

vietjet Air.com

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



Agenda



BUSINESS OVERVIEW



KEY OPERATING PERFORMANCES



BEST-IN-CLASS COST STRUCTURE



TYPICAL ACTIVITIES & AWARDS

BUSINESS OVERVIEW

- Carried **5.81m passengers** in Q1.2019, increase **14.1%** vs. Q1.2018.
- Performed **33,646** flights in Q1.2019, increase **14.6%** vs. Q1.2018.
- Operated **111** regular **routes** in Q1.2019 including **39** Domestic routes and **72** International routes, compared with 38 Domestic routes and 52 International routes in Q1.2018, increase **38.5%** in international route.
- **Consolidated Revenues** Q1.2019 achieve **VND 13,637 bn.**, in which: **Airline Revenues** Q1.2019 contribute **10,071 bil VND**, increased nearly **28%** vs. Q1.2018.
- **Load Factor** is nearly **84.18%** in Q1.2019.
- Achieve the high technical reliability of **99.57%** among top Airlines in Asia Pacific region.
- **FX rate** as at 31/03/2019 is 23,318 VND/USD, compared with 23,070 VND/USD in 31/12/2018.
- **Avg. Price of Fuel Jet A1** (MOPS) Q1.2019 is **76.5 USD/barrel**, decreased 9.8% vs end of 2018.



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

Agenda



OVERVIEW OF VIETJET AIR



KEY OPERATING PERFORMANCES



BEST-IN-CLASS COST STRUCTURE

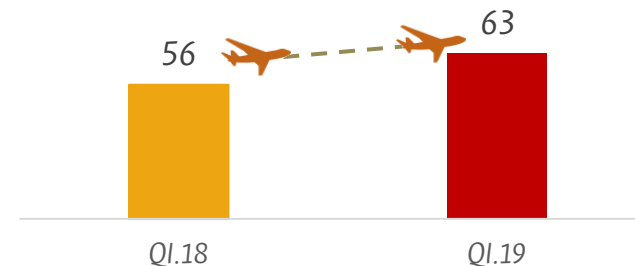


TYPICAL ACTIVITIES & AWARDS

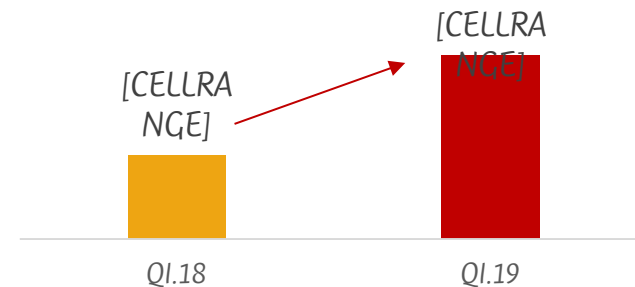
Operating statics in Quarter I/2019

- **Modern and young fleet** comprising **22** Airbus A320 and **41** A321, adding up the total of 63 Aircraft as of 31 March 19, expanding 23.5% vs. Q1.2018.
- **Pax Carried: 5.81m. passengers** in Q1.2019, increased 14.1% vs. Q1.2018.
- **Vietjet** operated a total of **33,646 flights** Q1.2019, increased 14.6% vs. Q1.2018. (29,363 flights).
- **Load Factor** is at high with nearly **84.18%** in Q1.2019

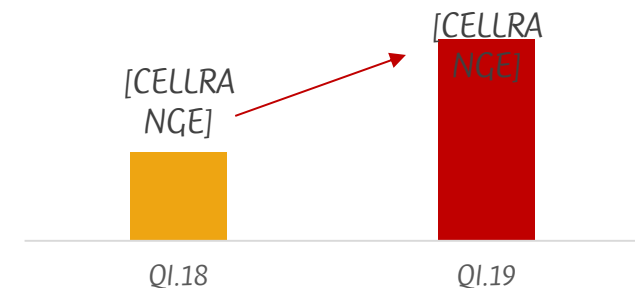
Number of Aircraft EOP



Total passengers flown of VJC (m pax.)



Total sector flown ('000)



Excellent Financial Performance – Quarter I/19

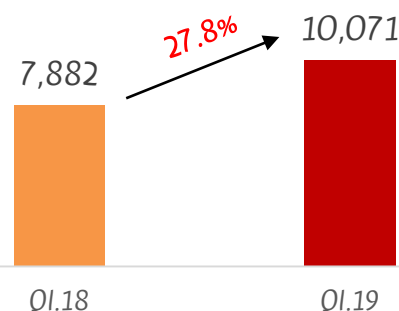
Vietjet consistently focus on core operation Airline and achieve the optimistic result in Q1.2019:

- **Airline Revenues** ⁽¹⁾ achieved **VND 10,071 bn.**, increase 27.8% vs. Q1.2018.
- **Airline Profit before Tax** ⁽²⁾ achieved **VND 923 bn.**, increase 25.3% vs. Q1.2018.

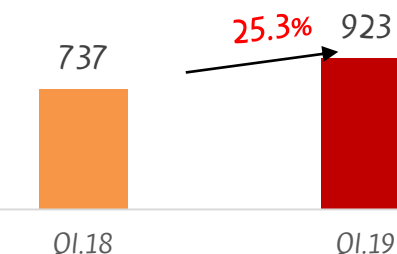
Consolidated Revenues and Profit before tax in Q1.2019:

- **Consolidated Revenues** reached VND **13,636 bn.**, increase 8.6% vs. Q1.2018.
- **Consolidated Profit before tax** achieved **VND 1,648 bn.**, increase 11.3% vs. Q1.2018.

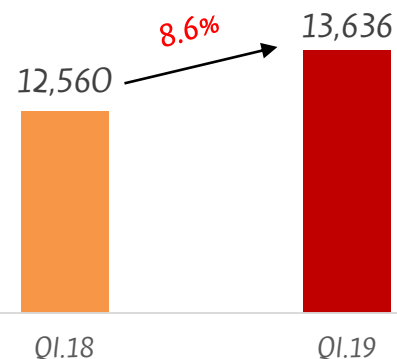
Airline Revenues



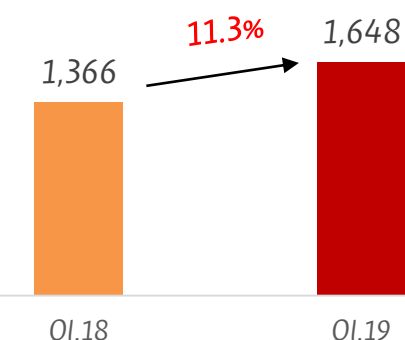
Airline Profit before Tax



Consolidated Revenues



Conso Profit before Tax

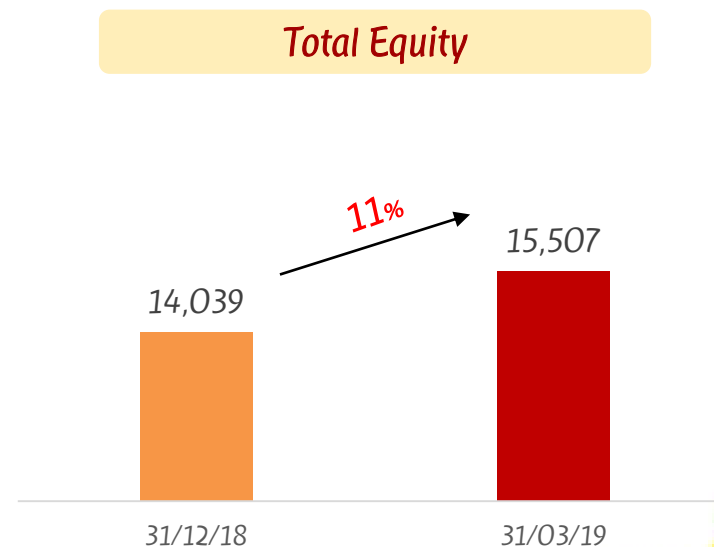
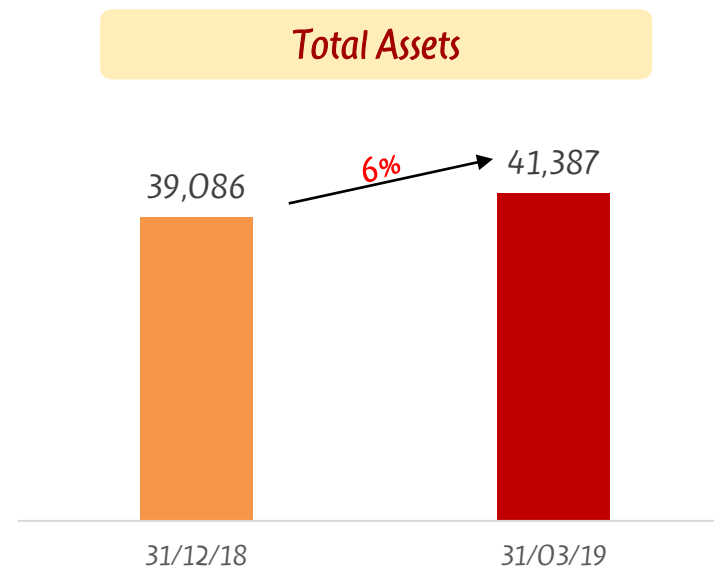


Unit: Billion VND

Financial Performance – (cont.)

- **Total assets** as of 31.03.2019 achieve **VND 41,387 bn.** in which **Long term Asset** achieve **VND 22,385 bn.** increase 12% vs as of end of 2018 accordingly due to increase in MR reserve, PDP payment, spare parts.
- **Current ratio** achieves 1.2x and Cash equivalent in Q1.2019 achieve VND **5,098 bn.** accounting **26.8% current assets**
- **Total Equity** as of 31.03.2019 achieve VND **15,507 bn.**, increase 11% vs. Total Equity as of 31.12.2018 due to strong Earnings in the end of 2018.
- **Borrowing Debt/Equity ratio** is excellent as **0.45x** due to increase in short-term loan for PDP Payment.

Unit: Billion VND



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OVERVIEW OF VIETJET AIR



KEY OPERATING PERFORMANCES



BEST-IN-CLASS COST STRUCTURE



TYPICAL ACTIVITIES & AWARDS

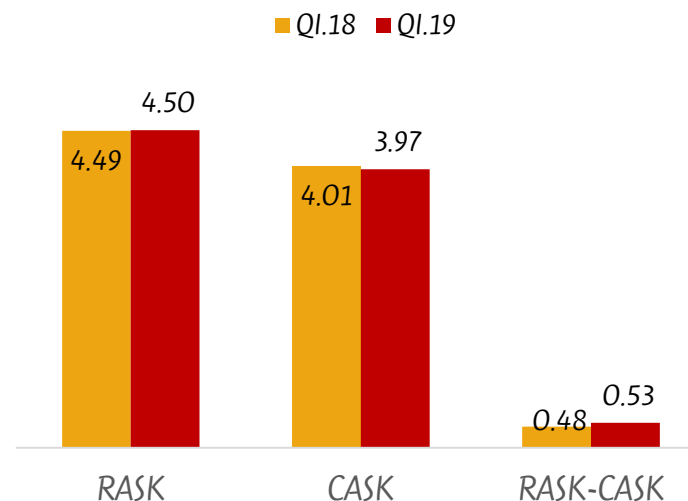
Amongst the lowest unit costs in the world

Best-in-class cost structure with strong operational performance



CASK & RASK - CASK

(USD cents / ASK)



A Advantages from major contracts

- ✓ The scale of VietJet's contracts with major aircraft and engine manufacturers such as Airbus, Boeing, CFM and P&W result in greater bargaining power and more advantageous contracts
- ✓ Advantages from large scale contracts include favorable deposit payments and payment terms and the advantageous contracts give VietJet a structural cost advantage by reducing the overall costs associated with the acquisition, maintenance and operation of its aircraft – for instance, VietJet benefits from training, technical and financial support and commitment from both Airbus and Boeing
- ✓ Large aircraft orders will result in lower cost of aircraft ownership and maintenance from 2015, and lower fuel costs as new, more fuel efficient aircraft enter fleet

B Key cost-reduction measures

- ✓ VietJet plans to operate ground handling services to reduce outsourcing and therefore ground handling costs
- ✓ VietJet is in the process of upgrading its in-house maintenance team which is expected to reduce costs for the company
- ✓ Implement fuel savings programme by cooperating with CFM and P&W

Products & Services – Marketing campaign

- ✈ Reasonable and economical price with varied ticket types for choosing. Added services were offered, such as check-in priority, boarding priority, hot meals, pre-ordered beverages, and much more, were made available.
- ✈ “12pm, It’s time to Vietjet” promotion campaign offered millions of tickets from VND0 to bring flying opportunities for domestic and foreign passengers
- ✈ Travel insurance products to minimize travel risks were adjusted and sold to passengers via www.vietjetair.com
- ✈ Our Sky shop continued to improve its services. Apart from hot meals and typical Vietjet souvenirs, many seasonal products were purchased onboard by passengers, for example, summertime products, wintertime products, Tet holiday products, and more.
- ✈ Duty-free products proved popular on Vietjet’s international flights; a wide-range of cosmetics, perfumes, alcohols, cigarettes, and more, were sold at reasonable prices

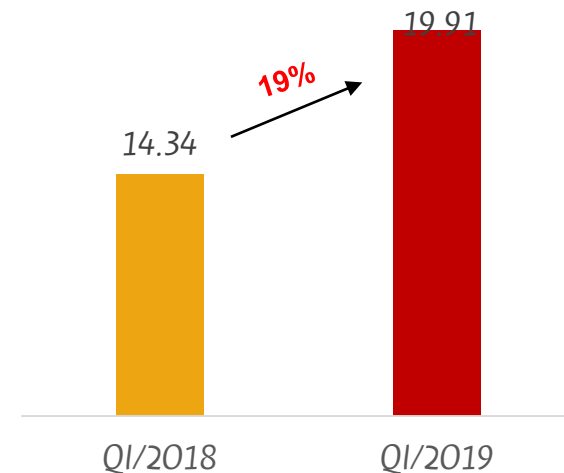


Ancillary revenue - massive growth

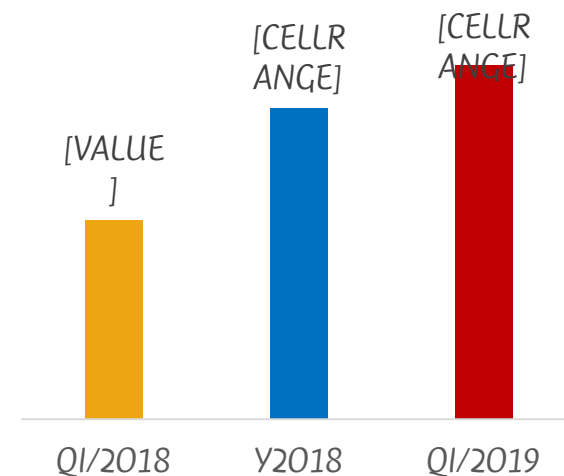
- Q1/2019 Ancillary Revenue achieve VND 2.647bn., increase 45.1% YOY. On the same page, Revenue per pax is achieved **19.91 USD**, increased 41% vs Q1/2018
- The % of ancillary revenue (having high profit margin) in air transport revenue continued to increase:
 - from 23.1% in Q1/2018 to **25.4%** at the end of 2018
 - from 25.4% at the end of 2018 to **26.3%** in Q1/2019



Ancillary revenue per pax USD/pax



Ancillary revenue of Total Operation Revenue



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



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OVERVIEW OF VIETJET AIR



KEY OPERATING PERFORMANCES



BEST-IN-CLASS COST STRUCTURE



TYPICAL ACTIVITIES & AWARDS

Events

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



Events

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



Events

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



Events

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



Awards

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



Definitions And Abbreviations

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

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