

Code VJC
Company name VietJet Aviation Joint Stock Company
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Subject Explanation for Q1.2020 financial statements

Content:

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

	Quarter I/2020	Quarter I/2019	Difference	% Increase/ decrease
Profit after tax of parent company	(989,590,862,306)	738,625,733,412	(1,728,216,595,717)	-234%
Consolidated profit after tax	(989,445,036,582)	1,462,805,539,191	(2,452,396,401,496)	-168%

The profit after tax of parent company and consolidated financial statements in Quarter I/2020 decreased compared to Quarter I/2019 due to the following causes:

The Covid-19 disease has had a special impact on the global economy and aviation, including Vietnam's aviation. From February 1, 2020, the temporary flight restriction order to focus on fighting the disease of the Government of Vietnam and other countries around the world, Vietjet and domestic airlines temporarily stopped flying routes (International and domestic routes). Therefore, Vietjet's business results in the parent company's financial statements for Q1/2020 decreased, the number of passengers decreased by 22%, the revenue of air transport reached VND 7,222 billion, down 29.6%, while operating costs are only reduced by about 7.5%. In Q1/2020, Vietjet actively adjusted the plan to receive aircraft so there was no revenue and profit from ownership transfer and chartering of aircraft. Accordingly, the company's consolidated profit after tax decreased (168%) compared to the same period last year.