

Code	VJC
Company name	VietJet Aviation Joint Stock Company
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Subject	Vietjet's passenger transport revenue in Q2-2022 increases by 15% over pre-pandemic

Content:

As the domestic and international travelling demand is recovering robustly, Vietjet Aviation Joint Stock Company (HoSE: VJC) has reported a positive business performance in Q2 and the first half of 2022.

Operating 53 domestic routes, the airline's domestic revenue in Q2 jumped by over 30% over the pre-pandemic 2019's while its revenue in passenger transport increased by 15%, reaching VND11,355 billion (approx. US\$488.74 million). The after-tax profit was VND36 billion (approx. \$1.54 million).

Vietjet's consolidated revenue and consolidated after-tax profit in Q2 were reported at VND11,590 billion (approx. \$498.97 million) and VND181 billion (approx. \$7.79 million) respectively.

The passenger transport revenue and the consolidated revenue for H1 reached VND14,696 billion (approx. \$632.72 million) and VND16,112 billion (approx. \$693.68 million) respectively, both higher than the pre-pandemic 2019's.

The parent company's after-tax profit for H1 was reported at VND76 billion (approx. \$3.26 million) while the consolidated profit was VND426 billion (\$18.31 million).

Vietjet for the last six months has hiked up the flight frequency of several routes to meet the mounting travelling demand post-pandemic, supporting the recovery of local tourism and economy. It has operated a total of 52,500 flights with 9 million passengers onboard, respectively increasing by 54% and 92% YOY. The number of flights has particularly increased by 8% over the pre-pandemic 2019's.

In Q2, the airline has operated nearly 33,000 flights and served 6 million passengers, both were remarkably higher than the pre-pandemic's. The cargo volume reached more than 11,000 tones.

Promoting and leading the border reopening between Vietnam and countries post-pandemic, Vietjet has rapidly expanded new international routes. It was the pioneering airline to develop an extensive network of 17 direct routes between Vietnam and India – a market of 1.4 billion people, specifically to Delhi, Mumbai, Ahmedabad, Hyderabad, Bangalore. Vietjet has also inaugurated new routes from HCM City and Da Nang to Busan, South Korea; from Hanoi to Nagoya and Fukuoka, Japan, among others.

In addition to the advanced A320 and A321 fleet, Vietjet for the first time has brought the new generation, modern wide-body aircrafts A330 into operation. Equipped with noise control technology, they have delivered safer and more comfortable flight experiences to the passengers while reducing the take-off and landing frequency.

Vietjet has introduced a brand new website and mobile application, as well as service packages including the “Fly first, Pay later” to help customers with financial hardship, and the Sky Holidays service offering a combo of flight ticket and accommodation at hotels and resorts across Vietnam.

The “Fly first, Pay later” service in particular was awarded the Best New Fintech Product 2022 by the UK’s prestigious magazine The Global Economics Times. It was hailed not merely offering financial support but meant for the greater good to help the recovery of the socio-economy and people’s life post-pandemic.

As many airlines have faced labor shortages after the pandemic, Vietjet has managed to sustain favorable labor policy and several training courses for all of the employees.

The Vietjet Aviation Academy (VJAA) has opened more than 650 courses for nearly 15,000 trainees of pilots, cabin crew, flight dispatchers, flight engineers and ground service officers, etc. It has cooperated with large domestic and international partners to kick off elementary pilot training programs.

Vietjet was also hailed as ‘Value Airline of the Year’ and ‘Top 10 Best Low-cost Airlines’ for 2022 by AirlineRatings, the renowned rating website.

The airline has passed the ISO27001 Information Security certification reassessment by the German TUV NOR, meeting all of the criteria of the Information Security Management ISO27001:2013.

At the Farnborough Airshow hosted in the UK between July 18-22, Vietjet has reached an agreement with Boeing in deal restructuring, affirming the airline’s intent to buy 200 Boeing 737 aircrafts with international capital. This was deemed remarkable efforts by Boeing and Vietjet to contribute to the bilateral commerce and trade between Vietnam and the US.

Despite revenue breakthrough in Q2 and H1-2022, the after-tax consolidated profit only reached VND429 billion (approx. \$18.47 million) – about 85.2% percent of the airline’s H1 target due to a surge in oil prices.

Vietjet has paid a total of VND2,300 billion (approx \$99.03 million) to the Government including taxes and indirect and direct fees for the first half of 2022. Positive performances of airlines with Vietjet at the front have somewhat contributed to the revenue breakthrough of airports, ACV and relevant services providers in H1-2022.

Vietjet is set to continue its stringent cost reduction measures and push ahead digitalization projects to optimize operation costs. It will also take advantage of the Government’s supporting policies including a 50% take-off and landing fee waiver and a reduction of environmental protection tax on jet fuel down to VND1,000 (approx. US4 cents) per litre. Vietjet aims to accelerate the recovery after the pandemic and in the remaining months of 2022, joining with localities and the whole country to step towards the adaptation period for development and integration.

(source: <https://ir.vietjetair.com/>)