

VietJet Aviation Joint Stock Company

Separate Financial Statements
Quarter II 2022



VietJet Aviation Joint Stock Company
Corporate Information

Business Registration Certificate No.	0103018458	23 July 2007
Corporate Registration Certificate No.	0102325399	19 April 2011
	The Company's Corporate Registration Certificate has been amended several times, the most recent of which is by Corporate Registration Certificate No. 0102325399 dated 8 October 2020. The Business Registration Certificate, the Corporate Registration Certificate and updates were issued by Hanoi Department of Planning and Investment.	
Investment Registration Certificate No.	2357762445	30 December 2016
	The Investment Registration Certificate was issued by the Board of Management of Saigon Hi-Tech Park and is valid for 50 years from the date of the Investment Registration Certificate.	
Board of Directors	Nguyen Thanh Ha Nguyen Thi Phuong Thao Donal Joshep Boylan	Chairwoman Permanent Vice Chairwoman Vice Chairman - Independent Member
	Nguyen Thanh Hung Dinh Viet Phuong Luu Duc Khanh Chu Viet Cuong Nguyen Anh Tuan	Member Member Member Member Independent Member
Board of Management	Nguyen Thi Phuong Thao Dinh Viet Phuong	Chief Executive Officer Permanent Vice President cum Managing Director
	Michael Hickey Ho Ngoc Yen Phuong	Chief Operation Officer Vice President cum Chief Financial Officer
	To Viet Thang Nguyen Thanh Son	Vice President Vice President
Senior Management	Luong The Phuc Nguyen Thi Thuy Binh Nguyen Duc Thinh Do Xuan Quang Nguyen Thai Trung Chu Viet Cuong	Vice President Vice President Vice President Vice President Vice President Vice President
Audit Committee	Donal Joshep Boylan Luu Duc Khanh Nguyen Thanh Hung	Chairman Member Member
Registered Office	302/3 Kim Ma Street Ngoc Khanh Ward, Ba Dinh District Hanoi City Vietnam	

VietJet Aviation Joint Stock Company
Statement of the Board of Directors

The Board of Directors of VietJet Aviation Joint Stock Company (“the Company”) presents this statement and the accompanying separate financial statements of the Company for the period ended 30 June 2022.

The Board of Directors is responsible for the preparation and fair presentation of the separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Directors:

- (a) The separate financial statements set out on pages 3 to 39 give a true and fair view of the unconsolidated financial position of the Company as at 30 June 2022, and of the unconsolidated results of operations and the unconsolidated cash flows of the Company for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) At the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorized these accompanying separate financial statements for issue.

On behalf of the Board of Directors



Nguyen Thi Phuong Thao
Chief Executive Officer

Ho Chi Minh City, 30 July 2022

VietJet Aviation Joint Stock Company
Separate balance sheet as at 30 June 2022

Form B 01a – DN
*(Issued under Circular No. 200/2014/TT-BTC dated
22 December 2014 of the Ministry of Finance)*

Code	ASSETS	Note	As at	
			30.6.2022 VND	31.12.2021 VND
100	CURRENT ASSETS		29,684,420,681,236	22,023,531,877,174
110	Cash and cash equivalents	5	3,029,384,548,624	1,846,031,657,278
111	Cash		1,488,426,397,585	971,083,527,902
112	Cash equivalents		1,540,958,151,039	874,948,129,376
120	Short-term investments		620,000,000,000	855,000,000,000
121	Trading securities	6(a)	990,000,000,000	990,000,000,000
122	Provision for diminution in value of trading securities	6(a)	(370,000,000,000)	(135,000,000,000)
130	Short-term receivables		23,057,072,000,779	18,453,855,667,885
131	Short-term trade accounts receivable	7	6,361,401,170,398	6,796,741,549,961
132	Short-term prepayments to suppliers	8	1,491,991,165,953	100,126,970,605
135	Short-term lending		657,000,000,000	657,000,000,000
136	Other short-term receivables	9(a)	14,546,679,664,428	10,899,987,147,319
140	Inventories		896,308,353,282	811,247,030,655
141	Inventories	10	896,308,353,282	811,247,030,655
150	Other current assets		2,081,655,778,551	57,397,521,356
151	Short-term prepaid expenses	14(a)	2,081,655,778,551	16,306,514,272
152	Value Added Tax to be reclaimed		-	41,091,007,084
200	LONG-TERM ASSETS		29,051,667,276,804	23,918,136,563,432
210	Long-term receivables		20,000,682,751,242	16,097,617,489,750
216	Other long-term receivables	9(b)	20,000,682,751,242	16,097,617,489,750
220	Fixed assets		1,112,819,976,706	1,150,549,548,863
221	Tangible fixed assets	11	1,112,219,027,693	1,149,483,138,769
222	Historical cost		1,507,838,717,353	1,509,787,640,988
223	Accumulated depreciation		(395,619,689,660)	(360,304,502,219)
227	Intangible fixed assets	12	600,949,013	1,066,410,094
228	Historical cost		30,845,669,020	30,845,669,020
229	Accumulated amortisation		(30,244,720,007)	(29,779,258,926)
240	Long-term assets in progress		391,169,180,790	353,832,538,752
242	Construction in progress	13	391,169,180,790	353,832,538,752
250	Long-term investments		230,917,024,400	230,917,024,400
251	Investments in subsidiaries	6(b)	81,500,000,000	81,500,000,000
252	Investments in associates		60,000,000,000	60,000,000,000
253	Investment in other entity		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 assets		7,316,078,343,666	6,085,219,961,667
261	Long-term prepaid expenses	14(b)	7,316,078,343,666	6,085,219,961,667
270	TOTAL ASSETS		58,736,087,958,040	45,941,668,440,606

The accompanying notes are an integral part of these separate financial statements

VietJet Aviation Joint Stock Company
Separate balance sheet as at 30 June 2022 (continued)

Form B 01a – DN
*(Issued under Circular No. 200/2014/TT-BTC dated
22 December 2014 of the Ministry of Finance)*

Code	RESOURCES	Note	As at	
			30.6.2022 VND	31.12.2021 VND
300	LIABILITIES		51,672,381,212,453	38,954,387,458,942
310	Short-term liabilities		27,534,113,397,130	19,722,290,704,933
311	Short-term trade accounts payable	15	6,673,035,634,541	3,225,625,657,657
312	Short-term advances from customers	16	889,933,307,826	593,136,306,365
313	Tax and other payables to the State	17(b)	291,103,351,981	288,786,201,884
314	Payable to employees		(24,946,522)	76,828,088,897
315	Short-term accrued expenses	18	838,710,349,240	910,026,134,815
318	Short-term unearned revenue	19	2,283,472,316,089	381,579,736,840
319	Other short-term payables	20	7,207,989,144,130	5,284,553,082,384
320	Short-term borrowings	21(a)	7,752,600,729,920	7,320,070,386,166
321	Provision for short-term liabilities	22	1,314,535,033,134	1,314,535,033,134
322	Bonus and welfare fund	23	282,758,476,791	327,150,076,791
330	Long-term liabilities		24,138,267,815,323	19,232,096,754,009
337	Other long-term payables		5,636,355,880	5,636,355,880
338	Long-term borrowings	21(b)	11,035,834,964,062	8,140,241,446,768
341	Deferred income tax liabilities	24	255,953,508,251	154,517,071,443
342	Provision for long-term liabilities	22	12,840,842,987,130	10,931,701,879,918
400	OWNERS' EQUITY		7,063,706,745,587	6,987,280,981,664
410	Capital and reserves		7,063,706,745,587	6,987,280,981,664
411	Owners' capital	25, 26	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	26	247,483,117,899	247,483,117,899
421	Undistributed earnings	26	1,400,110,287,688	1,323,684,523,765
421a	- Undistributed post-tax profits of previous years		1,323,684,523,765	1,330,922,686,515
421b	- Post-tax profits/(loss) of current period/year		76,425,763,923	(7,238,162,750)
440	TOTAL RESOURCES		58,736,087,958,040	45,941,668,440,606

30 July 2022

Prepared by:



Pham Ngoc Thoa
Chief Accountant

Approved by:



Ho Ngoc Yen Phuong
Vice President
cum Chief Financial Officer




Đinh Viet Phuong
Permanent Vice President
cum Managing Director

The accompanying notes are an integral part of these separate financial statements

VietJet Aviation Joint Stock Company
Separate statement of income for the second quarter 2022

Form B 02a – DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of
the Ministry of Finance)

Code	Note	Quarter II		Six-month period ended	
		This year	Previous year	This year VND	Previous year VND
01	Revenue from sales of goods and rendering of services	11,355,124,790,643	2,177,033,140,007	14,695,558,073,369	5,022,087,863,406
10	Net revenue from sales of goods and rendering of services	11,355,124,790,643	2,177,033,140,007	14,695,558,073,369	5,022,087,863,406
11	Cost of goods sold and services rendered	(10,360,444,814,275)	(3,547,196,625,089)	(14,156,157,529,967)	(7,988,162,992,341)
20	Gross profit/(loss) from sales of goods and rendering of services	994,679,976,368	(1,370,163,485,082)	539,400,543,402	(2,966,075,128,935)
21	Financial income	232,249,734,950	1,744,260,676,307	1,377,341,807,932	3,763,002,969,026
22	Financial expenses	(786,672,964,068)	(147,127,462,365)	(1,179,078,080,302)	(202,402,172,910)
23	- Including: Interest expense	(343,327,992,559)	(144,683,791,443)	(682,429,611,423)	(290,253,736,292)
25	Selling expenses	(239,864,447,850)	(239,770,656,366)	(382,706,574,858)	(363,802,777,321)
26	General and administration expenses	(74,908,107,494)	(87,300,086,703)	(185,763,991,175)	(174,934,798,927)
30	Net operating profit	125,484,191,906	(100,101,014,209)	169,193,704,999	55,788,090,933
31	Other income	8,143,057,173	8,373,180,090	9,011,511,301	8,718,553,689
32	Other expenses	(343,015,569)	(285,203,360)	(343,015,569)	(287,735,957)
40	Net other income	7,800,041,604	8,087,976,730	8,668,495,732	8,430,817,732
50	Net accounting profit before tax	133,284,233,510	(92,013,037,479)	177,862,200,731	64,218,908,665
51	Business income tax ("BIT") - current	-	-	-	-
52	BIT - deferred	(97,214,264,603)	(4,565,392,057)	(101,436,436,808)	(30,016,415,405)
60	Net profit after tax	36,069,968,907	(96,578,429,536)	76,425,763,923	34,202,493,260

30 July 2022

Prepared by:



Pham Ngoc Thoa
Chief Accountant

Approved by:



Ho Ngoc Yen Phuong
Vice President
cum Chief Financial Officer




Dinh Viet Phuong
Permanent Vice President
cum Managing Director

The accompanying notes are an integral part of these separate financial statements

VietJet Aviation Joint Stock Company
Separate statement of cash flows for the period ended 30 June 2022
(Indirect method)

Form B 03a – DN
*(Issued under Circular No. 200/2014/TT-BTC dated
22 December 2014 of the Ministry of Finance)*

Code	Note	Six-month period ended	
		Current year VND	Previous year VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax	177,862,200,731	64,218,908,665
	Adjustments for:		
02	Depreciation and amortisation	38,244,540,339	35,061,570,993
03	Provisions	1,837,418,523,025	655,417,158,693
04	Unrealised foreign exchange losses	130,367,605,927	36,779,051,513
05	Profits from investing activities	(68,359,777,570)	(133,112,574,489)
06	Interest expense	682,429,611,423	290,253,736,292
08	Operating profit before changes in working capital	2,797,962,703,875	948,617,851,667
09	Increase in receivables	(8,036,086,814,816)	(5,222,489,738,099)
10	Increase in inventories	(85,061,322,627)	(133,457,818,027)
11	Increase in payables	7,293,469,371,180	1,309,332,748,408
12	Increase in prepaid expenses	(3,296,207,646,278)	(329,479,885,717)
14	Interest paid	(657,091,070,635)	(229,677,563,970)
15	BIT paid	(55,772,998,940)	-
17	Other payments on operating activities	(44,391,600,000)	(47,167,079,534)
20	Net cash outflows from operating activities	(2,083,179,378,241)	(3,704,321,485,272)
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(37,851,610,220)	(105,620,854,441)
24	Collection of debt instruments of other entities	-	6,556,181,818
25	Investments in other entities	-	(22,500,000,000)
27	Interest received	32,609,015,925	134,380,612,845
30	Net cash (outflows)/inflows from investing activities	(5,242,594,295)	12,815,940,222

VietJet Aviation Joint Stock Company
Separate statement of cash flows for the period ended 30 June 2022
(Indirect method)

Form B 03a – DN
*(Issued under Circular No. 200/2014/TT-BTC dated
22 December 2014 of the Ministry of Finance)*

Code	Note	Six-month period ended	
		Current year VND	Current year VND
CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from sale of treasury shares	-	2,348,654,987,714
33	Proceeds from borrowings	14,137,498,771,047	8,525,838,887,299
34	Repayments of borrowings	(10,872,969,550,016	(8,579,124,237,576)
)	
40	Net cash inflows from financing activities	3,264,529,221,031	2,295,369,637,437
50	Net decrease in cash and cash equivalents	1,176,107,248,495	(1,396,135,907,613)
60	Cash and cash equivalents at beginning of period	1,846,031,657,278	2,895,810,907,792
61	Effect of foreign exchange differences	7,245,642,851	(13,606,224,179)
70	Cash and cash equivalents at end of period	3,029,384,548,624	1,486,068,776,000

30 July 2022

Prepared by:



Pham Ngoc Thoa
Chief Accountant

Approved by:



Ho Ngoc Yen Phuong
*Vice President
cum Chief Financial Officer*




Dinh Viet Phuong
*Permanent Vice President
cum Managing Director*

VietJet Aviation Joint Stock Company
Notes to the separate financial statements for the period ended 30 June 2022

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC dated
22 December 2014 of the Ministry of Finance)*

These notes form an integral part of and should be read in conjunction with the accompanying separate financial statements.

1. REPORTING ENTITY

1.1 Ownership structure

VietJet Aviation Joint Stock Company (“the Company”) is a joint stock company incorporated in Vietnam.

1.2 Principal activities

The principal activities of the Company are to provide passenger and cargo transportation services on domestic and international air routes, and aviation related support services.

1.3 Normal operating cycle

The normal operating cycle of the Company is generally within 12 months.

1.4 Company’s structure

As at 30 June 2022, the Company had 5,644 employees (01/01/2022: 5,286 employees).

2. BASIC OF PREPARATION

2.1 Statement of compliance

These separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. The Company prepares and issues its consolidated financial statements separately. For a comprehensive understanding of the Company’s consolidated financial position, its consolidated results of operations and its consolidated cash flows, these separate financial statements should be read in conjunction with the consolidated financial statements.

2.2 Basis of measurement

The separate financial statements, except for the separate statement of cash flows, are prepared on the accrual basis using the historical cost basis. The separate statement of cash flows is prepared using the indirect method.

2.3 Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December.

2.4 Accounting and presentation currency

The Company’s accounting currency is Vietnam Dong (“VND”), which is also the currency used for the separate financial statements presentation purpose.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted by the Company in the preparation of these separate financial statements.

3.1 Foreign currency transactions

Transactions in currencies other than VND during the period have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND, except for items hedged by financial instruments, are translated into VND at the average of the account transfer buying rates and selling rates at the end of the accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

All foreign exchange differences are recorded in the separate statement of income.

VietJet Aviation Joint Stock Company
Notes to the separate financial statements for the period ended 30 June 2022 (continued)

Form B 09a – DN
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

3.3 Investments

(i) Trading securities

Trading securities are those held by the Company for trading purpose i.e, purchased for resale with the aim of making profits over a short period of time. Trading securities are initially recognized at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at cost less allowance for diminution in value. An allowance is made for diminution in value of trading securities if market price of the securities item falls below its carrying amount. The allowance is reversed if the market price subsequently increases after the allowance was recognized. An allowance is reversed only to the extent that the securities' carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognized.

(ii) Held-to-maturity investments

Held-to-maturity investments are those that the Company's Board of Directors has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks, investments in business cooperation contracts and loans receivable. These investments are stated at costs less allowance for doubtful debts.

(iii) Investments in subsidiaries and associates

For the purpose of these separate financial statements, investments in subsidiaries and associates are initially recognized at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss, except where such loss was anticipated by the Company's Board of Directors before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognized.

(iv) Investments in equity instruments of other entities

Investments in equity instruments of other entities are initially recognized at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss, except where such loss was anticipated by the Company's Board of Directors before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognized.

3.4 Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

VietJet Aviation Joint Stock Company
Notes to the separate financial statements for the period ended 30 June 2022 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Maintenance reserves of leased aircrafts

Under the terms of its aircraft operating lease agreements, the Company is legally and contractually responsible for maintenance and repair of the leased aircrafts throughout the lease period and is also required to make maintenance reserves with the lessors. The maintenance reserves are recorded as other short-term and long-term receivables when there is no significant uncertainty regarding recovery of the reimbursement from lessors. Maintenance reserves made to lessors are typically calculated based on a performance measure, such as flight hours or cycles, and are contractually required to be reimbursed to the Company upon the completion of the required maintenance of the leased aircraft including replacement of life limited parts, engine performance restoration, airframe major structural inspection, landing gear overhaul and auxiliary power unit (APU) heavy repair. If there are excess amounts on maintenance reserves at the expiration of the leases, the lessors are entitled to retain such excess amounts.

3.6 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price of inventory items, less the estimated costs of completion and direct selling expenses.

The Company applies the perpetual method of accounting for inventories.

3.7 Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Manufacturers' discounts for purchases of tangible fixed assets, if any, are deducted from the value of the related asset. Expenditure incurred after tangible fixed assets have been put into operation, such as repairs and maintenance and overhauls cost, is charged to the separate statement of income in the period in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalized as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ Buildings and infrastructures	20 – 50 years
▪ Aircraft and components	10 – 20 years
▪ Machinery and equipment	3 – 10 years
▪ Office equipment	3 – 5 years
▪ Motor vehicles	6 years
▪ Other fixed assets	5 – 7 years

3.8 Intangible fixed assets

Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalized and treated as an intangible asset. Software is amortized on a straight-line basis over 3 years.

VietJet Aviation Joint Stock Company
Notes to the separate financial statements for the period ended 30 June 2022 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Construction in progress

Construction in progress represents the costs of construction and acquiring aircrafts which have not been fully completed. No depreciation is provided for construction in progress during the period of construction.

3.10 Long-term prepaid expenses

(i) Major inspection and overhaul expenditure

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

(ii) Rotable parts

Rotable parts which have estimated useful lives of more than 1 year are recorded in long-term prepaid expenses and amortized on a straight-line basis over their estimated useful lives but not exceeding 3 years.

(iii) 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 amortized on a straight-line basis over a period from 2 to 5 years.

3.11 Trade and other payables

Trade and other payables are stated at their costs.

3.12 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Provisions for maintenance costs in the scope of maintenance reserves

According to the aircraft leasing agreements between the Company and its lessors and the requirements of Vietnam Aviation Authority, the Company has to perform the routine maintenance and periodic maintenance for leased aircrafts based on its own Maintenance Planning Development which was constructed based on the guidance of airline manufacturers. Routine maintenance will be performed at the Company's cost while the periodic maintenance will be covered by maintenance reserves. The provisions for maintenance expenses in the scope of the maintenance reserves, except for engine performance restoration and auxiliary power unit heavy repair, is determined by discounting the expected future costs of maintenance for the leased aircrafts, having regard to the current fleet plan. During the period of leasing, the estimated costs are recorded in provisions with the corresponding debit to long-term prepaid expenses. The estimated costs in long-term prepaid expenses are amortized on the basis of flight hours or cycles to the next maintenance event. If effect of time value of money is material, unwinding discount of the provisions is recorded as financial expenses.

The estimated costs of engine performance restoration and auxiliary power unit heavy repair are accrued and charged to the separate statement of income over the estimated period between maintenance events using the ratios of actual flying hours or cycles and estimated flying hours or cycles between maintenance events.

VietJet Aviation Joint Stock Company
Notes to the separate financial statements for the period ended 30 June 2022 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Provisions (continued)

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

With respect to aircraft operating lease agreements where the Company is required to return the aircraft with adherence to certain maintenance conditions, cost to make good on leased assets is estimated at the inception of the lease based on the present value of the future expected costs at the expiration of the lease in order for the 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 and return of the aircraft to a specified location. At the inception of the lease, the estimated cost is recorded in provisions with the corresponding debit to long-term prepaid expenses. The estimated costs in long-term prepaid expenses are amortized on a straight-line basis over the term of the leases. If effect of time value of money is material, unwinding discount of the provisions is recorded as financial expenses.

3.13 Bonds issued

Straight bonds

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

3.14 Share capital

(i) Ordinary shares

Ordinary shares are recognized at issuance price less incremental costs directly attributable to the issue of ordinary shares, net of tax effects. Such costs are recognized as a deduction from share premium.

(ii) Shares premium

The difference between proceeds from issuance of shares over the par value is recorded in share premium.

(iii) Repurchase of ordinary shares (treasury shares)

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognised as a reduction from equity. Repurchased shares are classified as treasury shares under equity.

3.15 Taxation

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognized in the separate statement of income except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous periods.

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Notes to the separate financial statements for the period ended 30 June 2022 (continued)

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Taxation (continued)

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the end of the accounting period.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.16 Revenue and other income

(i) Passenger transportation

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

(ii) Regular – Block seat and Charter flights

Revenue from block seat and charter flights is recognized in the separate statement of income when the services are provided. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due.

(iii) Cargo revenue

Revenue from cargo transportation from charter cargo is recognized in the separate statement of income when the services are provided.

(iv) Ancillary revenue

Ancillary revenue includes baggage service utilizing cabin and, other revenue related to passenger transportation, sale of in-flight and duty free merchandise, advertising and commission. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods or services.

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

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

Sales of in-flight and duty free merchandise are recognized in the separate statement of income when the significant risks and rewards of ownership have been transferred to the buyers.

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

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Revenue and other income (continued)

(v) Aircrafts leasing

Revenue from aircrafts leasing is recognized in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total lease revenue.

(vi) Sales of purchase right option

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

(vii) Other services

Revenue from services rendered is recognized in the separate statement of income in proportion to the stage of completion of the transaction at the end of the accounting period. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due.

(viii) Interest income

Interest income is recognized on the time proportion basis with reference to the principal outstanding and the applicable interest rate.

(ix) Dividend income

Dividend income is recognized when the right to receive dividend is established. Share dividends are not recognized as income. Dividends received which are attributable to the period before investment acquisition dates are deducted from the carrying amount of the investment.

3.17 Borrowing costs

Borrowing costs are recognized as an expense in the period in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets. in which case the borrowing costs incurred during the period of construction are capitalized as part of the cost of the assets concerned.

3.18 Operating lease payments

Payments made under operating leases are recognized in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognized in the separate statement of income as an integral part of the total lease expense.

3.19 Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company's primary format for segment reporting is based on business segment.

3.20 Related parties

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

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4. SEGMENT REPORTING

4.1 Business segment

For management purposes, the Company has 1 reportable operating segment which is providing passenger and cargo services, ancillary services, aircraft leasing and advertising on aircrafts (referred to as "air services").

Except for the above-mentioned operation, the company has no other business operation division to be synthesized. The formation of a unit of other business activities must report. Part information for total sales and cost of goods sold is presented in Note 29 and Note 30 of the separate financial statements. There was no internal revenue between departments of business operations. All assets, liabilities, revenues of financial operations and financial expenses, business management costs, sales expenses, other income, and other company expenses are unamortized.

The Board of Directors shall determine the business operation division based on the reports already considered and used to make strategic decisions.

4.2 Geographical segment

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

	Quarter II.2022 VND	Quarter II.2021 VND
In Vietnam	7,755,500,403,024	1,411,883,351,405
Outside Vietnam	3,599,624,387,619	765,149,788,602
	<u>11,355,124,790,643</u>	<u>2,177,033,140,007</u>

The Company's fixed assets and capital expenditure are primarily located in Vietnam.

VietJet Aviation Joint Stock Company**Notes to the separate financial statements for the period ended 30 June 2022 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***5. CASH AND CASH EQUIVALENTS**

	30.6.2022	31.12.2021
	VND	VND
Cash on hand	6,686,840,179	9,036,089,209
Cash at banks	1,481,739,557,406	962,047,438,693
Cash equivalents (*)	1,540,958,151,039	874,948,129,376
	<u>3,029,384,548,624</u>	<u>1,846,031,657,278</u>

The principal money equivalents include bank deposits in VND and USD with maturities of less than 3 months from the date of deposit.

6. INVESTMENTS**(a) Trading securities**

	As at 30.06.2022		
	Quantity	Cost VND	Fair value (*) VND
Petro Vietnam Oil Corporation	<u>50,000,000</u>	<u>990,000,000,000</u>	<u>620,000,000,000</u>
			<u>370,000,000,000</u>

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

(*) The fair value of the investment in listed shares is determined by reference to the closing price referenced on the HCM City Stock Exchange.

VietJet Aviation Joint Stock Company

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6. INVESTMENT (continued)

(b) Equity investments in other entities

	30/06/2022		01/01/2022	
	% of equity owned/ voting rights	VND	% of equity owned/ voting rights	VND
Equity investments in subsidiaries				
- Galaxy Pay Co.,Ltd	100%	50,000,000,000	100%	50,000,000,000
- Swift247 Joint Stock Company	67%	31,500,000,000	0%	31,500,000,000
- Vietjet Air Cargo Joint Stock Company	0%	-	90%	-
- Vietjet Air IVB No. I Limited	100%	-	100%	-
- Vietjet Air IVB No. II Limited	100%	-	100%	-
- Vietjet Air Singapore Pte, Ltd.	100%	-	100%	-
- Vietjet Air Ireland No. 1 Limited	100%	-	100%	-
- Vietjet Ground Services Limited Liability Company	100%	-	-	-
		81,500,000,000		81,500,000,000
Equity investments in associates				
- Thai Vietjet Air Joint Stock Co., Ltd.		-		-
- Cam Ranh International Terminal Joint Stock Company	10%	60,000,000,000	10%	60,000,000,000
- Allowance for diminution in value		(60,000,000,000)		(60,000,000,000)
		-		-
Equity investments in other entities				
- Sai Gon Ground Services Joint Stock Company	9,1%	149,417,024,400	9,1%	149,417,024,400
		149,417,024,400		149,417,024,400

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6. INVESTMENT (continued)

(b) Equity investments in other entities (continued)

The main activities of the subsidiaries and affiliate companies are as follows:

Name	Country of incorporation	Principal activities	Business registration certificate
<i>Subsidiaries</i>			
Swift247 Joint Stock Company <i>(iii)</i>	Vietnam	No. 0315524536 dated 23 February 2019	To provide air freight services and related support services.
Vietjet Air IVB No, I Limited <i>(i)</i>	British Virgin Islands	No. 1825671 dated 27 May 2014	To trade and lease aircraft
Vietjet Air IVB No, II Limited <i>(i)</i>	British Virgin Islands	No. 1825613 dated 27 May 2014	To trade and lease aircraft
Vietjet Air Singapore Pte. Ltd. <i>(j)</i>	Singapore	No.201408849N dated 27 March 2014	To trade aircraft.
Vietjet Air Ireland No.I Limited <i>(i)</i>	Ireland	No.544879 dated 3 June 2014	To trade and lease aircraft,
Galaxy Pay Company Limited	Vietnam	No.0316368255 dated 08 July 2020	To provide e-wallet service
Vietjet Air Cargo Joint Stock Company	Vietnam	No. 0312759089 dated 27 August 2014	To provide cargo transportation and related support services
Skymate Limited	Cayman Islands	No. 327015 dated 15 September 2017	To trade aircrafts
Vietjet Ground Services Limited Liability Company	Vietnam	No. 0109783334 dated 19 October 2021	To provide directly supporting services activities for air freights
<i>Associates</i>			
Thai Vietjet Air Joint Stock Company Limited <i>(i) (ii)</i>	Thailand	No.0105556100551 dated 25 June 2013	To provide transportation and transfer of goods and passengers and other related services.
Cam Ranh International Terminal Joint Stock Company <i>(ii)</i>	Vietnam	No.4201676638 dated 5 February 2016	To provide support services for airline transportation.

(i) As of 30 June 2022, the company has not contributed funds to these subsidiaries and affiliates; The operation of these companies is mainly supported by the company.

(ii) The company has considerable influence over these companies because it has the right to appoint board members of these companies.

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Notes to the separate financial statements for the period ended 30 June 2022 (continued)

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7. TRADE ACCOUNTS RECEIVABLE

	30.6.2022	31.12.2021
	VND	VND
Third parties		
Zhejiang Lixi International Travel Co., Ltd.	895,052,200,000	1,003,427,440,000
Hangzhou BaoLi Co., Ltd.	263,835,855,450	541,741,115,480
Others	295,720,878,009	195,189,335,299
	<u>1,454,608,933,459</u>	<u>1,740,357,890,779</u>
Related parties	4,906,792,236,939	5,056,383,659,182
	<u>6,361,401,170,398</u>	<u>6,796,741,549,961</u>

8. PREPAYMENTS TO SUPPLIERS

	30.6.2022	31.12.2021
	VND	VND
Third parties		
Rockwell Collins	26,388,709,000	34,630,805,805
Others	581,584,510,619	65,103,820,687
	<u>607,973,219,619</u>	<u>99,734,626,492</u>
Related parties	884,017,946,334	392,344,113
	<u>1,491,991,165,953</u>	<u>100,126,970,605</u>

9. OTHER RECEIVABLES

(a) Other short-term receivables

	30.6.2022	31.12.2021
	VND	VND
Third parties		
Purchase discounts receivable	1,119,203,501,707	660,820,286,965
Deposits for aircraft purchases within next 12 months	-	1,585,033,816,020
Maintenance reserves of leased aircraft	-	1,824,881,774,817
Claim receivables from maintenance reserves of leased aircraft	-	592,857,173,965
Others	1,113,974,940,025	752,227,858,264
	<u>2,233,178,441,732</u>	<u>5,415,820,910,031</u>
Related parties	12,313,501,222,696	5,484,166,237,288
	<u>14,546,679,664,428</u>	<u>10,899,987,147,319</u>

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9. OTHER RECEIVABLES (continued)

(b) Other long-term receivables

	30.6.2022	31.12.2021
	VND	VND
Third parties		
Maintenance reserves of leased aircraft	9,708,745,894,919	7,095,851,249,114
Deposit for aircraft purchases after next 12 months	6,734,237,012,447	5,149,203,195,069
Deposit for aircraft leases	1,311,836,221,516	1,272,927,219,320
Deposit for ground handling services	74,066,570,424	124,722,383,225
Others	443,797,051,936	34,966,454,979
	<hr/>	<hr/>
	18,272,682,751,242	13,677,670,501,707
 Related parties	 1,728,000,000,000	 2,419,946,988,043
	<hr/>	<hr/>
	<u>20,000,682,751,242</u>	<u>16,097,617,489,750</u>

10. INVENTORIES

	30.6.2022	31.12.2021
	VND	VND
Tools and supplies	867,925,863,533	783,597,166,041
Merchandise	28,382,489,749	27,649,864,614
	<hr/>	<hr/>
	<u>896,308,353,282</u>	<u>811,247,030,655</u>



VietJet Aviation Joint Stock Company

Notes to the separate financial statements for the period ended 30 June 2022 (continued)

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11. TANGIBLE FIXED ASSETS

	Aircraft and components VND	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Historical cost						
As at 1 January 2022	896,813,994,227	387,463,400,057	101,519,334,255	70,323,378,062	53,667,534,387	1,509,787,640,988
New purchases					514,968,182	514,968,182
Reclassification	-	-	3,058,330,526	(497,138,011)	(2,561,192,515)	-
Disposals	-	-	-	(2,463,891,817)	-	(2,463,891,817)
As at 30 June 2022	896,813,994,227	387,463,400,057	104,577,664,781	67,362,348,234	51,621,310,054	1,507,838,717,353
Accumulated depreciation						
As at 1 January 2022	249,823,689,576	18,172,790,992	42,437,409,523	27,189,790,354	22,680,821,774	360,304,502,219
Charge for the period	22,132,913,465	4,073,579,921	5,934,069,983	3,642,709,487	1,995,806,402	37,779,079,258
Reclassification	-	347,383,333	3,573,641,070	614,378,476	4,535,402,879	-
Disposals	-	-	-	(2,463,891,817)	-	(2,463,891,817)
As at 30 June 2022	271,956,603,041	21,898,987,580	44,797,838,436	27,754,229,548	29,212,031,055	395,619,689,660
Net book value						
As at 1 January 2022	646,990,304,651	369,290,609,065	59,081,924,732	43,133,587,708	30,986,712,613	1,149,483,138,769
As at 30 June 2022	624,857,391,186	365,564,412,477	59,779,826,345	39,608,118,686	22,409,278,999	1,112,219,027,693

Included in the cost of tangible fixed assets were assets costing VND 53,474 million which were fully depreciated as at 30 June 2022 (01/01/2022: VND 56,737 million), but which are still in active use.

As at 31 June 2022, tangible fixed assets with carrying value of VND 624,990 million (01/01/2022: VND 646,990 million) were pledged as security for borrowings granted by Military Commercial Joint Stock Bank to the Company.

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12. INTANGIBLE FIXED ASSETS

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

Included in the cost of intangible fixed assets were assets costing VND 27,936million which were fully amortized as at 30 June 2022 (01/01/2022: VND 27,178 million), but which are still in active use.

13. CONSTRUCTION IN PROGRESS

	30.6.2022 VND	31.12.2021 VND
Costs relating to aircraft and components	127,283,760,504	123,229,560,504
Aviation Technology Research and Training Centre	232,584,122,030	225,385,696,812
Others	31,301,298,256	5,217,281,436
	391,169,180,790	353,832,538,752
	391,169,180,790	353,832,538,752

14. PREPAID EXPENSES

(a) Short-term prepaid expenses

	30.6.2022 VND	31.12.2021 VND
Prepayments for maintenance	558,323,708,352	-
Others	1,523,332,070,199	16,306,514,272
	2,081,655,778,551	16,306,514,272
	2,081,655,778,551	16,306,514,272

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14. PREPAID EXPENSES (continued)

(b) Long-term prepaid expenses

	Prepayments for maintenance VND	Costs to make good on leased assets VND	Major inspection and overhaul expenditure VND	Rotating parts, tools and instruments VND	Others VND	Total VND
As at 01 January 2022	5,065,554,996,522	632,155,195,498	174,818,646,585	182,277,326,033	30,413,797,029	6,085,219,961,667
Reclassification	-	-	(8,567,067,535)	(2,065,781,227)	10,632,848,762	-
Increase	1,259,567,645,173	65,030,368,084	148,285,957,062	133,248,932,813	155,692,998,415	1,761,825,901,547
Allocation	(252,388,881,676)	(44,923,396,445)	(47,404,174,710)	(85,621,094,290)	(78,139,181,732)	(508,476,728,853)
Decrease	-	(22,490,790,695)	-	-	-	(22,490,790,695)
As at 30 June 2022	6,072,733,760,019	629,771,376,442	267,133,361,402	227,839,383,329	118,600,462,474	7,316,078,343,666

15. TRADE ACCOUNTS PAYABLE

	As at 30.6.2022		As at 31.12.2021	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Petrolimex Aviation Fuel Joint Stock Company	1,352,986,838,442	1,352,986,838,442	913,978,963,695	913,978,963,695
Others	5,320,048,796,099	5,320,048,796,099	2,311,646,693,962	2,311,646,693,962
	6,673,035,634,541	6,673,035,634,541	3,225,625,657,657	3,225,625,657,657

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16. SHORT-TERM ADVANCES FROM CUSTOMERS

	30.6.2022	31.12.2021
	VND	VND
Third parties		
Beijing China International Travel Service Co., Ltd.	55,510,586,250	112,933,609,524
DAEJOO Air Co., Ltd.	46,686,343,290	103,994,116,213
Others	675,773,127,064	274,420,050,805
	<u>777,970,056,604</u>	<u>491,347,776,542</u>
Related parties		
	111,963,251,222	101,788,529,823
	<u>889,933,307,826</u>	<u>593,136,306,365</u>

17. TAXES

	As at 1.1.2022	(Receivable)/payable during	Payment/net-off	As at 30.6.2022
	VND	the period	during the period	VND
		VND	VND	
a) Tax receivables				
Deductible VAT	41,091,007,084	740,662,440,080	(781,753,447,164)	-
	<u>41,091,007,084</u>			<u>-</u>
b) Tax payables				
BIT	138,784,864,775	(4,929,667,318)	(55,772,998,940)	78,082,198,517
VAT	82,693,553,374	818,775,461,854	(814,617,086,666)	86,851,928,562
Personal income tax	45,443,343,148	140,965,790,698	(87,603,448,433)	98,805,685,413
Foreign contractor tax	21,864,440,587	5,499,098,902	-	27,363,539,489
Other tax	-	1,208,928,880	(1,208,928,880)	-
	<u>288,786,201,884</u>	<u>961,519,613,016</u>	<u>(959,202,462,919)</u>	<u>291,103,351,981</u>

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18. ACCRUED EXPENSES

	30.6.2022	31.12.2021
	VND	VND
Aircraft related expenses	189,162,649,764	533,958,452,256
Maintenance expenses	174,672,909,054	32,857,063,597
Staff costs	122,335,906,595	-
Interest expense	321,554,780,741	296,216,239,953
Others	30,984,103,086	46,994,379,009
	<u>838,710,349,240</u>	<u>910,026,134,815</u>

19. SHORT-TERM UNEARNED REVENUE

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

20. OTHER SHORT-TERM PAYABLES

	30.6.2022	31.12.2021
	VND	VND
Third parties		
Airport fees and charges payables	1,082,720,586,053	700,704,487,828
Short-term deposits received	84,827,408,904	62,278,065,804
Others	245,610,529,832	235,339,270,164
	<u>1,413,158,524,789</u>	<u>998,321,823,796</u>
Related parties	<u>5,794,830,619,341</u>	<u>4,286,231,258,588</u>
	<u>7,207,989,144,130</u>	<u>5,284,553,082,384</u>

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21. BORROWINGS

(a) Short-term borrowings

	As at 01.01.2022 VND	Increase VND	Decrease VND	Revaluation VND	As at 30.06.2022 VND
Borrowings from banks (i)	5,036,939,906,166	11,215,588,771,047	(9,693,601,934,714)	58,183,327,421	6,617,110,069,920
Current portion of long-term borrowings	1,583,130,480,000	29,667,335,302	(479,367,615,302)	2,060,460,000	1,135,490,660,000
Borrowings from related parties	700,000,000,000	-	(700,000,000,000)	-	-
	<u>7,320,070,386,166</u>	<u>11,245,256,106,349</u>	<u>(10,872,969,550,016)</u>	<u>60,243,787,421</u>	<u>7,752,600,729,920</u>

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Notes to the separate financial statements for the period ended 30 June 2022 (continued)

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21. BORROWINGS (continued)

(a) Short-term borrowings (continued)

Terms and conditions of short-term borrowings were as follows:

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

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21. BORROWINGS (continued)

(b) Long-term borrowings

	As at 01.01.2022 VND	Increase VND	Decrease VND	Revaluation VND	As at 30.6.2022 VND
Borrowings from banks (i)	1,350,281,926,768	-	(479,367,615,302)	5,411,312,596	876,325,624,062
Straight bonds (ii)	8,373,090,000,000	2,876,910,000,000	-	-	11,250,000,000,000
Current portion of long-term borrowings	(1,583,130,480,000)	(29,667,335,302)	479,367,615,302	(2,060,460,000)	(1,135,490,660,000)
Related parties	-	45,000,000,000	-	-	45,000,000,000
	8,140,241,446,768	2,892,242,664,698	-	3,350,852,596	11,035,834,964,062

(i) Long-term borrowing from bank

Lenders	Currency	Maturity	As at 30.6.2022		As at 31.12.2021	
			Current portion VND	Long-term VND	Current portion VND	Long-term VND
Woori Bank - Singapore Branch (*)	USD	December 2022	191,372,727,273	-	375,054,537,120	-
Industrial and Commercial Bank of China Limited - Hong Kong Branch (*)	USD	December 2022	85,054,545,454	-	375,054,537,120	-
KEB Hana Bank - Hong Kong Branch (*)	USD	December 2022	191,372,727,273	-	166,690,925,760	-
Military Commercial Joint Stock Bank (**)	USD	June 2028	67,690,660,000	340,834,964,062	74,909,280,000	358,572,646,768
			535,490,660,000	340,834,964,062	991,709,280,000	358,572,646,768

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21. BORROWINGS (continued)

(b) Long-term borrowings (continued)

(i) Long-term borrowing from bank (continued)

(*) Joint loans provided by three banks had a total commitment of us USD 110 million. The grace period of this loan is 3 years from the date of the disbursement. The loan balance is repaid on four - instalments in 2022. The partnership loan is unsecured and bears an annual interest rate of 3.29% / year.

(**) The original debit balance of this loan is repaid over 17 six-month periods, with each payment of USD 1.4 million (equivalent to VND 33 billion) and the last period paid USD 1.5 million (equivalent to VND 35 billion) on June 13, 2028. The loan is subject to 3.94% / year.

Detail of asset pledged as security for this loan was as follows:

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

(ii) Straight bond

Terms and conditions of long-term bonds were as follow:

	Currency	Annual interest	Year of maturity	30.6.2022	31.12.2021
				VND	VND
Bonds issued at VND100,000 per bond, maturing after 60 months (*)	VND	9.5%	2026	5,000,000,000,000	5,000,000,000,000
Bonds issued at VND100,000 per bond, maturing after 36 months (**)	VND	9.5%	2024	2,123,090,000,000	2,123,090,000,000
Bonds issued at VND100,000 per bond, maturing after 36 months (**)	VND	9.5%	2024	2,876,910,000,000	-
Bonds issued at VND100,000 per bond, maturing after 36 months (***)	VND	7.8%	2023	650,000,000,000	650,000,000,000
Bonds issued at par, maturing after 36 months (****)		7.8%	2022	600,000,000,000	600,000,000,000
				<u>11,250,000,000,000</u>	<u>8,373,090,000,000</u>

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21. BORROWINGS (continued)

(b) Long-term borrowings (continued)

(ii) Straight bond (continued)

(*) These bonds were unsecured and bearfixed interest rate of 9.5% per annum in the first year since issuing date and floating interest rate for subsequent year until maturity.

(**) These bonds were unsecured and bearfixed interest rate of 9.5% per annum in the first year since issuing date and floating interest rate for subsequent year until maturity.

(***) These bonds were unsecured and bearfixed interest rate of 9% per annum in the first year since issuing date and floating interest rate for subsequent year until maturity.

(****) These bonds were unsecured and bearfixed interest rate of 9% per annum in the first year since issuing date and floating interest rate for subsequent year until maturity.

22. PROVISIONS

Movements of provisions during the period were as follows:

	Provision for maintenance expenses VND	Provision to make good on leased assets VND	Total VND
As at 1 January 2022	11,102,401,572,249	1,143,835,340,803	12,246,236,913,052
Provision made during the period	1,720,236,371,816	80,705,641,307	1,800,942,013,123
Provision decreased during the period	-	(198,523,490,098)	(198,523,490,098)
Foreign exchange difference	145,605,039,987	161,117,544,200	306,722,584,187
As at 30 June 2022	<u>12,968,242,984,052</u>	<u>1,187,135,036,212</u>	<u>14,155,378,020,264</u>
Short-term	1,314,535,033,134	-	1,314,535,033,134
Long-term	<u>11,653,707,950,918</u>	<u>1,187,135,036,212</u>	<u>12,840,842,987,130</u>
	<u>12,968,242,984,052</u>	<u>1,187,135,036,212</u>	<u>14,155,378,020,264</u>

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23. BONUS AND WELFARE FUNDS

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

24. DEFERRED INCOME TAX

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

	30.6.2022 VND	31.12.2021 VND
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	2,738,756,280,040	2,468,231,211,996
Deferred tax assets to be recovered within 12 months	262,907,006,627	338,402,175,062
	<u>3,001,663,286,667</u>	<u>2,806,633,387,058</u>
	30.6.2022 VND	31.12.2021 VND
Deferred tax liabilities:		
Deferred tax liabilities to be recovered after more than 12 months	3,177,497,064,180	2,596,174,103,538
Deferred tax liabilities to be recovered within 12 months	80,119,730,738	364,976,354,963
	<u>3,257,616,794,918</u>	<u>2,961,150,458,501</u>
Net-off	<u>(3,001,663,286,667)</u>	<u>(2,806,633,387,058)</u>
Net deferred income tax liabilities	<u>255,953,508,251</u>	<u>154,517,071,443</u>

VietJet Aviation Joint Stock Company
Notes to the separate financial statements for the period ended 30 June 2022 (continued)

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24. DEFERRED INCOME TAX (continued)

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

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Beginning of period/year	154,517,071,443	67,824,775,143
Income statement charge/(credit)	101,436,436,808	86,692,296,300
End of period/year	<u>255,953,508,251</u>	<u>154,517,071,443</u>

The Company uses tax rate of 20% to determine deferred income tax assets and deferred income tax liabilities.

Deferred income tax assets and deferred income tax liabilities mainly include temporary differences related to deductible temporary differences, taxable temporary differences and tax losses carried forward.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The Company's tax losses can be carried forward to offset against future taxable profits for a maximum period of no more than five consecutive years from the year right after the year in which the loss was incurred. The actual amount of tax losses that can be carried forward is subject to review and approval of the tax authorities and may be different from the figures presented in the separate interim financial statements. The estimated amount of tax losses available for offset against the Company's future taxable income is:

Year of tax loss	Status of tax authorities' review	Loss incurred VND	Loss utilised VND	Loss carried forward VND
2020	Outstanding	<u>2,414,670,803,135</u>	<u>(1,315,009,805,877)</u>	<u>1,099,660,997,258</u>

VietJet Aviation Joint Stock Company**Notes to the separate financial statements for the period ended 30 June 2022 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***25. OWNERS' CAPITAL****(a) Number of shares**

	As at 30.6.2022		As at 31.12.2021	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	541,611,334	-	541,611,334	-
Number of shares issued	541,611,334	-	541,611,334	-
Number of shares repurchased	-	-	(17,772,740)	-
Number of existing shares in circulation	541,611,334	-	523,838,594	-

(b) Movement of share capital

	Number of shares	Ordinary shares VND
As at 1 January 2021	523,838,594	5,238,385,940,000
Sale of treasury shares	17,772,740	177,727,400,000
As at 31 December 2021	541,611,334	5,416,113,340,000
As at 30 June 2022	541,611,334	5,416,113,340,000

Par value per share: VND10,000.

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

VietJet Aviation Joint Stock Company
Notes to the separate financial statements for the period ended 30 June 2022 (continued)

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26. MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Treasury shares VND	Post-tax undistributed earnings VND	Total VND
As at 1 January 2021	5,416,113,340,000	245,949,492,805	(2,347,121,362,620)	1,711,598,805,863	5,026,540,276,048
Loss for the year	-	-	-	(7,238,162,750)	(7,238,162,750)
Appropriation to Bonus and welfare fund	-	-	-	(380,676,119,348)	(380,676,119,348)
Sale of treasury shares	-	1,533,625,094	2,347,121,362,620	-	2,348,654,987,714
As at 1 January 2022	5,416,113,340,000	247,483,117,899	-	1,323,684,523,765	6,987,280,981,664
Profit for the period	-	-	-	76,425,763,923	76,425,763,923
As at 30 June 2022	5,416,113,340,000	247,483,117,899	-	1,400,110,287,688	7,063,706,745,587

VietJet Aviation Joint Stock Company**Notes to the separate financial statements for the period ended 30 June 2022 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***27. DIVIDEND PAYABLE**

	30.6.2022	31.12.2021
	VND	VND
Beginning of period/year	57,789,721,550	57,789,721,550

28. OFF BALANCE SHEET ITEMS

	30.6.2022	31.12.2021
USD	8,089,173	6,489,725
SGD	1,131,132	1,054,978
MYR	1,135,970	1,135,970
KRW	8,162,089,887	183,813,624
JPY	325,385,646	24,653,243
EUR	44,425	44,425
TWD	279,800	279,800
HKD	54,350	54,350
GBP	1,955	2,250
IDR	10,225,000	10,225,000
THB	87,550	94,420
CNY	394,329	18,478
INR	154,640	135,370
MMK	2,864,650	2,864,650

VietJet Aviation Joint Stock Company**Notes to the separate financial statements for the period ended 30 June 2022 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
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	Quarter II.2022 VND	Quarter II.2021 VND
Revenue from passenger transportation	5,619,866,188,641	648,169,649,152
Revenue from ancillary	2,591,349,451,964	719,168,294,852
Revenue form arrangement, transfer of ownership and commercialization of aircraft and engines	2,095,560,000,000	-
Revenue from aircraft lease	347,273,643,506	318,823,684,842
Revenue from transportation services	199,598,291,568	329,374,564,956
Revenue from charter	7,587,729,631	138,666,439,100
Revenue from others	493,889,485,333	22,830,507,105
	<u>11,355,124,790,643</u>	<u>2,177,033,140,007</u>

30. COST OF SALES

	Quarter II.2022 VND	Quarter II.2021 VND
Costs of flight operation expenses	9,597,952,620,318	3,529,135,008,267
Costs for arrangement, transfer of ownership and commercialization of aircraft and engines	231,560,000,000	-
Depreciation and amortisation	101,751,711,980	16,347,530,847
Others	429,180,481,977	1,714,085,975
	<u>10,360,444,814,275</u>	<u>3,547,196,625,089</u>

VietJet Aviation Joint Stock Company**Notes to the separate financial statements for the period ended 30 June 2022 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
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	Quarter II.2022 VND	Quarter II.2021 VND
Interest income	50,558,898,109	120,004,786,246
Realised foreign exchange gains	63,003,070,779	21,288,736,803
Others	118,687,766,062	1,602,967,153,258
	<hr/>	<hr/>
	232,249,734,950	1,744,260,676,307
	<hr/> <hr/>	<hr/> <hr/>

32. FINANCIAL EXPENSES

	Quarter II.2022 VND	Quarter II.2021 VND
Interest expense	343,327,992,559	144,683,791,443
Realised foreign exchange losses	100,510,822,512	-
Allowance for diminution in the value of trading securities	260,000,000,000	(45,000,000,000)
Unrealised foreign exchange losses	102,534,250,602	37,333,953,264
Others	(19,700,101,605)	10,109,717,658
	<hr/>	<hr/>
	786,672,964,068	147,127,462,365
	<hr/> <hr/>	<hr/> <hr/>

VietJet Aviation Joint Stock Company

Notes to the separate financial statements for the period ended 30 June 2022 (continued)

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	Quarter II.2022 VND	Quarter II.2021 VND
Sales expenses	23,198,574,630	37,477,790,375
Advertising and marketing expenses	110,470,794,558	184,950,415,140
Staff costs	49,419,216,798	14,414,255,921
Depreciation and amortisation	40,786,896	63,883,903
Others	56,735,074,968	2,864,311,027
	<u>239,864,447,850</u>	<u>239,770,656,366</u>

34. GENERAL AND ADMINISTRATION EXPENSES

	Quarter II.2022 VND	Quarter II.2021 VND
Staff costs	28,066,338,773	27,744,194,272
Rental expenses	4,152,492,664	11,750,035,544
Depreciation and amortisation	172,747,594	1,111,547,708
Others	42,516,528,463	46,694,309,179
	<u>74,908,107,494</u>	<u>87,300,086,703</u>

35. BUSINESS INCOME TAX

The corporate income tax rate ("Income tax") applicable to a company is 20 percent of the taxable profit, (In 2021: 20%). Current income tax is to be paid based on current taxable income. Taxable income differs from income reported in separate business performance reports because taxable income does not include taxable income items or expenses deducted for tax purposes for years and does not include non-taxable or non-deductible items for tax purposes.

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36. COMPENSATION FOR KEY MANAGEMENT

	Quarter II.2022 VND
Board of Directors	2,021,553,790
Average monthly salary per person	134,770,253
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Board of Management	4,943,815,174
Average monthly salary per person	149,812,581
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37. COMPARATIVE

The data compared on 01 January 2022, comes from the data presented in the company's own financial statements at the date and for the year ending 31 December 2021.

30 July 2022

Prepared by:



Pham Ngoc Thoa
Chief Accountant



Ho Ngoc Yen Phuong
*Vice President
cum Chief Financial Officer*



Approved by:



Dinh Viet Phuong
*Permanent Vice President
cum Managing Director*

