

Code VJC
Company name VietJet Aviation Joint Stock Company
Date 02/01/2021
Subject Explanation for the fluctuation in business result in Q4.2020

Content:

VietJet Aviation Joint Stock Company explains the fluctuation in business performance as follows:

Unit: VND billion

Content	Business result in Quarter 4			Business result in 2020		
	2020	2019	Change	2020	2019	Change
Parent company						
Revenue	3,128	10,500	-70%	15,158	41,252	-63%
Profit after tax	274	808	-66%	-2,092	3,109	-167%
Consolidated						
Revenue	4,430	13,926	-68%	18,210	50,603	-64%
Profit after tax	995	539	85%	70	3,807	-98%

The covid-19 epidemic effected the global aviation industry and is the cause of the decline in travel demand between countries around the world, Vietnam is no exception. However, in 2021, Vietjet still achieved positive results and was one of the few profitable airlines in the world. In Quarter 4/2020, the parent company's revenue is 3,128 billion dong and profit after tax is 274 billion dongs. Consolidated revenue reached VND 4,430 billion and profit after tax reached 995 billion dongs. In 2020, the parent company's revenue is 15,158 billion dongs and the loss of profit after tax is 2,092 billion dongs, with this result is lower than expected. Consolidated revenue reached 18,210 billion dongs and profit after tax reached 70 billion dongs.

The profit after tax of parent company in Quarter IV/2019 increased but the consolidated profit after tax sharply decreased compared to Quarter IV/2018 mainly because of the following causes:

- Until the end of Quarter IV/2019, Vietjet remained the strong growth of the air transport business. In particular, Vietjet has opened 27 new flight routes, increased the number of routes to 139 (including 95 international routes and 44 local routes) and made 139,000 flights.
- The revenue of parent company in Quarter IV/2019 was 10,500 billion dongs and rose by 25%. Of which, the ancillary revenue was 3,091 billion dongs and increased by 30.1% compared to the same period of last year.
- The gross profit in Quarter IV/2019 reached 1,048 billion dongs, up 11.5% over the same period of last year.

Therefore, the profit after tax in Quarter IV/2019 was 808 billion dongs, a sharp growth compared to the same period 2018.

- In Quarter IV/2019, Vietjet temporarily delayed the record of commercial aircraft revenue as planned because the firm received 02 aircraft instead of 09 aircraft in Quarter IV/2018 (down 78%). This made the consolidated profit after tax decreased by 65% against the same period of last year. As expected, the plan of aircraft delivery will be completed in 2020 and 2021.