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# Q1.2024 BUSINESS UPDATE AND RESULTS



*fly green*

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## KEY HIGHLIGHTS

- Vietnam has become the focus of geopolitical factors, becoming an investment and economic center and the world's destination with visits by heads of major countries including the United State, China, United Kingdom, Germany, Australia, India, Indonesia...
- Vietjet has gradually transformed Ho Chi Minh city and Hanoi to become international hubs alongside Singapore, Taipei (Taiwan), Incheon (Seoul, South Korea)...
- Carried **6.3m** passengers in Q1.2024, an increase of **16%** compared with Q1.2023. (including more than 2.7 million international and charter passengers, an increase of 61% over the same period in 2023)
- Vietjet operate **140** routes in Q1.2024 including **37** Domestic routes and **103** International routes, compared with 125 Domestic and International routes in 2023.
- Total Operating Revenue in Q1.2024 is **USD 723 million**, increased 38% compared with Q1.2023.
- Profit before Tax in Q1.2024 reached **USD 27.5 million**, 178% higher than that in Q1.2023 with USD 9.9 million.
- Load Factor is maintained at a high figure with **87%** in Q1.2024



## KEY HIGHLIGHTS

- Achieved the highest technical reliability of **99.6%** among top Airlines in Asia Pacific region.
- In Q1.2024, Vietjet got delivery and started operating **2 additional A320 and A321 neo** aircrafts among **89** of total fleet.
- Vietjet is the few LCC in the world that successfully operates wide-body aircraft on routes connecting continents, connecting all destinations in Vietnam with Australia, India, Indonesia, Kazakhstan, etc.



- Vietjet continues to serve as a consequential facilitator of inter-regional connectivity, actively contributing to economic resurgence and sustained development across diverse localities
- Vietjet has developed many package aviation products and services with a variety of ticket classes, attractive fares, bringing exceptional experiences to customers such as SkyJoy loyalty program, "Fly now – pay later" program,....

# MACRO STORY

## BEST POSITIONED TO BENEFIT FROM ATTRACTIVE MACRO STORY AND STRONG GOVERNMENT INCENTIVES FOR VIETNAM'S AVIATION SECTOR

### Large LCC market with ample growth opportunities

Large population, nearly 100 million, young population aged 20-34 accounts for 26%

High growth in personal disposable income

The aviation market in 2023 increases by 34.5% YoY, expected to reach 80.5 million passengers in 2024

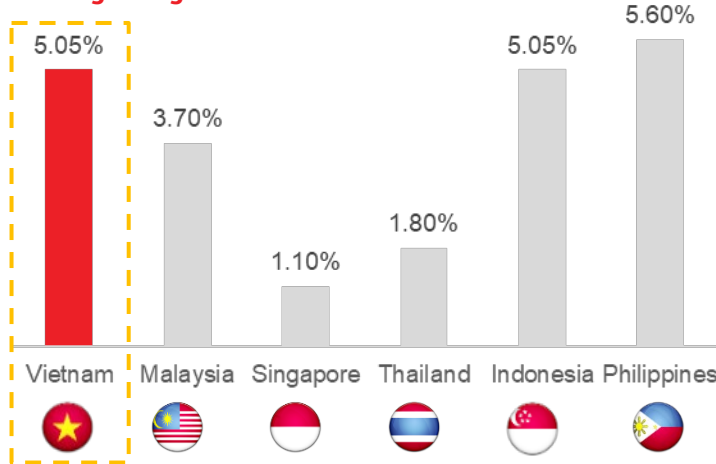
International passenger transportation is expected to reach 41.8 mil passengers in 2024 (up 30.6% YoY)

Lacking effective road & rail connectivity

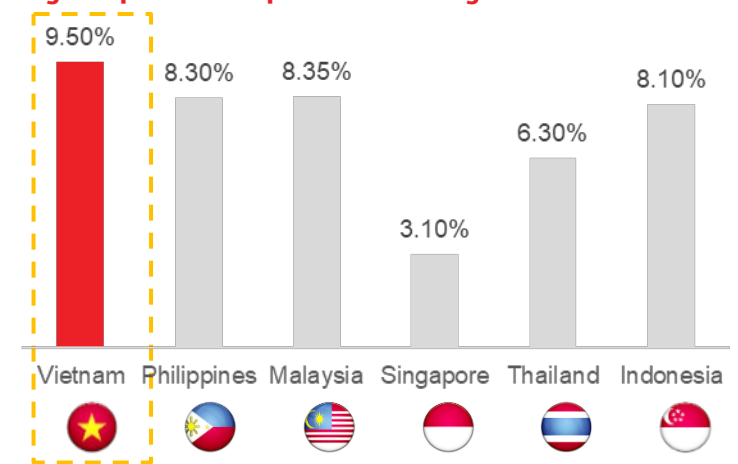
Low air transportation penetration

Emergence of LCC as an affordable option

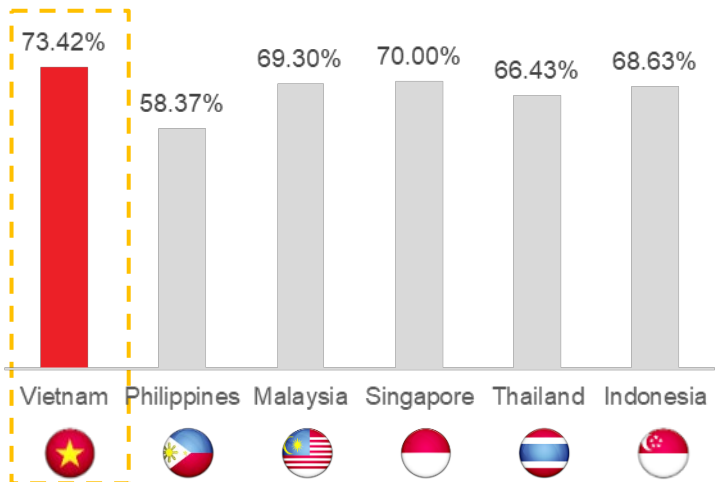
Leading GDP growth rate across ASEAN



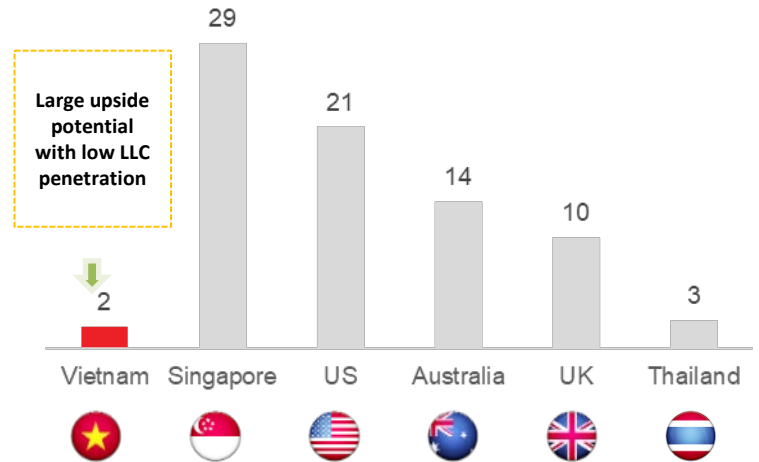
Highest personal disposable income growth across ASEAN



Largest workforce proportion across ASEAN



Lowest air transportation penetration (# of aircraft per mn people)



Solid economic growth trend and favorable demographic structure provide strong tailwinds for Vietnam's LCC market to soar

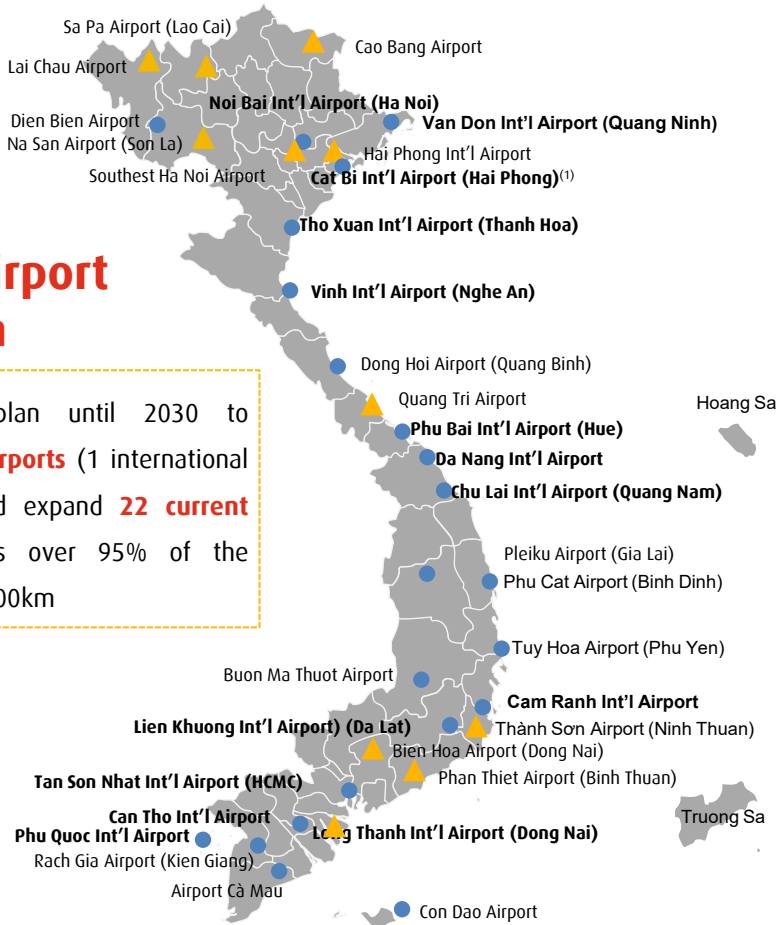
# MACRO STORY

## BEST POSITIONED TO BENEFIT FROM ATTRACTIVE MACRO STORY AND STRONG GOVERNMENT INCENTIVES FOR VIETNAM'S AVIATION SECTOR

Huge potential development opportunities for airport infrastructure

### Vietnam Airport Masterplan

Ambitious masterplan until 2030 to construct **8 new airports** (1 international + 7 domestic) and expand **22 current airports** to access over 95% of the population within 100km



● Existing Airport  
▲ New Airport

<sup>(1)</sup> To become the Domestic Airport once Hai Phong Int'l Airport is constructed

### Changes in regulations to support the airline industry

Reduction in fuel supply monopoly

- Petrolimex Aviation was permitted to supply jet fuel in 08/2009, ending monopoly by Skyyec – a VNA-owned company

Decree No.92 on transferring of shares in airlines to foreigners

- Only CAAV / MOT approval required for the first-time share transfer to foreign shareholders, opening door for foreign investment in aviation
- Foreign ownership limit (FOL) is at 30% and the largest shareholders shall be Vietnamese

### Key projects

Noi Bai ("HAN")

- 2nd largest airport in Vietnam and a gateway to the North
- T1's capacity upgraded from 9mn to 15mn by 2018
- T2's annual pax capacity of 10mn, 60% utilization rate
- T3 when complete will create an annual pax capacity of 30mn

Da Nang ("DAD")

- Serve Da Nang area and nearby provinces with 2 runways and 1 international terminal, ~ 85% utilization rate
- A 2<sup>nd</sup> terminal is expected to open in 2020, increase the annual pax capacity up to 15mn

Tan Son Nhat ("SGN")

- Largest airport in Vietnam and the main international gateway to Vietnam, running at 110.2% utilization
- To be expanded with a total investment of c.USD 283mn, increasing annual pax capacity from 20mn to 25mn by 2020 and 40mn by 2025. Terminal 3 is plan for executing

Long Thanh

- New international airport (4F standard by ICAO) for HCMC, operational by 2025 with the expected annual pax capacity of 100mn when complete

### The concentrated domestic airline market fuels VJC's growth

Potential new entrants

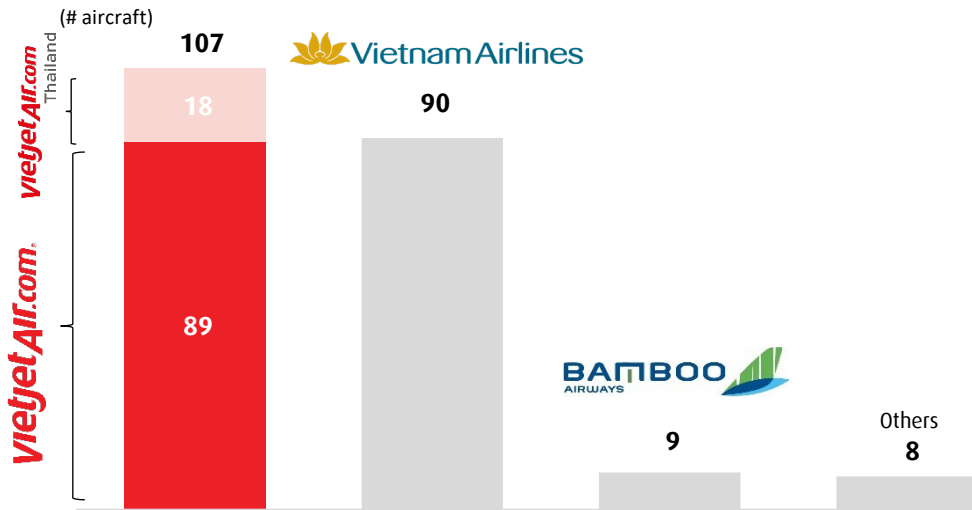
- No foreign airline is permitted to operate domestic routes, which allows local airlines like VJC to enjoy the growth of local market

Remarkable government support with USD18 billion by 2030 for airport infrastructure development plan across Vietnam. The Government has promoted drastic airport infrastructure investment with key projects including Long Thanh International Airport, Terminal T3 of Tan Son Nhat International Airport, ... have created a strong driving force for Vietnam's aviation industry

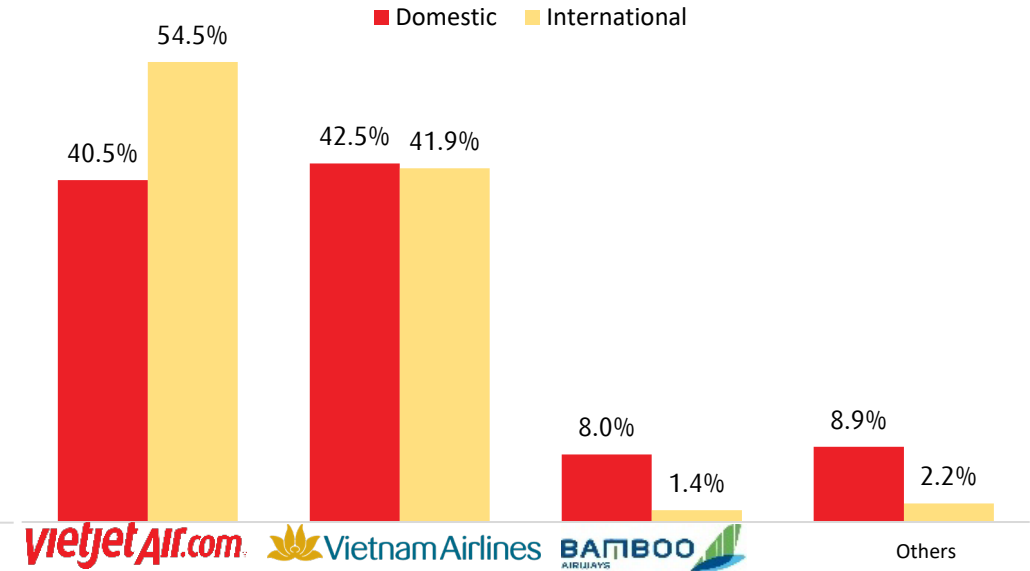
# OPERATING STATISTICS

A LEADING LCC WITH A STRONG OPERATIONAL CAPABILITY

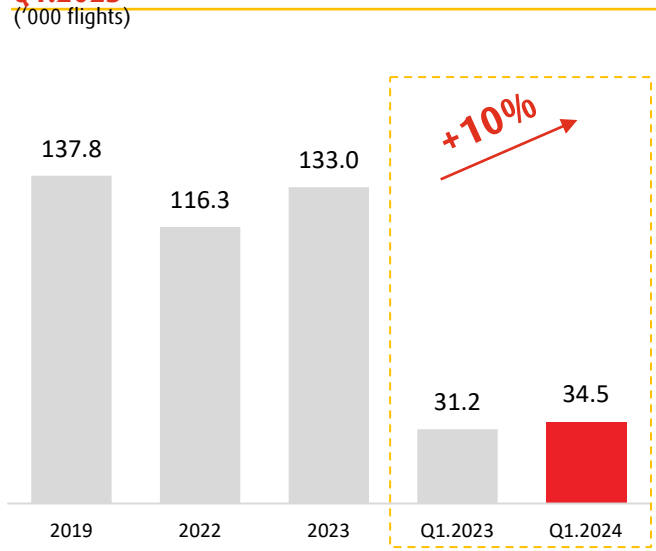
Largest fleet in Vietnam



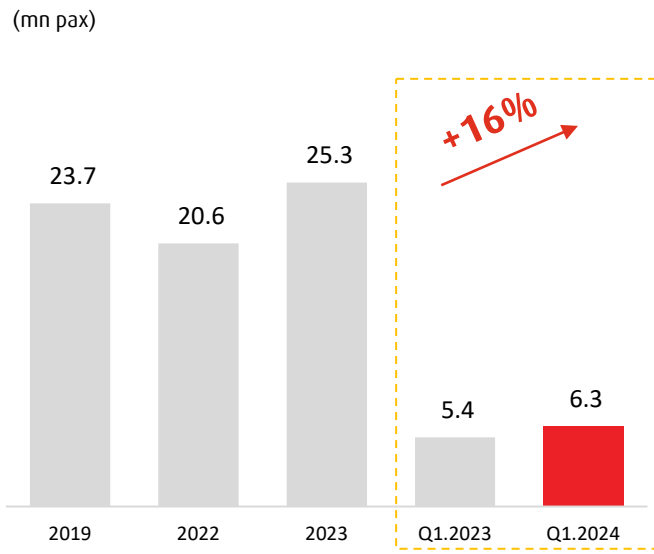
#1 LCC with 40.5% domestic and 54.5% international market share



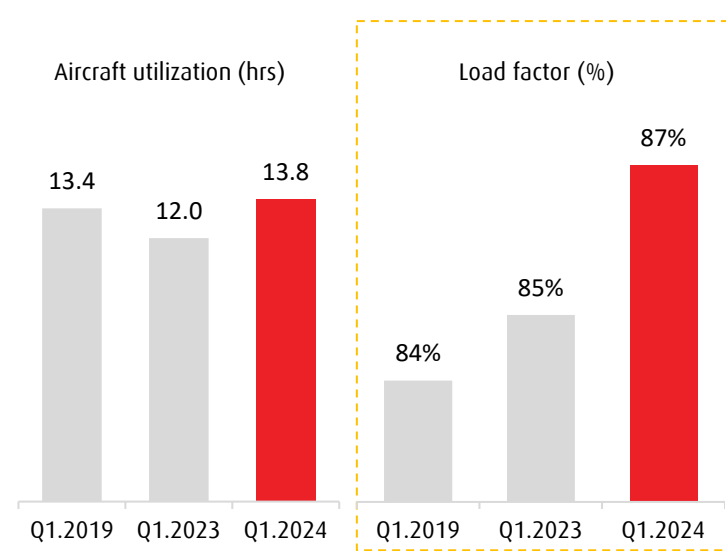
# of flights up by 10% y-o-y in Q1.2024 vs Q1.2023



# of pax up by 16% in Q1.2024 vs Q1.2023



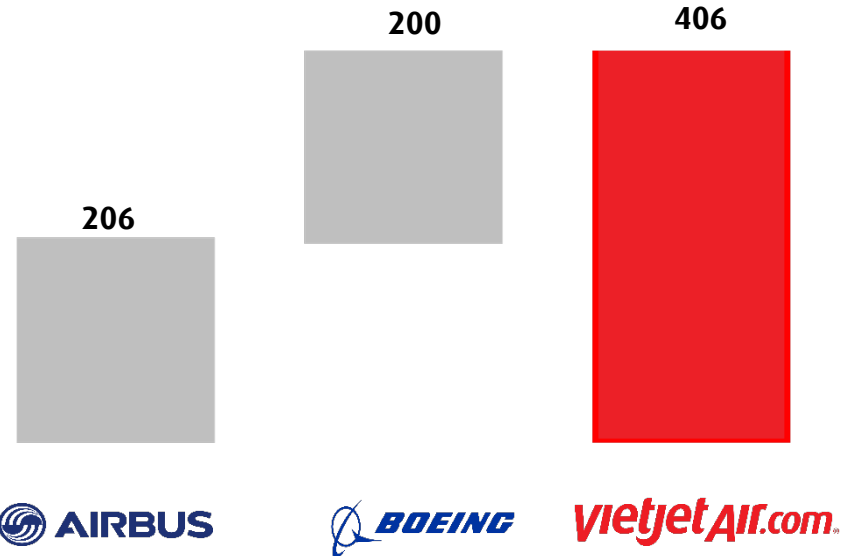
Aircraft utilization & load factor







# FLEET EXPANSION

- Vietjet's aircraft fleet by 31st March 2024 stood at **89 aircraft** including 21 Airbus A320s and 36 A321CEO, 25 A321NEO and 7 A330 with the **average age of 5.5 years**.
- The fleet of aircraft has seat configuration from 180 to 365-377 seats and the designs are in tune with the low-cost carrier business model.
- Vietjet made a large order of total **406 aircraft**, 186 A320/321 aircraft and 20 A330 aircraft with Airbus and 200 737MAX aircraft with Boeing.

## Vietjet large orderbooks from Airbus and Boeing



## Vietjet's fleet

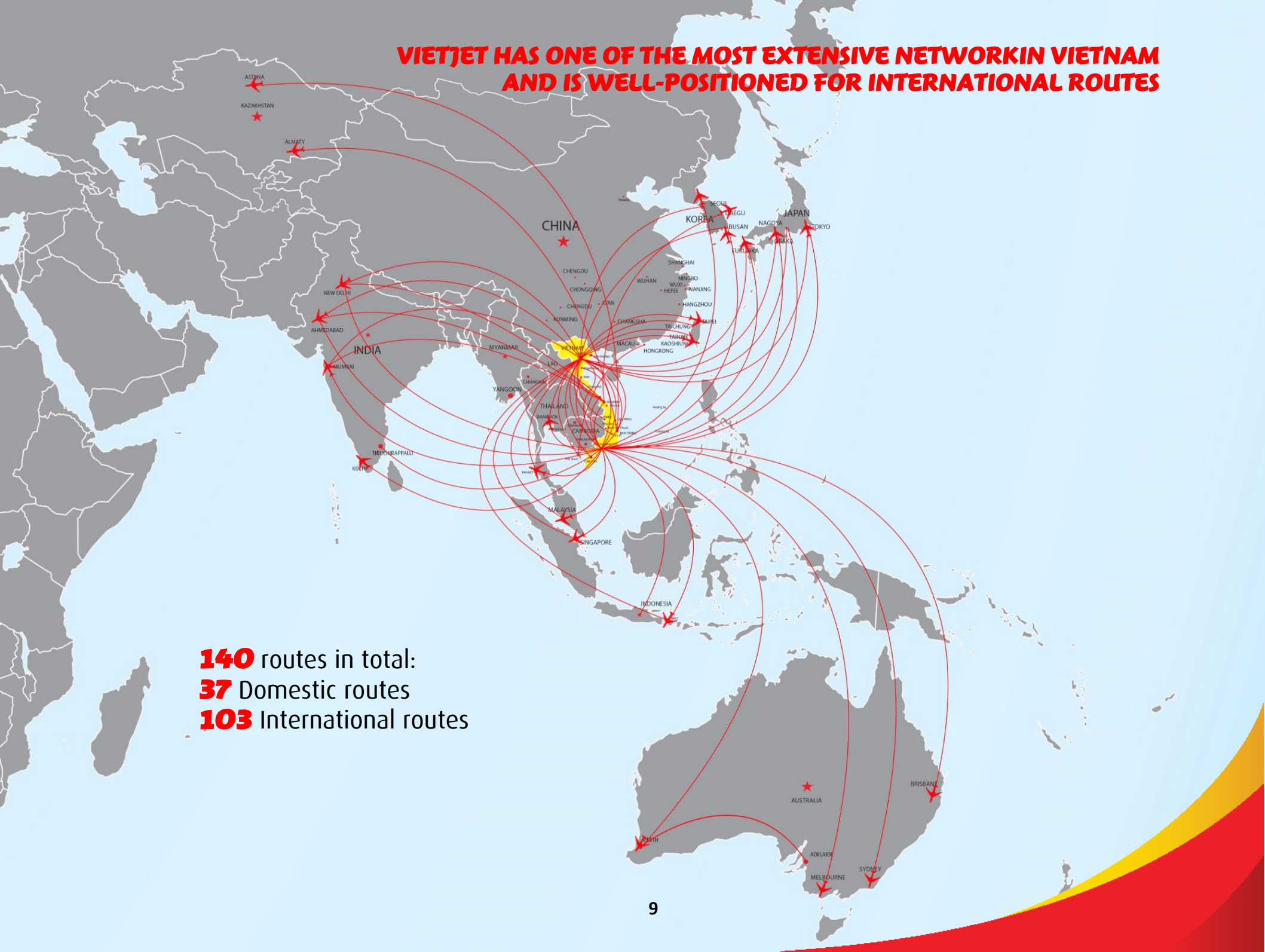
	Model	# a/c	Seat Configuration	Avg. age
	A330	7	365 - 377	n.a
	A321NEO	25	230 - 240	4.8
	A321CEO	36	230	4.8
	A320	21	180	9.8





Vietjet continuously opens new routes from Hanoi to Melbourne, Sydney (Australia), Hiroshima (Japan); Ho Chi Minh City to Shanghai, Chengdu, Xi'an (China); etc. Vietjet is taking Ho Chi Minh City and Hanoi have become international aviation hubs alongside Singapore, Taipei (Taiwan, China), Incheon (Seoul, Korea), etc.

**VIETJET HAS ONE OF THE MOST EXTENSIVE NETWORK IN VIETNAM AND IS WELL-POSITIONED FOR INTERNATIONAL ROUTES**



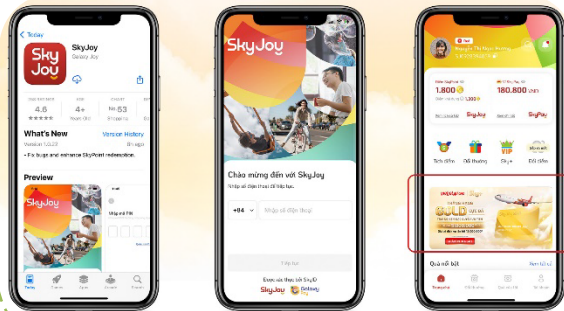
**140** routes in total:  
**37** Domestic routes  
**103** International routes

# PRODUCTS - SERVICES

LEVERAGING COMPLETE DIGITAL PLATFORMS TO PROVIDE FULL SUITE OF AIR SERVICES AND DELIVER EXCEPTION EXPERIENCE FOR VIETJET'S PASSENGERS

SKYJOY  
All-in-one loyalty  
platform

>11 million members



Diversified fare classes



Fly now, Pay later



Insurance



HDBank-Vietjet Travel Credit Card



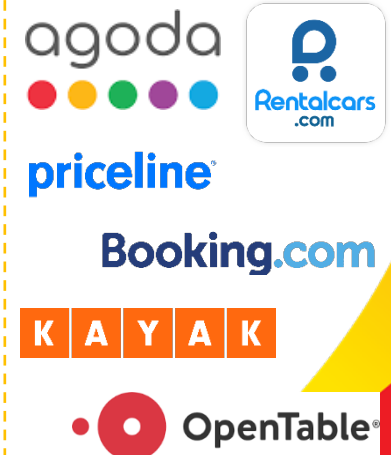
Convenient prebooking services to enhance customer satisfaction  
(Meal, Luggage and Seat selection)



SkyShop Store to provide a wide range of  
souvenirs & duty-free products



Partnership with Online  
Travel Agencies



# **COST, COST & COST! A STRONG FOCUS ON COST**



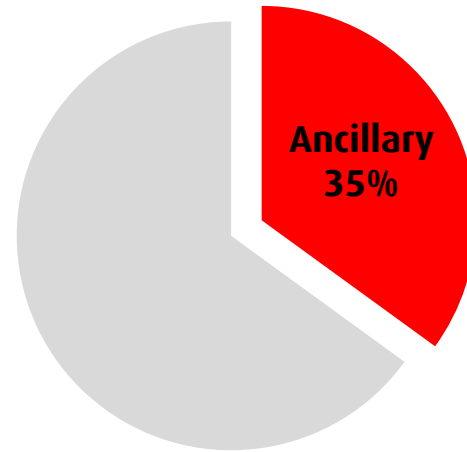
# SOLID GROWTH IN ANCILLARY

- Ancillary and cargo transportation revenue in passenger transportation activities reached **226 million USD**, with an increase of **28%** and contributed **35%** of total passenger transportation revenue.

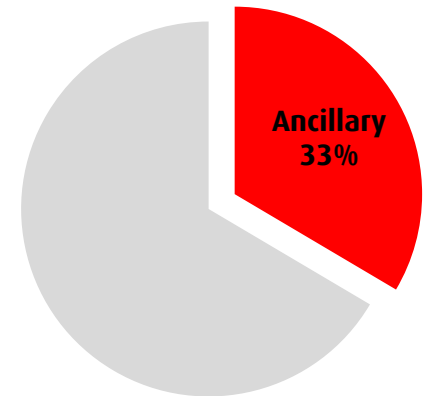


## Ancillary revenue % of Total Operation Revenue

Q1.2024

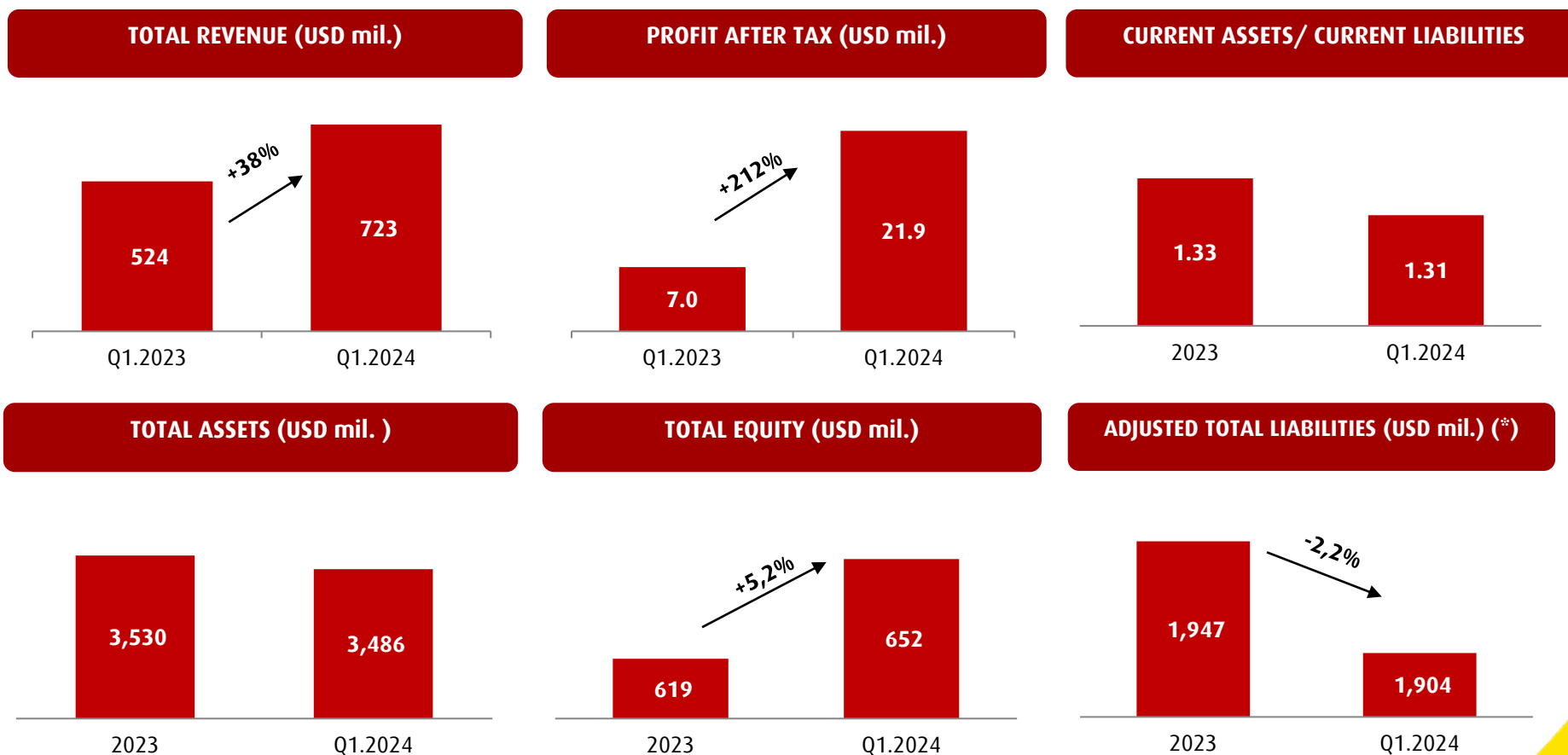


Q1.2023



# EXCELLENT FINANCIAL PERFORMANCE

- **Revenue up +38%** from Q1.2023 based on increase in passenger carried (+60%) and growth in ancillary revenue (+28%)
- **Profit After Tax increased by +212%** from USD 7.0 mil. in Q1.2023 to USD 21.9 mil. in Q1.2024
- **Total assets** as of 31<sup>st</sup> March 2024 is USD 3,486 million
- **Total Equity increased by +5,2%** from USD 619 mil. in 2023 to USD 652 mil. in Q1.2024
- **Adjusted total liabilities decreased by -2.2%** from USD 1,947 mil. in 2023 to USD 1,904 mil. in Q1.2024



(\*) Adjusted Total Liabilities = Total Liabilities – ST & LT Provision – Accrued Expense – Unearned Revenue

# SUSTAINABLE DEVELOPMENT

## COMMITMENT TO ESG TARGETS AND NET ZERO BY 2050



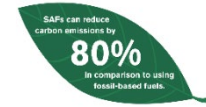
### Modern and young fleet

Owning one of the youngest and modern fleet **89 aircraft** with average age of **5.5 years**, operating with economical and flexible costs



### Issuance of Environmental Protection Policy and Commitment

Developing Management Procedures for all environmental aspects and building database for management statistics, and promotion of green solutions



### Stringent management of CO2 emissions

Managing CO2 emissions to through Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) as required by ICAO and Planning towards future use of sustainable aviation fuel (SAF)



### Utilizing environmental-friendly materials

Fully reducing the nylon bag usage, applying single-used materials, offering diverse organic menu and utilizing cutlery made by bamboo.



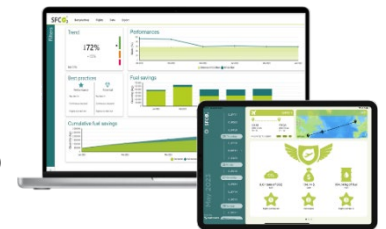
### Strictly implementation of waste management procedure

Establishing norms of clean water carried by aircraft and completely eliminating paper documents (estimated reduction of 100kg per flight)



### Application of comprehensive fuel cost management solution SFCO2

Using Safran SFCO2 System for measurements and statistics on the fuel consumption which supports Vietjet to improve operational efficiency by reducing fuel consumption up to 20% as well as CO2 emissions level



Following ESG strategies, Vietjet has launched the Fly Green Fund, sponsoring environmental protection programs focused on preserving natural resources and sustainable development

# SUSTAINABLE DEVELOPMENT

## COMMITMENT TO ESG TARGETS AND NET ZERO BY 2050

**VietJet adopts a comprehensive fuel cost management program includes:**

- Vietjet and Safran Group signed a contract to provide solutions to optimize aircraft fuel consumption (SFCO2). The program's solutions including optimizing engine power, providing accurate information on passengers' weights on board and the amount of backup fuel,...
- The SFCO2 program reduces fuel consumption and CO2 emissions by up to 20%, while improving the efficiency of flight operations according to international standards.
- Vietjet has also coordinated with engine manufacturers to implement multiple programs to support technical management and fuel saving,...

### Stringent safety and security standards

#### IATA Operational Safety Audit Cert.

- Vietjet is an official member of IATA, achieves IOSA (IATA Operational Safety Audit) certification
- Vietjet is the pioneer in applying flight safety quality management programs such as SMS (Safety Management System), Coruson data management software
- Carry out emergency drills to proactively improve safety and proactively respond to emergency situations.
- Vietjet honored in Top 10 safest low-cost airlines in the world in 2023



#### Well-trained and highly professional crew

- Training programs are approved by the CAAV and carried out by Vietjet Training Center
- VJAA Academy is IATA's training partner, creating a solid foundation for Vietjet's sustainable development goals.
- In 2023, VJAA Academy has trained nearly 100 thousand trainees with more than 6,000 training courses meeting international aviation standards.



#### Aircraft safety features

- The aircraft is equipped with Instrument landing system ("ILS"), Global positioning system ("GPS") and Traffic alert and collision avoidance system ("TCAS").
- In addition, Vietjet has continuously upgraded the onboard communication system as well as strictly managed the aircraft's technical specifications to ensure safe flight operations.
- Aviation safety is always Vietjet's top goal. In 2023, its technical reliability reaches 99.72%.



# TYPICAL EVENTS IN Q1.2024

**VIETJET HAS ACHIEVED REMARKABLE MILESTONES IN REACHING MOMENTOUS AGREEMENTS WITH KEY PARTNERS, OPENING NEW ROUTES TO INTERNATIONAL DESTINATIONS**



Vietjet cooperates with Trip.com Group to enhance experience for global customers. The two sides will integrate data so that customers booking tickets on Vietjet's website can enjoy countless incentives from both Vietjet SkyJoy and Trip.com Rewards loyalty programs.



Vietjet opens the second direct flight to Dien Bien, connecting the capital Hanoi with the heroic city, besides the previously opened Ho Chi Minh City - Dien Bien route.



Vietjet opens flights to Vientiane (Laos) and Siem Reap (Cambodia) to complete the Indochina flight network



Vietjet announced the opening of 2 more direct flights from Hanoi to Melbourne and Sydney, increasing the total number of routes connecting Vietnam and Australia to 7



Vietjet continuously receives new aircraft to serve its operating plan during the peak period of Tet holidays and in 2024.



Vietjet and Airbus have just signed an agreement in principle to order 20 new generation wide-body aircraft A330neo (A330-900) - one of the largest orders at Singapore Airshow 2024.

# AWARDS

STRONG BRAND RECOGNITION IN VIETNAM AND IN THE REGION PROVIDING SUSTAINABLE COMPETITIVE ADVANTAGE

Best Low-cost Airline 2023 in Southeast Asia  
Best Finance Management – Aviation – Vietnam

2024



Top 50 Sustainable Development Businesses  
Vietnam 2023

2023



7/7 stars for aviation safety  
Top 10 of World's Safest Airlines 2023

2023



Vietnam's Best Valuable Brand 2023

2023



Asia's Leading Airline for Customer Experience 2023

2023



Best Low-cost Airline in Vietnam 2023  
Most Sustainable Aviation in Vietnam 2023

2023



Vietjet SkyJoy is "The innovative newly-launched products"

2023



# THANK YOU

