1,691,021,677,996		1,134,664,076,650
viii) Receipts on behalf by the Company, net cashflows			
Thai Vietjet Air Joint Stock Co., Ltd.	1,688,524,568,861		1,233,170,375,835

39 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

		For the six-month period ended	
		30.6.2024	30.6.2023
		VND	VND
ix) Financing activities			
<i>Interest income</i>			
Thai Vietjet Air Joint Stock Co., Ltd	209,768,263,092	123,099,514,699	
HDBank	4,587,435,070	2,964,383,562	
	<u>214,355,698,162</u>	<u>126,063,898,261</u>	
<i>Interest expense</i>			
HDBank	110,136,742,675	127,181,455,211	
Victoria Academy Company Limited	1,115,753,425	1,109,589,041	
	<u>111,252,496,100</u>	<u>128,291,044,252</u>	
<i>Proceeds from borrowings</i>			
HDBank	18,604,777,508,219	8,736,438,082,625	
<i>Repayment of borrowings</i>			
HDBank	18,624,203,783,365	8,367,733,585,356	
<i>Term deposits and certificate of deposits with HDBank</i>			
Placements	1,058,340,212,322	100,000,000,000	
Collections	-	100,000,000,000	
	<u>-</u>	<u>100,000,000,000</u>	
x) Investment activities			
<i>Purchase of engine</i>			
Vietjet Air IVB No. I Limited	628,828,000,000	1,209,264,000,000	
<i>Sales of engines</i>			
Vietjet Air IVB No. I Limited	-	613,600,000,000	
	<u>-</u>	<u>613,600,000,000</u>	

39 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	For the six-month period ended	
	30.6.2024 VND	30.6.2023 VND
xi) Compensation of key management		
<i>Remuneration of the Board of Directors</i>		
Ms. Nguyen Thi Phuong Thao (*)	614,100,000	519,590,812
Ms. Nguyen Thanh Ha	547,433,334	484,000,000
Mr. Nguyen Anh Tuan	545,333,334	404,000,000
Mr. Donal Joshep Boylan	-	-
Mr. Nguyen Thanh Hung	478,666,668	381,332,468
Mr. Dinh Viet Phuong	521,571,426	352,000,002
Ms. Ho Ngoc Yen Phuong	521,571,426	-
Mr. Luu Duc Khanh	478,666,668	373,857,142
Mr. Chu Viet Cuong	478,666,668	373,857,142
<i>Salaries, bonuses and other cash payments of the Board of Management</i>		
General Director	964,500,000	738,443,750
Deputy General Directors	2,827,080,000	2,161,800,000
	<u>7,977,589,524</u>	<u>5,788,881,316</u>

(*) Chairperson - Nguyen Thi Phuong Thao used her remuneration to recognise high performing and working creatively employees from Quarter 2 of financial year 2023.

(b) Period/year end balances with related parties

	30.6.2024 VND	31.12.2023 VND
Cash and cash equivalents (Note 3)		
HDBank	<u>1,385,895,131,021</u>	<u>2,946,989,630,208</u>
Short-term trade accounts receivable (Note 5)		
Vietjet Air Ireland No. 1 Limited	5,361,610,926,651	4,988,238,041,351
AAA Golden Aircraft Star No.5 Limited	892,589,257,521	788,305,424,933
Vietjet Air IVB No. I Limited	714,107,461,690	2,317,474,212,149
Thai Vietjet Air Joint Stock Co., Ltd.	86,857,532,543	90,899,985,269
Others	1,470,077,066	180,000,000
	<u>7,056,635,255,471</u>	<u>8,185,097,663,702</u>

39 RELATED PARTY DISCLOSURES (continued)

(b) Period/year end balances with related parties

	30.6.2024 VND	31.12.2023 VND
Short-term prepayments to suppliers (Note 6)		
Angelica Holding Limited	250,469,462,035	279,115,856,311
Victoria Academy Company Limited	50,685,006,117	-
Apricot Holding Limited	1,542,675,828	139,083,354,906
Others	8,892,184,722	10,745,871,055
	<u>311,589,328,702</u>	<u>428,945,082,272</u>
Long-term lendings		
Board of Management (i)	25,000,000,000	25,000,000,000
Senior Management (i)	25,000,000,000	25,000,000,000
	<u>50,000,000,000</u>	<u>50,000,000,000</u>
(i) These loans are unsecured.		
Other short-term receivables (Note 8(a))		
Thai Vietjet Air Joint Stock Co., Ltd. (ii)	3,698,547,510,765	3,430,218,534,242
Vietjet Air IVB No. 1 Limited	110,000,000,000	586,934,728,199
Angelica Holding Limited	-	470,145,000,000
Others	205,773,537,441	252,132,677,624
	<u>4,014,321,048,206</u>	<u>4,739,430,940,065</u>

- (ii) As at 30 June 2024 and 31 December 2023, the short-term trade accounts receivable balance and other short-term receivables balance due from Thai Vietjet Air Joint Stock Co., Ltd. ("Thai Vietjet") are overdue. However, the Board of Management of the Company assesses that these receivables are collectible since Thai Vietjet is a strategic partner and associate of the Company. According to the assessment of Thai Vietjet's management, the business of Thai Vietjet in the three recent years continually grew and continued to grow in first 6 months of 2024. Thai Vietjet has engaged a consulting firm to perform the valuation of Thai Vietjet as well as advise on debt restructuring and the structure of shareholder ownership for the period from 2024 to 2027. With these plans and the result of valuation, Thai Vietjet will be able to settle all these receivables due to the Company. In addition, according to the share agreement between Thai Vietjet shareholders, the Company has the right to purchase additional shares of Thai Vietjet from another shareholder and this purchase right option has a maturity date at the end of September 2024. As of the date of approval of these separate interim financial statements, the Company has not exercised the purchase right option of the shares.

39 RELATED PARTY DISCLOSURES (continued)

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

	30.6.2024 VND	31.12.2023 VND
Other long-term receivables (Note 8(b))		
Angelica Holding Limited	414,900,000,000	414,900,000,000
Apricot Aircraft Company (Ireland)	248,848,055,893	157,134,443,567
AAA Golden Aircraft Star No.5 Limited	182,203,743,003	151,444,287,585
Others	62,696,100,500	60,039,058,500
	<u>908,647,899,396</u>	<u>783,517,789,652</u>
Short-term trade accounts payable (Note 13)		
VietJetAir Cargo Joint Stock Company	158,866,953,857	140,679,253,731
AAA Golden Aircraft Star No.1 Limited	154,422,904,588	148,100,010,170
HD Insurance	145,471,261,203	126,836,732,472
AAA Golden Aircraft Star No.2 Limited	122,425,853,058	59,023,726,744
Apricot Aircraft Company (Ireland) 8577 Limited	-	142,531,956,898
Apricot Aircraft Company (Ireland) 8592 Limited	-	123,801,280,094
AAA Aircraft Company Limited	-	117,264,000,980
Others	345,286,030,485	209,576,212,239
	<u>926,473,003,191</u>	<u>1,067,813,173,328</u>
Short-term advances from customers (Note 14)		
Victoria Academy Company Limited	5,845,638,606	8,251,623,411
Others	61,235,570	7,870,650,128
	<u>5,906,874,176</u>	<u>16,122,273,539</u>

39 RELATED PARTY DISCLOSURES (continued)

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

	30.6.2024 VND	31.12.2023 VND
Short-term accrued expenses		
Sai Gon Ground Services Joint Stock Company	36,264,912,200	38,653,515,550
HD Insurance	29,000,000,000	-
Galaxy Pay Company Limited	14,460,635,824	2,803,962,343
HDBank	3,433,613,018	-
Victoria Academy Company Limited	1,115,753,425	5,288,516,129
Cam Ranh International Terminal Joint Stock Company	-	15,662,039,827
	<u>84,274,914,467</u>	<u>62,408,033,849</u>
Other short-term payables (Note 19(a))		
Angelica Holding Limited	342,573,691,446	324,243,383,221
Vietjet Air IVB No. II Limited	34,359,215,093	42,314,862,877
Others	28,973,980,298	38,775,334,221
	<u>405,906,886,837</u>	<u>405,333,580,319</u>
Other long-term payable (Note 19(b))		
Vietjet Air Ireland No.1 Limited	313,617,497,120	-
AAA Golden Aircraft Star No.5 Limited	77,743,918,236	-
VietjetAir Cargo Joint Stock Company	5,450,000,000	5,450,000,000
	<u>396,811,415,356</u>	<u>5,450,000,000</u>
Short-term borrowings (Note 20(a))		
HDBank	3,294,129,211,567	3,300,425,512,901
Công ty TNHH Victoria Academy	45,000,000,000	45,000,000,000
	<u>3,339,129,211,567</u>	<u>3,345,425,512,901</u>

40 COMMITMENTS**(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:

	30.6.2024 VND	31.12.2023 VND
Within one year	11,497,650,083,346	11,945,303,131,663
Between one and five years	37,129,702,686,135	37,918,480,322,958
Over five years	14,796,956,137,837	17,508,071,356,284
Total minimum payments	<u>63,424,308,907,318</u>	<u>67,371,854,810,905</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:

	30.6.2024 VND	31.12.2023 VND
Within one year	1,425,481,867,489	1,366,092,001,156
Between two and five years	2,786,620,284,301	3,228,108,669,017
Over five years	344,800,329,091	488,961,814,672
Total minimum receipts	<u>4,556,902,480,881</u>	<u>5,083,162,484,845</u>

(b) Other commitments

	30.6.2024 VND	31.12.2023 VND
Within one year		
Deposit for aircraft purchases	1,037,002,179,590	2,777,422,134,990
Purchase back leased aircraft	183,806,300,887	184,337,634,044
BCC	33,439,600,000	33,439,600,000
Between one and five years		
Deposit for aircraft purchases	50,367,144,438,047	32,741,518,421,083
Purchase back leased aircraft	202,452,913,558	249,981,991,704
Over five years		
Deposit for aircraft purchases	5,024,083,544,957	2,373,673,274,735
	<u>56,847,928,977,039</u>	<u>38,360,373,056,556</u>

41 AIRCRAFT COMMERCIAL DISPUTES

In 2021, while Vietnam and the world were facing the emergency of the COVID-19 pandemic, the Company encountered a commercial dispute related to four (4) leased aircraft under the JOLCO (Japanese Operating Lease with Call Option). The JOLCO structure involves the Company, Japanese Investors, and Banks. The Banks in the 4 (four) JOLCO aircraft transactions sold the debt to an Organization (hereinafter referred to as the "Organization") established in 2021. After acquiring the debt, this Organization (hereinafter referred to as the "Plaintiff") filed a lawsuit against the Company, seeking the aircraft rental fees and compensation claims, as the Plaintiff alleged that the Company had failed to timely make the aircraft rental fees. The dispute was heard by the English Commercial Court ("the Court"), (part of the High Court of Justice Business and Property Courts of England and Wales, King's Bench Division) in 2022. Consequently, the Company officially signed the handover minutes and related documents of these 4 aircraft with the Plaintiff on 15 December 2022.

The Court concluded the first trial and issued the Approved Judgment on 31 July 2024 (the "Judgement"). The conclusion recognized that (1) the Plaintiff's claims succeed, and (2) the compensation would be considered separately. The Court encouraged both parties to make every effort to reach an agreement on the compensation following this Judgment. If the parties are unable to reach an agreement, the matter will be addressed in a subsequent trial. Subsequent to the Approved Judgment, the Court issued an Order on 31 July 2024, requiring the Company to pay the aircraft rental fees up to the date of the JOLCO termination notice and the swap break costs to the Plaintiff.

In a confirmation letter dated 4 September 2024, from the Company's lawyers regarding this commercial dispute, the lawyers' opinion is that the Plaintiff's claims, not addressed in the Court's Order, will be judged based on legal submissions and expert evidence at a hearing scheduled in October 2024 and at the quantum trial scheduled in January 2025. The Company has several grounds to appeal the 31 July 2024 Judgment. Accordingly, the Company has actively worked with lawyers to prepare for the appeal submission. Alongside efforts for the appeal process, the lawyers of both sides are in discussions to resolve the dispute through commercial negotiation.

The Company's Board of Management is confident in its ability to appeal and defend the Company's legitimate interests. To pursue long-term appellate objectives, the Company is working with lawyers to develop detailed appeal plans in compliance with English law.

The Company has recorded the aircraft rental expenses, reasonable related costs, and the swap break costs in the interim separate financial statements for the six-month period ended 30 June 2024. As part of this, the Company has paid USD11.3 million, which includes aircraft rental fees up to the date of the JOLCO termination notice and the swap break costs. As of the approval date of the interim separate financial statements, the Company's Board of Management assessed that the compensation amounts cannot be measured with sufficient reliability and therefore has not made provisions for these compensations in the interim separate financial statements for the six-month period ended 30 June 2024.

The separate interim financial statements were approved by the Board of Management on 6 September 2024.

		 
_____ Nguyen Thi Thanh Nga Chief Accountant/Preparer	_____ Ho Ngoc Yen Phuong Vice President cum Chief Finance Officer	_____ Dinh Viet Phuong Chief Executive Officer