



BREAKTHROUGH THINKING
BOLD EFFORT
REACH FURTHER

ANNUAL
REPORT **2024**



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List of abbreviations

ASK	Available Seat Kilometers
AFTK	Available Freight Tonne Kilometers
BH	Block Hour
MOBOD/MOBOS	Members of Board of Directors/Members of Board of Management
OAE	Officers and employees
IT	Information Technology
JSC	Joint Stock Company
GSM	General Shareholders' Meetings
MC	Members' Council
BOD	Board of Directors
PA	Pacific Airlines Joint Stock Aviation Company
K6	Cambodia Angkor Air
PBT	Profit before tax

PAT	Profit after tax
LCC	Low Cost Carrier
RPK	Revenue Passenger Kilometers
RFTK	Revenue Freight Tonne Kilometers
PAB	Production and Business
LLC	Limited Liability Company
Vietnam Airlines/VNA	Parent company (including Vietnam Airlines and VASCO)
VNA Group	Vietnam Airlines and PA
Consolidated	Vietnam Airlines and subsidiaries, affiliates
AT	Air Transport
VNA JSC	Vietnam Airlines JSC
DU	Dependent unit





01

*Message from
Chairman of the board
of Directors and
President & CEO*

Message from the Chairman of the Board of Directors and President & CEO



In 2024, Vietnam Airlines exceeded its set targets with record-breaking achievement.

Dear Valued Shareholders,

On behalf of the Board of Directors and the Executive Board of Vietnam Airlines, we extend our sincere greetings and deepest gratitude for your trust and support in the National Flag Carrier of Vietnam.

After the unprecedented challenges brought by the Covid-19 pandemic, with strong determination and sound strategy, the national flag carrier – Vietnam Airlines – made a remarkable turnaround in its business operations.

By the end of 2024, Vietnam Airlines Corporation had not only met but significantly exceeded its set targets, achieving the highest results in its history. Consolidated revenue reached VND 113,746 billion, up 8% compared to the plan. Consolidated post-tax profit hit a record VND 7,958 billion, with the parent company's post-tax profit reaching VND 2,775 billion. The airline transported over 22.7 million passengers, an 8% increase year-on-year. It also transported 314,700 tonnes of cargo, up 40% from the same period. Its network of nearly 100 domestic and international routes connects to more than 1,150 global destinations.

Notably, on November 30, 2024, the National Assembly approved the final solutions in Vietnam Airlines' comprehensive restructuring plan. This has laid a solid foundation for the airline's restructuring and sustainable growth from 2025 to 2035, with a vision towards 2045.

The year 2024 also marked a proud milestone in Vietnam Airlines' development journey as the airline received 30 prestigious domestic and international awards, including the "5-Star International Airline" title by APEX, recognition as one of the Top 5 Most Punctual Airlines in Asia-Pacific, and ranking among the Top 25 Airlines Worldwide by AirlineRatings, as well as being recognized as a Vietnam National Brand; a distinguished enterprise honored with the Vietnam Value - National Brand title...

Amid growing demand for air transportation, the airline quickly expanded its flight network within a short period, launching new routes to Munich (Germany), Phnom Penh (Cambodia), and Manila (Philippines), contributing to increased revenue and enhancing its international presence.

Meanwhile, service enhancement initiatives significantly improved customer experience, with domestic CSI scores reaching 4.21/5 and international CSI scores at 4.06/5, exceeding the set targets.

Vietnam Airlines has also continuously invested in developing its digital infrastructure, including the transition to a new Passenger Service System (PSS), the upgrade of its aircraft maintenance software (MRO IT), and the implementation of modernization projects such as the Operation Platform and Network Planning systems. Administrative, human resources, and operational processes have been integrated into the super app "VNA Discovery," contributing to system-wide efficiency optimization.

Mr. DANG NGOC HOA

Chairman of the Board of Directors

By the end of 2024, the Corporation successfully exceeded its set targets
Revenue reached 113,746 billion VND, an 8% increase compared to the plan.
Profit amounted to 7.958 billion VND
More than 22.7 million passengers were transported, exceeding the plan by 8%.
Cargo volume reached 314,700 tons, 40% higher than planned.
Operated 100 domestic and international routes, connecting to over 1,150 global destinations.

According to the Commission for the Management of State Capital at Enterprises, Vietnam Airlines achieved a digital transformation rate of 77% in 2024 – classified as Level 4 – ranking among the top three out of 19 state-owned groups and corporations under the Commission.

The airline has also made strong efforts to optimize route operations and fuel efficiency, becoming the first airline in Vietnam to use Sustainable Aviation Fuel (SAF). In 2024, it reduced carbon emissions by approximately 75,000 tons of CO₂, making a positive contribution to environmental protection.

Sustainable initiatives such as "Fly Light to Con Dao," "Leaves for Forest Restoration," and protective forest planting have been widely implemented. This is a powerful message focused on the green economy and sustainable development. In addition, the airline remains at the forefront of promoting gender equality through the HeForShe campaign, Tô Cam with UN Women, and fostering a fair and progressive workplace.

Dear Valued Shareholders,

In 2025, Vietnam's political and social landscape is expected to remain stable, with the economy continuing to recover and aiming for a growth rate of 8%. However, the global economic and political environment remains unpredictable, with numerous potential risks arising from political conflicts, trade wars, and tariff policies.

Based on an assessment of the business environment, the Board of Directors and Executive Board have identified key strategic directions and objectives for 2025. The Corporation will focus on improving aircraft

fleet utilization, enhancing labor productivity, and accelerating the application of science, technology, and digital transformation in business operations. Priority will be given to allocating resources for the implementation of investment projects to develop a synchronized service infrastructure at Long Thanh International Airport and other hub airports.

International flight networks will be expanded through the launch and resumption of 15 routes to destinations such as Italy, Russia, Denmark, China, South Korea, and the UAE. At the same time, efforts will be made to improve customer service quality and ensure maximum satisfaction. Vietnam Airlines continues to set ambitious goals, aiming to serve 25.4 million passengers and transport 336 thousand tonnes of cargo.

As it approaches the milestone of the 30th anniversary of Vietnam Airlines Corporation (May 27, 1995 – May 27, 2025), the airline reaffirms its position as the national flag carrier, a regional pioneer, and a global player. Vietnam Airlines remains committed to innovation, enhancing service quality, and sustainable development.

With the support of the Party, the State, the National Assembly, the Government, and regulatory agencies, as well as the trust of our valued shareholders, customers, and partners, we are confident that Vietnam Airlines will successfully achieve its 2025 business plan and continue to "Taking Vietnam to the skies".

The Board of Directors, Executive Board, and the entire workforce of Vietnam Airlines are dedicated to unity and relentless efforts to strengthen our brand, enhance shareholder value, and elevate Vietnamese aviation on the global stage.

Sincerely,

Mr. LE HONG HA
President & CEO



***Towards the 30th anniversary of its establishment,
Vietnam Airlines continues to reaffirm its position as the National Flag Carrier, a regional pioneer, and a globally recognized airline.
We are committed to innovation, enhancing service quality, and sustainable development***



02

Development, orientation and strategy

- Major goals of Vietnam Airlines
- Medium-term and long-term development strategy of Vietnam Airlines
- Sustainable development goals
- Risks

1. Major goals of Vietnam Airlines

- Achieve a Safety Culture (SC) rating of 5.0 Generative (Advanced) from 2025.
- Attain a position within the Top 3 full-service carriers in Southeast Asia in terms of scale.
- Secure a spot among the Top 10 most popular airlines in Asia.
- Strengthen 4-star service and strive towards achieving 5-star status.
- Maintain its pioneering role as an advanced and modern digital airline in Vietnam's aviation industry while leading ASEAN's digital transformation efforts, competing with major airlines in the region and globally.
- Earn recognition as one of the Best Employers in Vietnam.
- Ensure liquidity and continuous operational capability; progressively improve and restore financial capacity; Secure capital resources essential for business and investment activities.

2. Medium-term and long-term development strategy of Vietnam Airlines

- Maintain VNA Group's leading position in the passenger air transport market.
- Achieve a Customer Satisfaction Index (CSI) exceeding 4 points and an average Net Promoter Score (NPS) surpassing 30 points.
- The total passenger transport volume for the period 2021 - 2030 of the parent company VNA (VNA + Vasco) is targeted at 250 million passengers, with an average annual growth rate of 21.4%. The total cargo volume for 2021 - 2030 is projected to reach 3.2 million tons, with an average annual growth rate of 8%.
- The total revenue and pre-tax profit of the parent company VNA for 2021 - 2030 are expected to reach approximately VND 928.8 trillion and VND 4.5 trillion, respectively.



3. Sustainable development goals

- As the flag air carrier of Vietnam, VNA is responsible for planning and implementing sustainable development programs and goals to minimize environmental impacts while enhancing economic objectives. Our sustainable development plan can be achieved through various measures, such as reducing CO2 emissions through aircraft modernization programs, adopting fuel-saving technologies, optimizing routes, and reducing plastic waste and water usage. Additionally, with the increasing demand for sustainable travel options, businesses that integrate the Sustainable Development Goals (SDGs) into their economic objectives are more likely to attract a larger customer base and improve their reputation. This, in turn, enhances customer loyalty and increases future profitability, contributing to building and sustaining a competitive advantage in the aviation industry.
- VNA is committed to consistently asserting and maintaining the position and reputation of our brand in the hearts of Vietnamese and global customers, aiming to deliver the highest quality products and services to customers while contributing to the overall development of the community and society. In addition to our core business activities, VNA places special emphasis on improving social welfare and actively participates in community development initiatives.
- VNA prioritizes compliance with environmental protection laws by establishing an organizational structure, developing regulations, and implementing control and evaluation measures for the entire system's operations. We also continuously modernize our aircraft fleet with new and advanced models that minimize environmental impact, such as reducing emissions and noise. As a member of IATA and the SkyTeam alliance, VNA aims to fulfill the commitment of the global aviation industry (ICAO, IATA) to achieve net-zero carbon by 2050 through the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).
- VNA is committed to providing a sustainable, and safe working environment. We invest in the training and development of our human resources, creating favorable conditions for personal and professional growth. We pledge to uphold and protect the rights of our employees, ensuring fair wages and reasonable welfare policies.



4. Risks

The 2021 - 2025 period represents a transformative phase. Notably, the emergence of the Fourth Industrial Revolution, the proliferation of digital technology, artificial intelligence (AI) and the advent of Big Data have resulted in shifts in consumer behavior across various customer segments. Additionally, the Vietnamese aviation industry continues to face challenges in environmental protection, risks related to diseases and natural disasters, as well as persisting inconsistencies and contradictions in the legal system. Furthermore, the industry experiences intensified international competition due to the growing prevalence of Open Skies Agreements.



Regarding the economy

After the Covid-19 pandemic ended, the global economy still struggled to recover amid the prolonged Russia-Ukraine conflict and unrest in the Middle East, which led to high inflation and prompted central banks to continuously raise interest rates. According to IMF forecasts, after achieving a growth rate of 3.5% in 2022, global economic growth is expected to reach 3.0%, 3.2%, and 3.3% in 2023, 2024, and 2025 respectively. Meanwhile, the World Bank forecasts global growth to be only 2.7% per annum during the 2023 - 2025 period. Vietnam's economy is also facing numerous challenges during this period. According to the IMF, Vietnam's GDP growth is expected to be 5.0% in 2023, 6.1% in 2024, and 6.1% in 2025-significantly lower than the impressive 8.1% growth in 2022 and below the pre-Covid growth rate of 7% per annum.

Regarding Competition

In the domestic market, the macro economy faced many difficulties, leading to a weakening of travel demand in 2024. Additionally, an aircraft shortage caused by Pratt & Whitney's engine recalls has led to a decline in overall domestic passenger numbers.

On the other hand, international market has witnessed a positive recovery following different developments in various market areas. However, in general, the recovery speed in the last months of the year was slower than expected, especially in China and Hong-Kong. Australia and India were among regions with the strongest boom, pushing competition to the level of competition increased significantly, with airlines constantly entering this region with new routes and increased frequencies.

In summary, Vietnam's aviation market is gradually recovering to 2019's level, however still remains uneven across regions. Some markets stagnated and recovered slowly due to weak demand and the competition has not returned to the level of 2019. This trend is expected to persist until the end of 2025.

Regarding the Environment

The aviation industry contributes 2% of global CO2 emissions and is expected to become one of the sectors with significant influence on global climate change due to its rapid development. Meanwhile, other industries are transitioning to cleaner energy sources. The adoption of new energy sources is a solution to mitigate the negative impact on the environment and create a positive impression on customers, in line with the trend of carbon reduction and increased recycling in green consumption. This will influence the decision-making process regarding the leasing and utilization of aircraft fleets by airlines.

Environmental disasters are unpredictable events that pose significant risks to the aviation industry. They directly affect people's travel demands, and the aviation sector is often one of the first to bear the consequences of such events.

Regarding Pandemics

The removal of rigorous isolation and medical screening measures when COVID-19 was under control enabled international air travel regain its momentum. However, the persistent threat of new COVID-19 variants and other infectious diseases continued to impact the recovery and progress of the aviation industry.

A woman in a teal uniform is attending to a man lying in a medical bed in a futuristic cabin. The man is wearing a light blue shirt and is covered with a yellow blanket. The cabin has large, arched windows and a control panel with a small screen. The overall lighting is warm and golden.

03

Company *Overview*

- General information
- Business lines and Business network
- Establishment and Development history
- Organization and Management structure
- Shareholder structure
- Highlighted events
- Awards and Accolades



1. General Information

- Name in Vietnamese: **Tong Cong ty Hang khong Viet Nam**
- Name in English: **Vietnam Airlines JSC**
- Address: **200 Nguyen Son, Bo De Ward, Long Bien District, Hanoi.**
- Telephone number: **024 38 732 732**
- Fax: **024 38 722 375**
- Website: **www.vietnamairlines.com**
- Email: **nhadautu@vietnamairlines.com**
- Business registration certificate for Joint Stock Company number 0100107518, issued by Hanoi Department of Planning and Investment, and registered for the 9th change on 12 January 2022.
- Charter capital: **22,143,941,740,000 VND**
- Ticker symbol: **HAVN**; Par value: **VND 10,000 per share**
Total number of outstanding shares: **2,214,394,174 shares (as of December 31, 2024)**

2. Business lines
and Business network

2.1. Business lines

The main business of Vietnam Airlines is air transportation of passengers, cargo, luggage, parcels, postal items, and mail. Other business lines are specied in the Article 5 of the Charter dated June 28, 2022.

2.2. Business network

As of December 31, 2024, the list and names of affiliated units (both domestic and international).



24
Domestic branches

31
Overseas branches
and representative offices

03
Dependent
accounting units

2.2.1. List of domestic branches/offices

1	Branch of Vietnam Airlines JSC - Vietnam branch	17	Branch of Vietnam Airlines JSC in Thanh Hoa
2	Branch of Vietnam Airlines JSC in Tuy Hoa	18	Branch of Vietnam Airlines JSC - Vietnam Air Service Company (VASCO)
3	Branch of Vietnam Airlines JSC in Chu Lai	19	Branch of Vietnam Airlines JSC - Flight Training Center
4	Branch of Vietnam Airlines JSC in Dong Hoi	20	Branch of Vietnam Airlines JSC in Hanoi
5	Branch of Vietnam Airlines JSC in Hai Phong	21	Branch of Vietnam Airlines JSC in Con Dao
6	Branch of Vietnam Airlines JSC in Vinh	22	Branch of Vietnam Airlines JSC in Ca Mau
7	Branch of Vietnam Airlines JSC in Dien Bien	23	Branch of Vietnam Airlines JSC. - Lotusmiles
8	Branch of Vietnam Airlines JSC in Buon Me Thuot	24	Airport Service and Operation Center (ASOC)
9	Branch of Vietnam Airlines JSC in Nha Trang	25	Heritage Magazine
10	Branch of Vietnam Airlines JSC in Quy Nhon	26	Flight Crew 919
11	Branch of Vietnam Airlines JSC in Da Lat	27	Cabin Crew
12	Branch of Vietnam Airlines JSC in Hue		
13	Branch of Vietnam Airlines JSC in Pleiku		
14	Branch of Vietnam Airlines JSC in Can Tho		
15	Branch of Vietnam Airlines JSC in Phu Quoc		
16	Branch of Vietnam Airlines JSC in Rach Gia		

2.2.2. List of overseas branches/offices

1	Branch of Vietnam Airlines JSC in The United Kingdom	17	Branch of Vietnam Airlines JSC in Osaka
2	Branch of Vietnam Airlines JSC in Cambodia	18	Branch of Vietnam Airlines JSC in Fukuoka
3	Branch of Vietnam Airlines JSC in Siem Reap	19	Branch of Vietnam Airlines JSC in Nagoya
4	Branch of Vietnam Airlines JSC in Taiwan	20	Branch of Vietnam Airlines JSC in France
5	Branch of Vietnam Airlines JSC in Kaohsiung	21	Branch of Vietnam Airlines JSC in Singapore
6	Branch of Vietnam Airlines JSC in Germany	22	Branch of Vietnam Airlines JSC in Thailand
7	Branch of Vietnam Airlines JSC In Republic of Korea	23	Branch of Vietnam Airlines JSC in Australia
8	Branch of Vietnam Airlines JSC in Busan	24	Branch of Vietnam Airlines JSC in Melbourne
9	Branch of Vietnam Airlines JSC in Hong Kong	25	Branch of Vietnam Airlines JSC in China
10	Branch of Vietnam Airlines JSC in Laos	26	Branch of Vietnam Airlines JSC in Shanghai
11	Branch of Vietnam Airlines JSC in Luang Prabang	27	Branch of Vietnam Airlines JSC in Guangzhou
12	Branch of Vietnam Airlines JSC in Russia	28	Branch of Vietnam Airlines JSC in Chengdu
13	Branch of Vietnam Airlines JSC in Malaysia	29	Branch of Vietnam Airlines JSC in Indonesia
14	Branch of Vietnam Airlines JSC in The United States	30	Branch of Vietnam Airlines JSC in India
15	Branch of Vietnam Airlines JSC in Myanmar	31	Representative office in Europe
16	Branch of Vietnam Airlines JSC in Japan		

3. Establishment and Development history



Vietnam National Airlines was established.



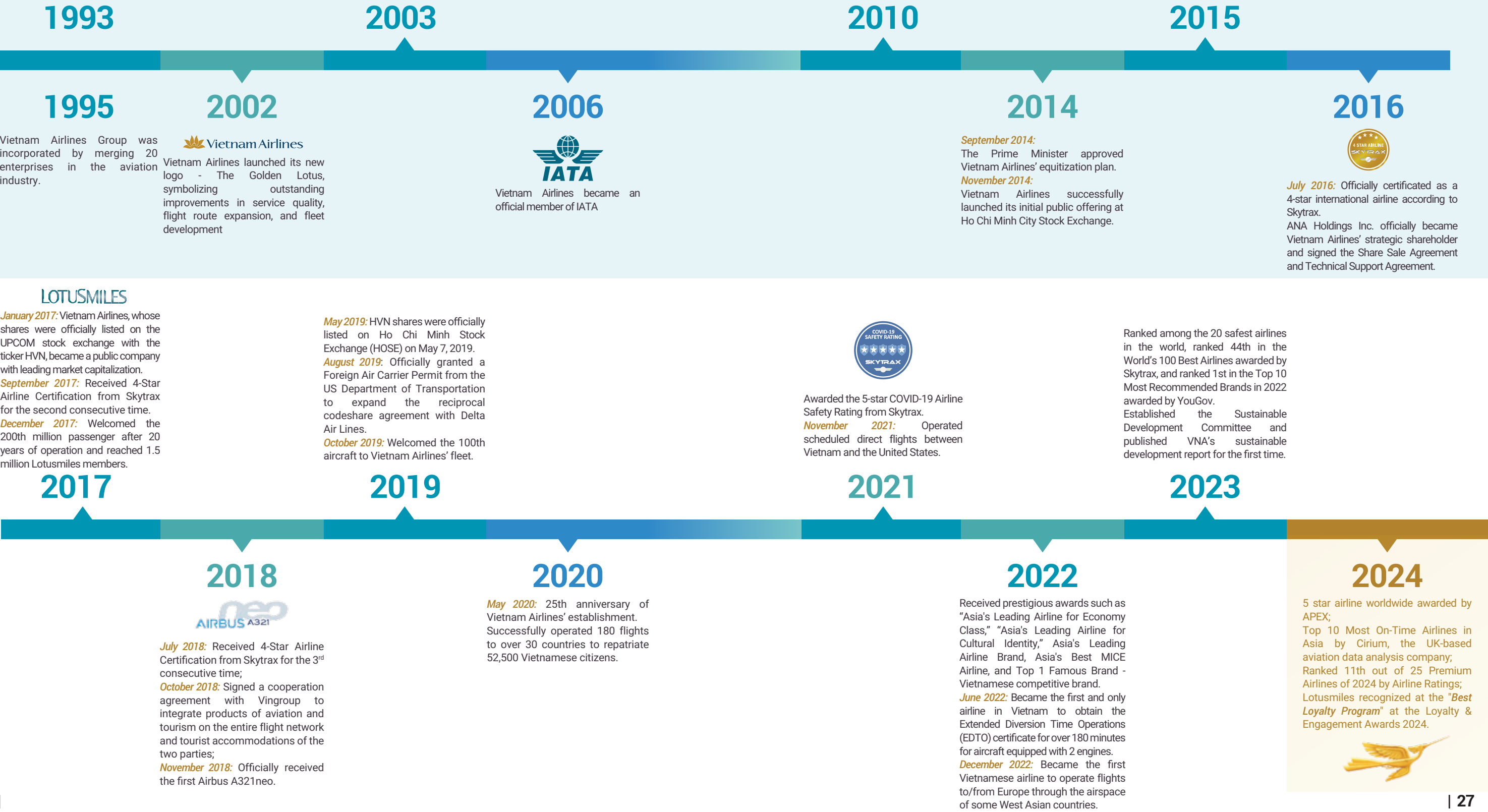
Vietnam Airlines overhauled its operations by adopting the holding company model, following Decision No. 372/QĐ-TTg on April 4, 2003 issued by the Prime Minister; Vietnam Airlines received and commissioned the first Boeing 777 aircraft, which marked its fleet modernization project.



Vietnam Airlines became a State-owned One-Member Limited Liability Company; Vietnam Airlines became the 10th member of the SkyTeam Airline Alliance.



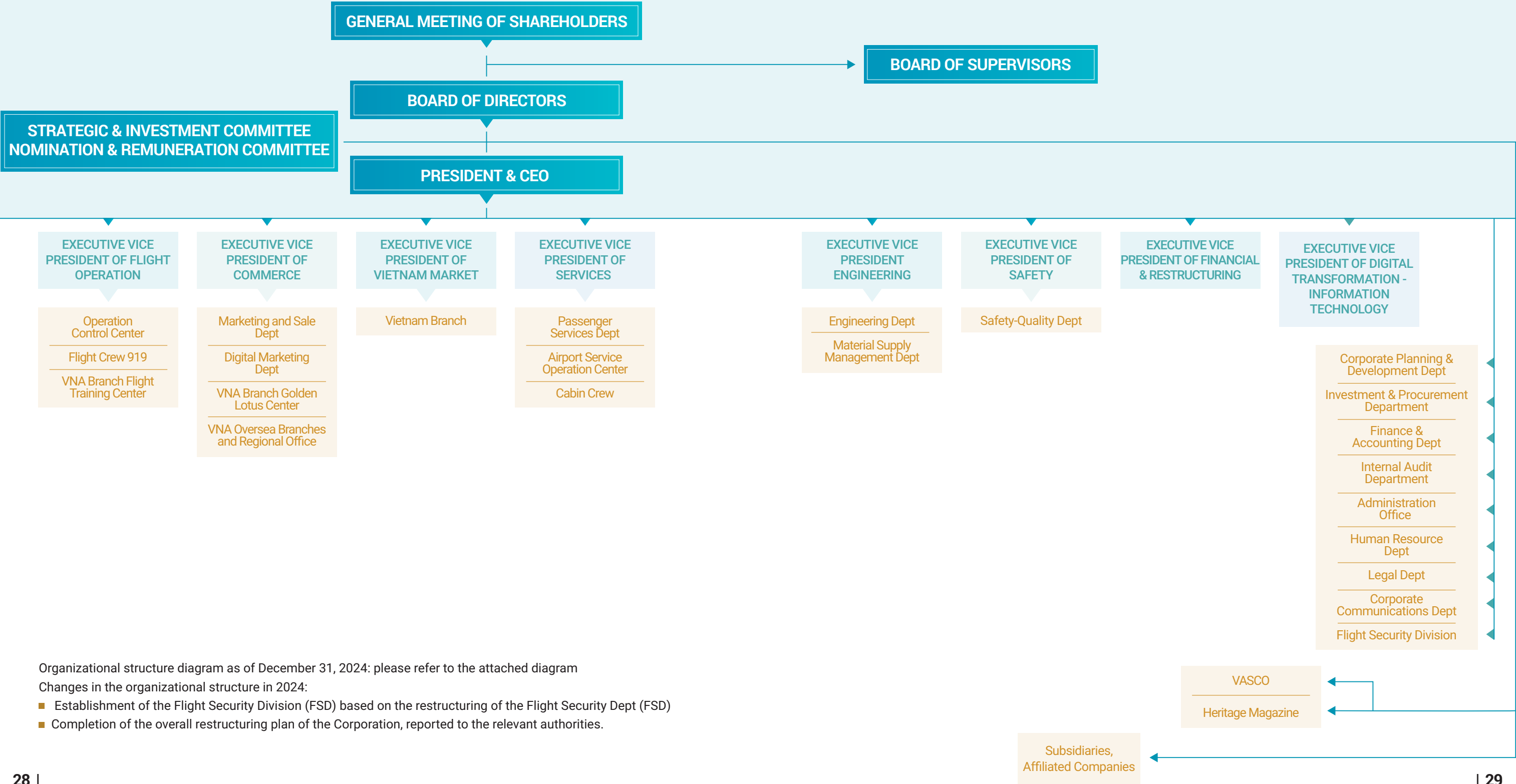
March 2015: Vietnam Airlines held the first General Shareholders' Meeting and adopted the Charter of Joint Stock Company.
April 2015: Officially operated as a Joint Stock Company since April 1, 2015.
July 2015: Became the first airline in Southeast Asia and the second in the world to receive the new generation Airbus A350-900 aircraft. Launched the new corporate identity system; Completed the application for a public company and securities registration.



4. Organization and management structure

4.1. Organization structure

Vietnam Airlines is a joint-stock company with legal status in accordance with Vietnamese laws. The organizational structure, governance, and control of Vietnam Airlines include:



Organizational structure diagram as of December 31, 2024: please refer to the attached diagram
Changes in the organizational structure in 2024:

- Establishment of the Flight Security Division (FSD) based on the restructuring of the Flight Security Dept (FSD)
- Completion of the overall restructuring plan of the Corporation, reported to the relevant authorities.

4.2. Introduction of the leadership team list as of December 31, 2024 (with attached photos):
Members of the Board of Directors, Supervisory Board, Executive Board, Chief Accountant,
International Procurement and Trading - Company Secretary

4.2.1. Board of Directors



Mr. Dang Ngoc Hoa
Position:
Chairman of the Board

Other organizations: Chairman of Investment and Strategy Committee. Vice Chairman of the Vietnam - China Friendship Association term VII (2023 - 2028). Member of Executive Committee of Vietnam Chamber of Commerce and Industry (VCCI), 2021 - 2026 term.
Year of birth: 1972
Year of commencement at Vietnam Airlines: 1995
Qualification: Master of Aviation Engineering



Mr. Le Hong Ha
Position:
Member of the Board cum
President & CEO

Other organizations: Chairman of Member's Council of Vietnam Air Petrol One-Member Co. Ltd (SKYPEC); Member of the Executive Committee of Vietnam Union of Friendship Organizations term VI of 2019 - 2024 tenure
Year of birth: 1972
Year of commencement at Vietnam Airlines: 1994
Qualification: Bachelor of Economics; Bachelor of Laws



Mr. Ta Manh Hung
Position:
Member of the Board

Other organizations: Chairman of the Member Council of Vietnam Airport Ground Services Company (VIAGS).
Year of birth: 1972
Year of commencement at Vietnam Airlines: 1996
Qualification: Master of Management



Mr. Le Truong Giang
Position:
Member of the Board

Other organizations: Chairman of the Human Resource and Remuneration Committee; Chairman of the Board of Tan Son Nhat Cargo Services JSC (TCS); Member of Executive Committee of the Vietnam Canoeing, Rowing and Sailing Federation, term III (2022 - 2027)
Year of birth: 1967
Year of commencement at Vietnam Airlines: 1993
Qualification: Master of Business Administration



Mr. Dinh Viet Tung
Position:
Member of the Board

Other organizations: Deputy General Director of SCIC. Chairman of the Board of Directors of SCIC Investment One Member Company Limited. Chairman of the Board of LICOI Corporation; Chairman of the Board of Bao Minh Insurance Corporation
Year of birth: 1974
Year of commencement at Vietnam Airlines: 2021
Qualification: Master of Banking and Finance



Mr. Truong Van Phuoc
Position:
Independent Member
of the Board

Other organizations: Member of the Science Board of Standing Committee of National Assembly.
Year of birth: 1959
Year of commencement at Vietnam Airlines: 2021
Qualification: PhD in Finance, Money Circulation and Credit



Mr. Daisuke Suzuki
Position:
Member of the Board

Deputy CEO and Director of Strategy at ANA Holdings.
Year of birth: 1972
Year of commencement at Vietnam Airlines: 2024
Qualifications: Bachelor's degree

4.2.2. Board of Management



Mr. Le Hong Ha
Position:
Member of the Board cum
President & CEO

Other organizations: Chairman of Member’s Council of Vietnam Air Petrol One-Member Co. Ltd (SKYPEC); Member of the Executive Committee of Vietnam Union of Friendship Organizations term VI of 2019 - 2024 tenure
Year of birth: 1972
Year of commencement at Vietnam Airlines: 1994
Qualification: Bachelor of Economics; Bachelor of Laws



Mr. Nguyen Chien Thang
Position:
Executive Vice President

Other organizations: Chairman of the Members’ Council of Vietnam Airlines Engineering Company Limited (VAECO). Vice Chairman of Vietnam Aircraft Leasing Joint Stock Company (VALC)
Year of birth: 1972
Year of commencement at Vietnam Airlines: 1995
Qualification: Master of Aviation Engineering



Mr. Nguyen The Bao
Position:
Executive Vice President

Other organizations: General Director of Vietnam Branch
Year of birth: 1973
Year of commencement at Vietnam Airlines: 1994
Qualification: Master of Political Economics



Mr. Le Duc Canh
Position:
Executive Vice President

Other organizations: Chairman of the Board of Directors of Noi Bai Airport Services JSC (NASCO)
Year of birth: 1972
Year of commencement at Vietnam Airlines: 1997
Qualification: Master of Business Administration



Mr. To Ngoc Giang
Position:
Executive Vice President

Other organizations: Captain of the Flight Crew Division 919, Vice President of the Vietnam - France Friendship and Cooperation Association, term VII (2022 - 2027). Chairman of the Board of Directors of Viet Flight Training Joint Stock Company.
Year of birth: 1970
Year of commencement at Vietnam Airlines: 1995
Qualification: Master of Science/Pilot



Mr. Dinh Van Tuan
Position:
Executive Vice President

Other organizations: Chairman of the Board of Directors of Pacific Airlines JSC (PA).
Year of birth: 1970
Year of commencement at Vietnam Airlines: 1996
Qualification: Master of Development Economics



Mr. Dang Anh Tuan
Position:
Executive Vice President

Other organizations: Chairman of the Board of Directors of Aviation Information - Telecommunications Joint Stock Company
Year of birth: 1973
Year of commencement at Vietnam Airlines: 1992
Qualification: Master of Business Administration, Master of Public Administration

4.2.3. Person in charge of accounting



Mr. Tran Van Huu
Position:
In charge of accounting
at Vietnam Airlines
Deputy Head of the Finance and
Accounting Department.

Year of birth: 1974
Year of commencement at Vietnam Airlines: 1996
Qualification: Master of Economics

4.2.4. Board of Supervisors



Mrs. Duong Thi Viet Tham
Position:
Chief Supervisor

Year of birth: 1971
Year of commencement at Vietnam Airlines: 1993
Qualification: Bachelor of Accounting

4.2.5. Chief Administrator - Corporate Secretary



Mrs. Kim Thi Thu Huyen
Position:
Chief Administrator - Secretary
of the company

Year of birth: 1972
Year of commencement at Vietnam Airlines: 1996
Qualification: Master of Business Administration



Mrs. Nguyen Thi Hong Loan
Position:
Member of the Board of Supervisors

Other organizations: Deputy Manager of General Planning - SCIC
Year of birth: 1979
Year of commencement at Vietnam Airlines: 2021
Qualification: Master of Business Administration



Ms. Le Truc Quynh
Position:
Member of the Board of Supervisors

Year of birth: 1993
Year of commencement at Vietnam Airlines: 2023
Qualification: Master of Accounting and Finance

4.3. Committees under the Board of Directors

Investment and Strategy Committee

- Mr. **Dang Ngoc Hoa**, Chairman of the Board - Chairman of the Committee
- Mr. **Le Hong Ha**, Member of the Board cum President & CEO - Member
- Mr. **Ta Manh Hung**, Member of the Board - Member
- Mr. **Le Truong Giang**, Member of the Board - Member
- Mr. **Le Duc Canh**, Executive Vice President - Member
- Mr. **Nguyen Quang Trung**, Director of Planning and Development Department - Member
- Mr **Tran Van Huu**, Accounting Officer of Vietnam Airlines - Deputy Head of Finance and Accounting Department - Member
- Mr **Nguyen Thanh Binh**, Head of Marketing and Sales Department - Member
- Mr **Nguyen Van Thanh**, Deputy Head of the Board Secretary Office, General Office - Secretary

Human Resource and Remuneration Committee

- Mr. **Le Truong Giang**, Member of the Board - Chairman of the Committee
- Mr. **Nguyen Chien Thang**, Executive Vice President - Member
- Mr. **Vu Dinh Thuy**, Director of Human Resource Department - Member
- Mr. **Trieu Hai Dang**, Head of Human Resources Development Department, Human Resources Department - Secretary

4.4. List of Subsidiaries and Affiliates as of December 31, 2024

4.4.1. List of Subsidiaries

Unit: million VND

NO	Subsidiaries	Short name	Address	Business lines	Actual charter capital	Stake of VNA(%)
1	Vietnam Airlines Engineering Limited	VAECO	Noi Bai International Airport, Phu Minh Commune, Soc Son District, Hanoi	Maintenance, and repair of aircraft, engines, and spare parts	1,093,117	100.00
2	Vietnam Air Petrol Limited	SKYPEC	202 Nguyen Son, Bo De Ward, Long Bien District, Hanoi	Airline fuel supply	800,000	100.00
3	Vietnam Airlines Caterers Limited	VACS	Tan Son Nhat International Airport, Ward 2, Tan Binh District, HCMC	Airline catering services	85,448	100.00
4	Vietnam Airport Ground Services	VIAGS	49 Truong Son, Ward 2, Tan Binh District, HCMC	Ground, technical, and commercial services	250,000	100.00
5	Pacific Airlines	PA	112 Hong Ha, Ward 2, Tan Binh District, HCMC	Aviation transportation	3,522,081	98.84
6	Noi Bai Cargo Terminal Services	NCTS	Noi Bai International Airport, Phu Minh Commune, Soc Son District, Hanoi	Air cargo services	261,669	55.13
7	Tan Son Nhat Cargo Services Limited JSC	TCS	46 - 48 Hau Giang, Ward 4, Tan Binh District, HCMC	Air cargo services	93,726	55.00
8	Tan Son Nhat Cargo Services and Forwarding Limited	TECS	6 Thang Long, Ward 4, Tan Binh District, HCMC	Air cargo services	51,430	51.00
9	Vinako Forwarding Company Limited	VINAKO	49 Truong Son, Ward 2, Tan Binh District, HCMC	Forwarding, logistics, warehousing services.	8,578	65.05
10	Noi Bai Catering Services JSC	NCS	Noi Bai International Airport, Phu Minh Commune, Soc Son District, Hanoi	Airline catering services and related services	179,491	60.17
11	Noi Bai Airport Services JSC	NASCO	Noi Bai International Airport, Phu Minh Commune, Soc Son District, Hanoi	Support services in aviation and related services	83,158	51.00
12	Viet Flight Training JSC	VFT	117 Hong Ha, Ward 2, Tan Binh District, HCMC	Pilot training	66,000	51.52
13	Aviation Information and Telecommunications JSC	AITS	412 Nguyen Van Cu, Bo De Ward, Long Bien District, Hanoi	IT and telecommunications services	58,032	52.73
14	Aviation Labor Supply Joint Stock Company	ALSUCO	No. 200 Nguyen Son, Bo De Ward, Long Bien District, Hanoi	Labor supply services	10,000	51.00
15	Sabre Vietnam JSC	SABRE VN	No. 200 Nguyen Son, Bo De Ward, Long Bien District, Hanoi	Services related to the distribution of the Sabre system and call system	5,200	51.69

4.4.2. List of Affiliates

NO	Affiliates	Short name	Address	Business lines	Paid-in charter capital	Stake of VNA(%)
1	Vietnam Aircraft Leasing JSC	VALC	6 th Floor, 18 Ly Thuong Kiet, Phan Chu Trinh Ward, Hoan Kiem District, Hanoi	Purchase, Lease, and sublease of aircraft	63,315,837 (USD)	32.48
2	Da Nang Airport Service JSC	MASCO	Da Nang International Airport, Hai Chau District, Da Nang City	Air catering services, direct support services for air transportation	42,677 (VND million)	36.11
3	General Aviation Import-Export JSC	AIRIMEX	414 Nguyen Van Cu, Bo De Ward, Long Bien District, Hanoi	Import and distribution of aircraft spare parts and airport ground equipment	31,113 (VND million)	41.31
4	Aviation High-Grade Plastic JSC	APLACO	Alley 200 Nguyen Son, Bo De Ward, Long Bien District, Hanoi	High-grade plastic	44,708 (VND million)	30.41

4.4.3. List of others

NO	Others	Short name	Address	Business lines	Paid-in charter capital	Stake of VNA(%)
1	Cambodia .Angkor Air	K6	206A, Preah Norodom Blvd, Sangkat Tonle Basac, Khan Chamkarmon, Phnom Penh, Cambodia	Transport of air cargo and air passenger	14,000,000 (USD)	14.00
2	Saigon Posts & Telecommunications Service Joint Stock Corporation	SPT	10 Co Giang, District 1, Ho Chi Minh City	Posts, Telecommunications and Information Technology	4,315 (VND million)	0.36

5. Shareholder Structure

5.1. Stock Information

Type of share	Common shares
Par value	10,000 VND / per share
Total number of outstanding shares	2,214,394,174 shares
Total number of listed shares	2,214,394,174 shares

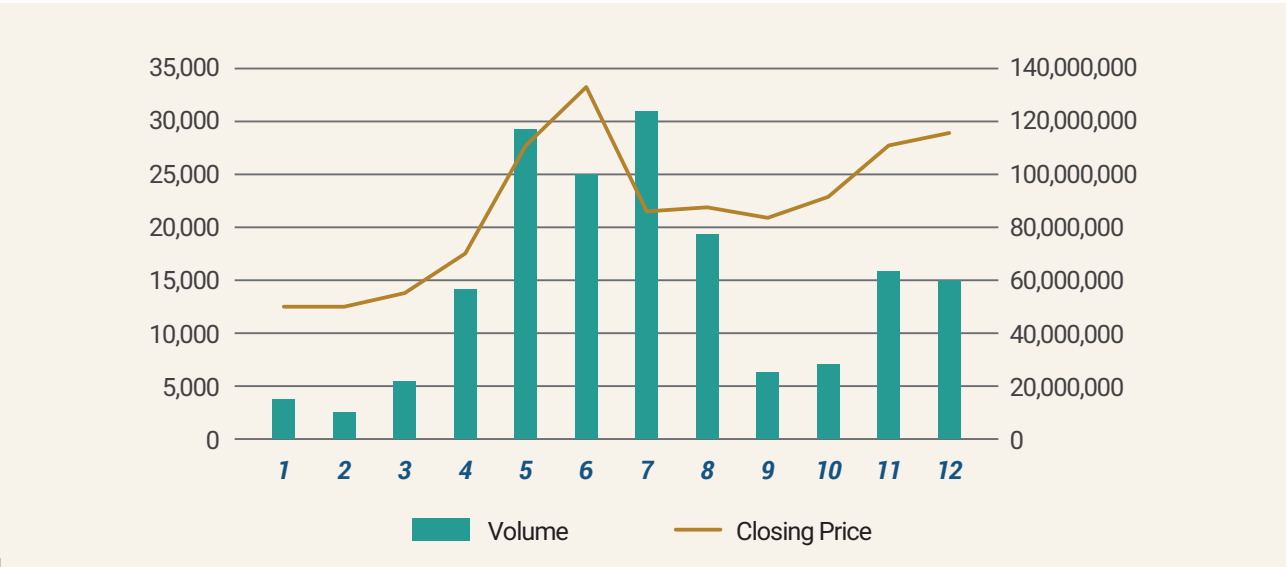
5.2. Shareholder structure: according to the list of shareholders dated October 12th, 2024

NO	Shareholder	Number of shares	Ownership (%)	Number of shareholders
1	Local	2,041,886,883	92.21	29,081
1.1	Individual	111,199,071	5.02	29,041
1.2	Institution	1,930,687,812	87.19	40
	Commission for the Management of State Capital at Enterprises (CMSC)	1,222,368,291	55.20	1
	State Capital Investment Corporation (SCIC)	689,488,080	31.14	1
	Other	18,831,441	0.85	38
2	Foreign	172,507,291	7.79	605
2.1	Individual	2,873,320	0.13	575
2.2	Institution	169,633,971	7.66	30
	ANA Holdings Inc.	124,438,698	5.62	1
	Other	45,195,273	2.04	29
	Total	2,214,394,174	100.00	29,686

List of Major Shareholders (ownership above 5% of the state)

NO	Shareholders	Number of Shares	Ownership (%)
1	Commission for the Management of State Capital at Enterprises (CMSC)	1,222,368,291	55.20
2	State Capital Investment Corporation (SCIC)	689,488,080	31.14
3	ANA HOLDINGS INC	124,438,698	5.62

Chart of HVN Price Fluctuations in 2024



5.3. Changes in Owner's Equity

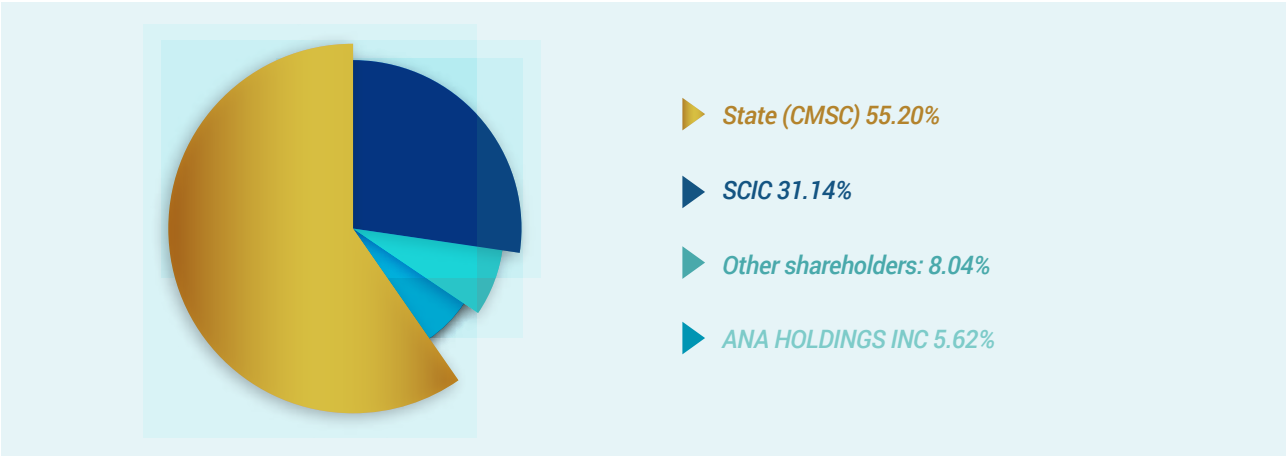
Capital increases since establishment, including public offerings:

Unit: VND

NO	Time	Value	Charter Capital	Form of Capital Increase
1	04/2015		11,198,648,400,000	
2	07/2016	1,076,689,380,000	12,275,337,780,000	Private placement to foreign investors
3	12/2018	1,907,570,690,000	14,182,908,470,000	Offering of shares to existing shareholders
4	9/2021	7,961,033,270,000	22,143,941,740,000	Offering of shares to existing shareholders

5.4. Changes in Owner's Investment Capital in 2024

As of December 31, 2024, the owner's investment capital indicator (VAS 410) was VND 22,143,941,740,000, with no changes compared to the beginning of the year. The shareholder structure of VNA is as follows:



6. Highlighted Events



Anniversary event for the flight route

Vietnam Airlines held ceremonies to celebrate the 30th anniversary of direct flights between Vietnam and Australia, Japan, China, and South Korea, witnessed by the Prime Minister and the Chairman of the National Assembly. These milestones mark the development and expansion of the national carrier's network in its journey to connect and extend the country's "soft borders".

Inaugural flight route event

Vietnam Airlines has continuously launched new routes, including Hanoi to Phnom Penh (Cambodia), Hanoi and Ho Chi Minh City to Munich (Germany), and Manila (Philippines), to facilitate travel and investment, thereby strengthening cooperation between Vietnam and other countries. These are significant milestones in the expansion of Vietnam Airlines' international flight network.



Community activities

Vietnam Airlines has carried out numerous cultural and artistic programs beloved by the public, not only spreading and honoring cultural identity but also affirming its role in connecting and uplifting community spirit. These include events such as Dragon Boat Racing, Run for Love, 5AM, VNA Classic, etc.



Sustainable development activities

Sustainable initiatives have been implemented through programs such as "Fly Light to Con Dao," "Contribute Leaves to Patch the Forest," and protective forest planting in various provinces, spreading the message of green living and social responsibility within the community. Additionally, the airline has taken the lead in promoting gender equality by participating in the HeForShe campaign and Orange the World with UN Women, striving to create a fair, equal, and progressive working environment.



Green flight

Vietnam Airlines is the first airline in Vietnam to operate a flight using Sustainable Aviation Fuel (SAF). Throughout the year, Vietnam Airlines reduced CO₂ emissions by 75,000 tons, marking a significant step in its efforts to protect the environment and combat climate change. The "SkyTeam Sustainable Flight Challenge 2024" encouraged passengers to "fly light" by reducing baggage weight to save fuel. The airline also minimized plastic use, incorporated locally sourced materials, implemented item recovery programs, and partnered with USSEC to design eco-friendly meal trays.



Receiving new aircraft

Vietnam Airlines welcomed its fifth Boeing 787-10, bringing the total number of wide-body aircraft to 30. This modern, fuel-efficient aircraft enhances the passenger experience with lie-flat seats, a diverse entertainment system, and an optimized design. The airline's wide-body fleet currently includes Boeing 787-10, Boeing 787-9, and Airbus A350, serving international routes and major domestic routes. The addition of new aircraft helps Vietnam Airlines maintain supply amid the ongoing aircraft shortage in the aviation industry.



7. Awards
and Accolades

INTERNATIONAL



Top 25 Premium Airlines of 2024 by AirlineRatings
(Vietnam Airlines ranked 11th out of 25)



World's 5-Star Airline 2024 awarded by APEX



Lotusmiles recognized at the "Best Loyalty Program" Loyalty & Engagement Awards 2024



Most upcoming and service friendly airline by the Indian Tourism and Cultural Trade Association



World's leading cultural airline 2024 by World Travel Award



Vietnam Airlines' "Million miles of wonder experiences" won the Global category in the Smarties X Global - Personalization: GOLD WINNER award

DOMESTIC



Top 10 well known trademark of Vietnam 2024



Vietnam National Brand (value for the years 2024 - 2025)



First Prize at the Vietnam Creative Advertising Awards for TVC Advertising - VIETNAM AIRLINES - "CHERISHING EVERY MILE", and the Creative Travel Brand of the Year Award



Human Act Prize 2024 for Community Action - Sustainability Idea category with the project "For a Green Vietnam and Sustainable Development"

04

Business performance

■ Key operational indicators

■ Key financial indicators

1. Key operational
indicators

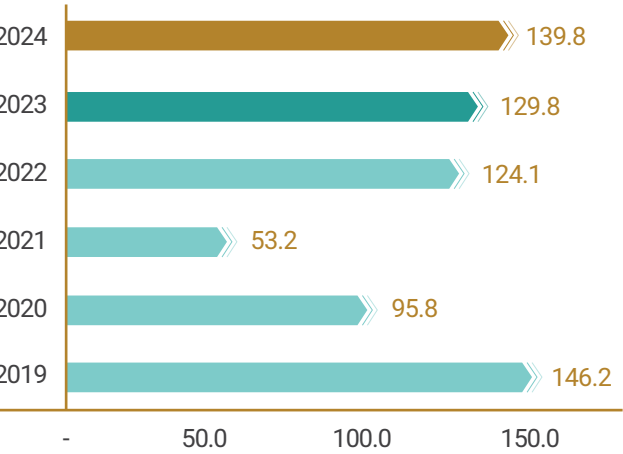
1.1. Vietnam Airlines Data (VNA and VASCO)

Update data 2019 - 2024

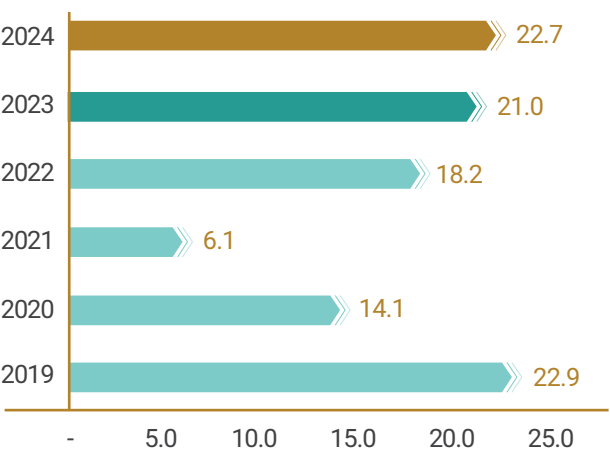
Metric	Unit	2019	2020	2021	2022	2023	2024
Number of flights	Thousand (one-way)	146.2	95.8	53.2	124.1	129.8	139.8
Passengers carried	Million	22.9	14.1	6.1	18.2	21.0	22.7
Cargo and parcel carried	Thousand tons	348	196	219.8	213.9	225.6	312.6
Revenue Passenger-Kilometers (RPK)	Billion passengers km	37.6	15.2	5.1	20.9	33.2	37.2
Available Seat-Kilometers (ASK)	Billion seats km	46.5	19.4	7.2	28.1	42.2	46.1
Load Factor	%	80.9%	78.3%	71.6%	74.4%	78.8%	80.6%
Market share	%	29.1%	39.6%	40.5%	33.4%	29.3%	30.2%

Note: 2019 - 2023 data published in previous years' annual reports
Column chart for the period 2019 - 2024

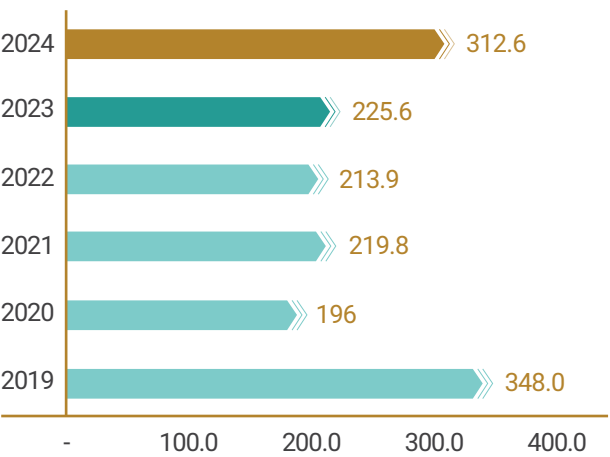
Number of flights



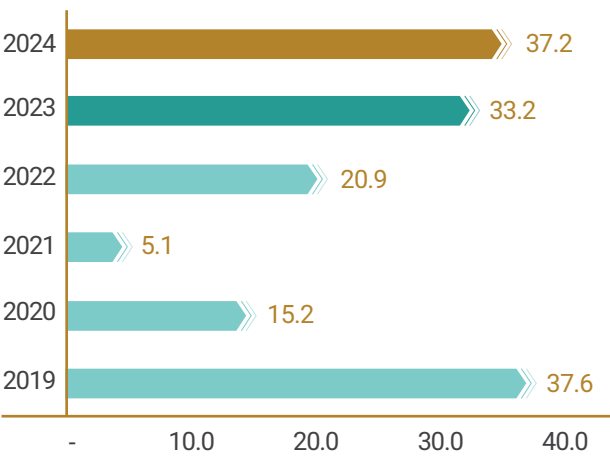
Passengers carried



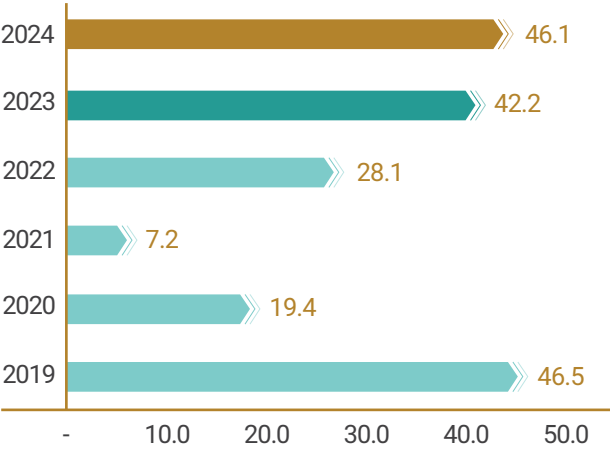
Cargo and mail carried



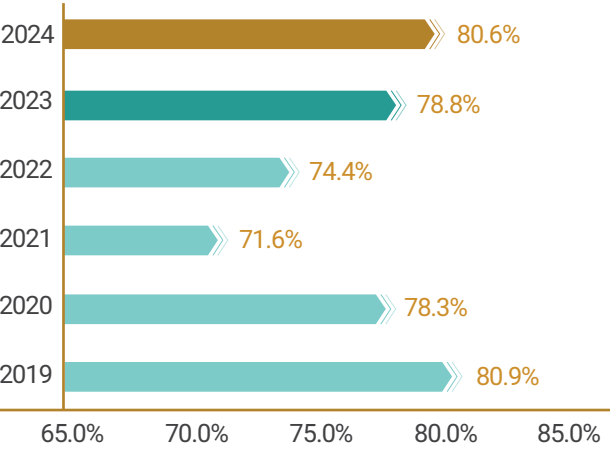
Revenue passenger - kilometers (RPK)



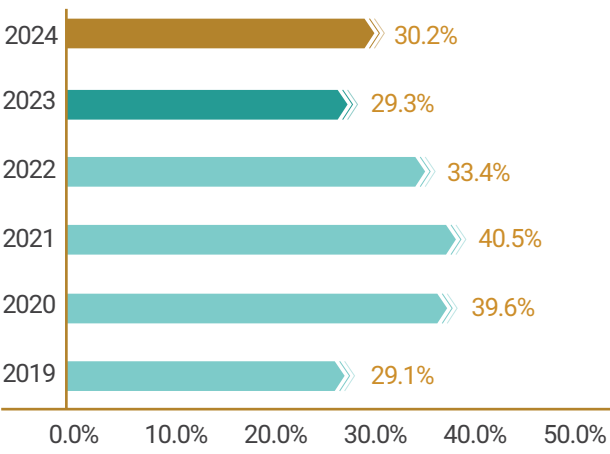
Available seat - kilometers (ASK)



Load factor



Market share



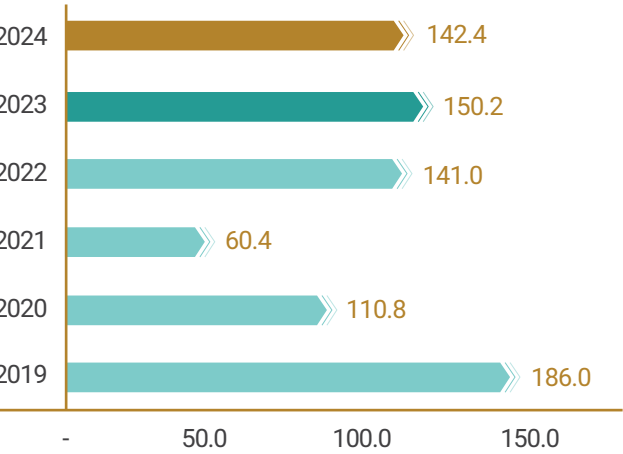
1.2. VNA Group Data (VNA, VASCO and PA)

Update data 2019 - 2024

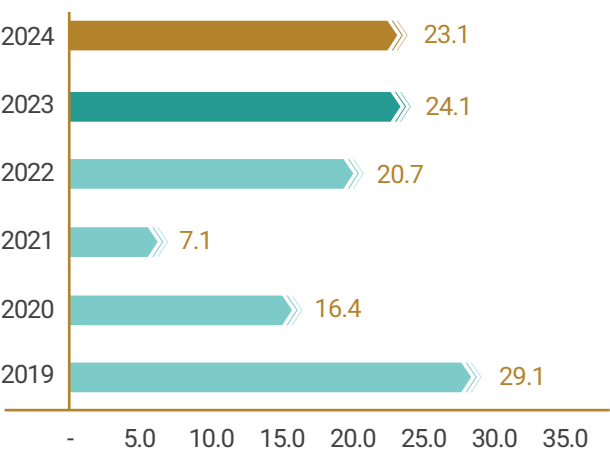
Metric	Unit	2019	2020	2021	2022	2023	2024
Number of flights	Thousand (one-way)	186.0	110.8	60.4	141.0	150.2	142.4
Passengers carried	Million	29.1	16.4	7.1	20.7	24.1	23.1
Cargo and parcel carried	Thousand tons	371.3	201.7	222.2	217.4	230.0	313.1
Revenue Passenger-Kilometers (RPK)	Billion passengers km	42.9	17.0	5.8	22.6	35.4	37.5
Available Seat-Kilometers (ASK)	Billion seats km	52.8	21.6	8.2	30.2	44.9	46.5
Load Factor	%	81.2%	78.5%	71.4%	74.9%	78.8%	80.7%
Market share	%	37.0%	46.1%	46.5%	37.7%	33.6%	30.6%

Note: 2019 - 2023 data published in previous years' annual reports
Column chart for the period 2019 - 2024

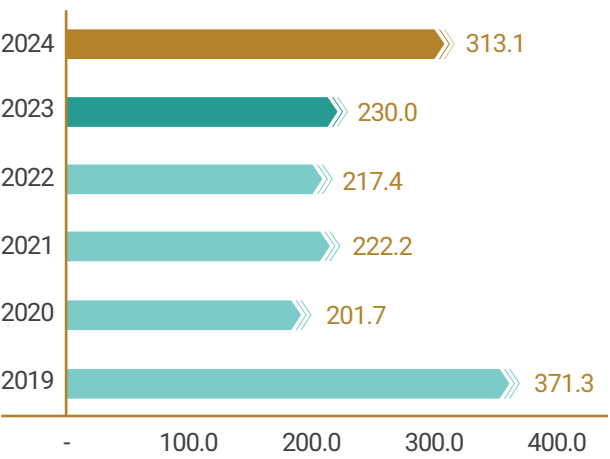
Number of flights



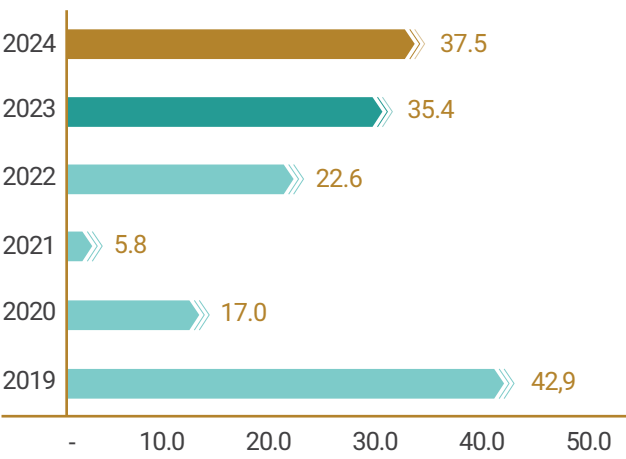
Passengers carried



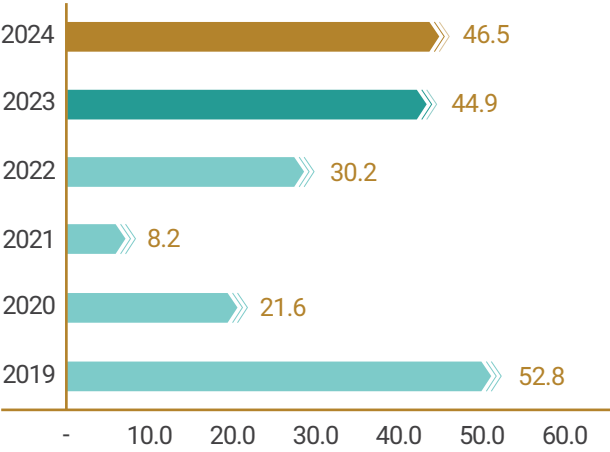
Cargo and mail carried



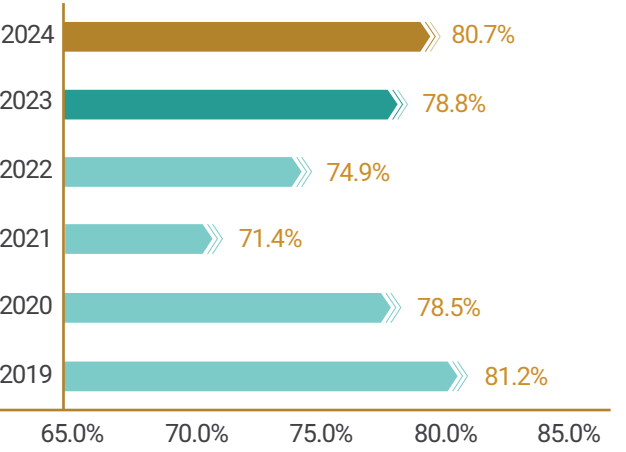
Revenue passenger - kilometers (RPK)



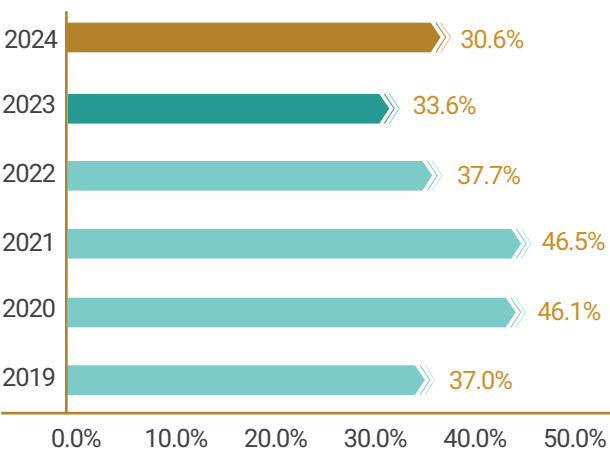
Available seat - kilometers (ASK)



Load factor



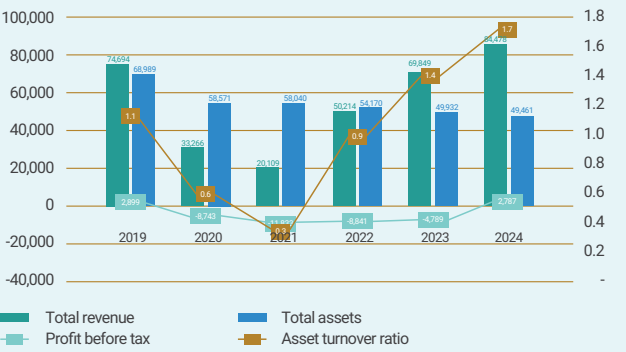
Market share



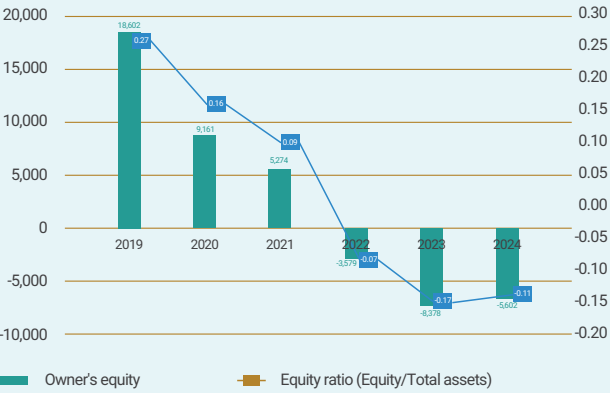
2. Key financial indicators

2.1. Parent Company

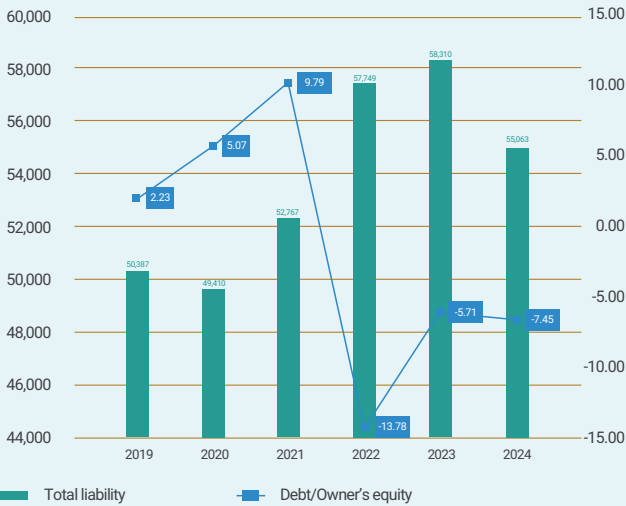
Total revenue, total assets, profit before tax, and asset turnover ratio



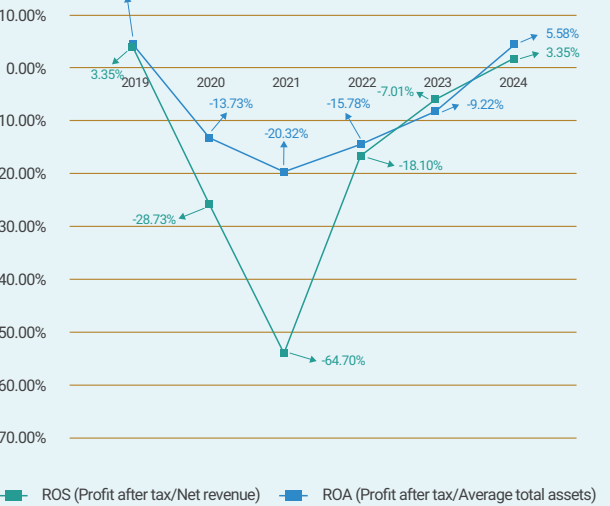
Capital autonomy



Total liability and debt ratio

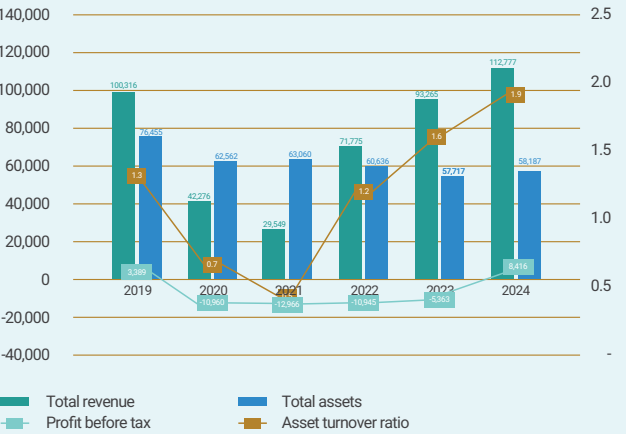


Profitability

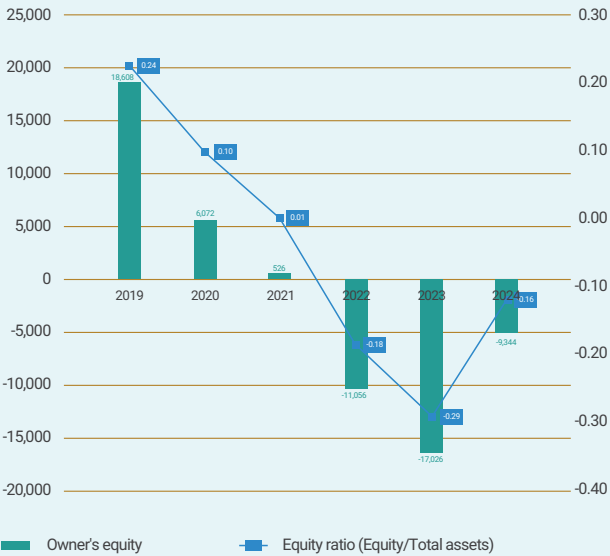


2.2. Consolidated results

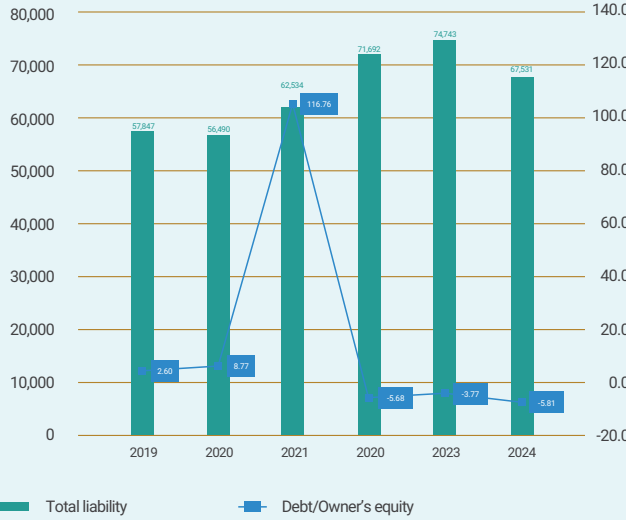
Total revenue, total assets, profit before tax, and asset turnover ratio (Consolidated)



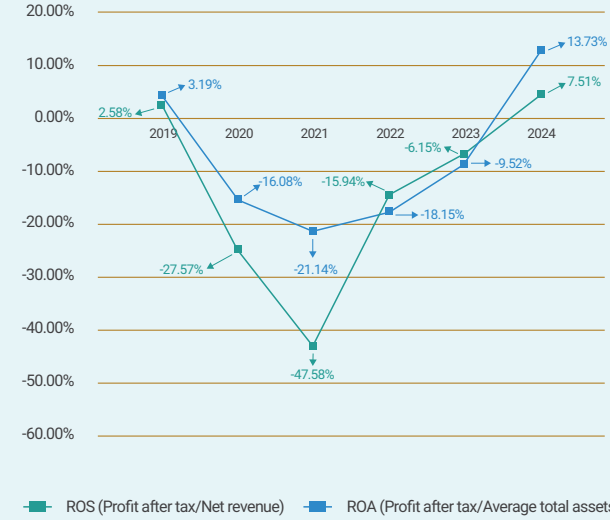
Capital autonomy



Total liability and debt ratio



Profitability



05

Assessments of the Board Of Directors

- Regarding the operations of Vietnam Airlines
- Regarding the activities of the Executive Board
- Regarding the plans and orientations of the Board of Directors



1. Regarding the Operations of Vietnam Airlines

1.1. VNA business activity

Successfully organized the Annual General Meeting of Shareholders to approve contents according to authority and regulations.

■ Production and business activities:

VNA has proactively and effectively deployed a series of solutions to manage production and business activities in accordance with market developments, ensuring absolute safety for operations (*frequently updating market trends, flexibly adjusting products based on objectives to maintain market share and efficiency, balancing aircraft resource allocation; continuing to explore, research, and launch new routes to diversify offerings and enhance aircraft utilization*). The Corporation capitalizes on every opportunity to improve average revenue and enhance service quality. It continues to manage cash flow prudently, flexibly utilizing solutions such as deferring supplier payments and securing short-term credit to maintain liquidity.

■ Solutions to ensure liquidity and continuous operation:

The Board of Directors has directed the review and reorganization of agencies and units to reduce administrative layers, streamline the workforce, and reassign tasks in alignment with the new situation, based on the principle of maximizing labor productivity.

■ Master plan of solutions to overcome difficulties for VNA due to the impact of the Covid-19 pandemic (Master plan):

The Board of Directors has closely directed and expedited the process to ensure that competent state agencies issue resolutions and conclusions approving the solutions to address the Corporation's difficulties. Upon completion of the approval procedures, the Board will direct the implementation of these solutions to achieve the objectives in accordance with the approved plan.

■ The Board has also identified and prioritized the implementation of critical investment projects for the 2024 - 2025 period,

focusing on projects that directly support business operations, particularly those aimed at enhancing the competitiveness of Vietnam Airlines (VNA) and its subsidiaries. Key projects include VNA's investment in narrow-body aircraft and the investment in an aviation service complex at Long Thanh International Airport. Additionally, VNA is implementing projects to strengthen innovation capabilities, promote digital transformation, and apply advanced technologies to enhance customer experience, increase the added value of the air transport service chain, improve the competitiveness of the VNA Group, and reinforce safety management and information security measures.



1.2. Results of implementing the Resolution of General Meeting of Shareholders

Results of implementing the 2024 business plan

Closely following the resolutions approved by the General Meeting of Shareholders, the Board of Directors of Vietnam Airlines (VNA) has decisively implemented business solutions from the beginning of the year, aiming to ensure continuous and sustainable operations. As a result, in 2024, the airline's route network has essentially fully recovered and even grown compared to the pre-pandemic period, with 58 international routes to 30 destinations across 18 countries and 38 domestic routes to 22 destinations. In 2024, VNA operated 139,000 flights, meeting the 2024 target. Passenger volume reached 22.66 million, in line with the 2024 plan. The average aircraft utilization rate was 11 flight hours per aircraft per day, marking a 25% increase year-on-year.

Regarding financial performance, VNA achieved positive business results in 2024, with estimated revenue reaching VND 84,347 billion (108.3% of the target) and pre-tax profit reaching VND 1,862 billion (17.7 times the target). Additionally, the business performance of majority-owned subsidiaries was positive and profitable. Although Pacific Airlines (PA) faced operational difficulties, it recorded a profit due to debt write-off negotiations. As a result, the consolidated pre-tax profit of the entire corporation for 2024 is estimated at VND 7,324 billion, significantly exceeding the projected target.

In terms of cash flow, thanks to strong passenger transport performance, VNA managed to balance its cash flow to meet operational payment obligations. By the end of 2024, the company expects an ending cash balance of approximately VND 1,900 billion, short-term loans and refinanced debt of around VND 5,177 billion, and overdue supplier debt maintained at approximately VND 7,465 billion.

Salary and remuneration of the Board of Directors and the Board of Supervisors

Salary and remuneration of the Board of Directors and Board of Supervisors in 2024 were implemented in accordance with the approval of the General Meeting of Shareholders. (details in "Report on salaries and remunerations of the Board of Directors and Supervisory Board implemented in 2024 and plan for 2025" submitted to the 2024 Annual General Meeting of Shareholders).

Sale of six ATR72 aircraft to replace with regional jet fleet

Based on the sales plan approved by the Board of Directors (BOD) in Resolution No. 1551/NQ-HDQT/TCTHK dated October 29, 2021, the Corporation initiated the sale of 6 ATR72-500 aircraft in the first phase of 2021 and 1 ATR72-500 aircraft B225 in January 2024, but these attempts were unsuccessful. Due to the extended upgrade works at Con Dao Airport, as well as the plan to restore services on certain niche routes, the BOD of the Corporation agreed to the policy of maintaining the operation of the ATR72-500 fleet until the end of 2025, as stated in Resolution No. 574/NQ-HDQT/TCTHK dated April 27, 2024.

Decision to sell 09 A321CEO aircraft

The Corporation has implemented the sale and transfer of 3 A321 CEO aircraft (MSNs 2974/3005/3013) in Q1/2024.

In 2024, as the market recovers post-COVID, the demand from airlines has increased, along with factors such as inflation, rising interest rates, and issues with A320/A321Neo engines, which have driven up aircraft and engine rental prices and made them scarce. Therefore, the Corporation has temporarily halted the sale of the remaining 6 A321CEO aircraft to ensure operational resources. The Corporation will continue to review the sale/sale & leaseback options for these aircraft in 2025 and the following years based on an assessment of operational needs and the actual market situation.

Restructuring work and the Restructuring Masterplan of Vietnam Airlines for the period 2021 - 2025

In 2024, VNA continued to proactively implement self-driven solutions to gradually restore its business operations. At the same time, it completed the development and submission of solutions under the overall plan for overcoming difficulties caused by the COVID-19 pandemic, which were approved by the competent authorities, to help VNA recover and develop sustainably in the 2021 - 2035 period. Based on the guidance from the state capital representative agency, VNA will continue to refine the restructuring plan for the period up to 2025 and submit it to the Board of Directors for approval, then proceed with its implementation.



The narrow-body aircraft project

Vietnam Airlines is implementing a plan for fleet development for the period 2025 - 2030, with a vision for 2035. The aircraft investment project is a key initiative to ensure the National Airline meets its strategic goals and vision during the recovery and sustainable development phase. The narrow-body aircraft investment project aims to support the development plan, improve the service quality of Vietnam Airlines on domestic and regional Asia routes, and help VNA complete its modern, comfortable, and fuel-efficient fleet.

Previously, Vietnam Airlines and the aircraft manufacturer Boeing signed a memorandum of understanding for the purchase of 50 Boeing 737 MAX narrow-body aircraft, valued at 10 billion USD. Under this agreement, both parties will closely cooperate to research, assess, and promptly report to the relevant authorities for review, which will serve as the basis to expedite the negotiation process and finalize Vietnam Airlines' investment procedures. The proposal has now been submitted to the Prime Minister for review and decision.

2. On the activities of the Board of Management

In 2024, the Board of Management has effectively implemented solutions to ensure business operations in accordance with market developments, ensuring absolute safety for market operation. The Board of Management has seriously implemented the Resolutions and Decisions of the Board of Directors, closely and carefully managed production and business activities with a high sense of responsibility, overcome difficulties, and continuously improve professional and modern management capacity to successfully complete assigned tasks for the legal and maximum benefits of VNA and its shareholders. Every month, the CEO periodically reports on VNA's business results at Board of Directors meetings. Every quarter, the CEO reports to the Board of Directors on the results of implementing the Board of Directors' Resolutions/Decisions.

The Board of Management has made full reports as prescribed during the implementation of the instructions and sought directions of Board of Directors when issues arise that are beyond the CEO's authority. The Board of Management has also organized regular work with agencies and entities to promptly review and resolve difficulties and obstacles in production and business activities and have flexible, timely operations appropriate to each moment of VNA's production and business activities. CEO is also a member of the Board of Directors, so the communication between Board of Management and Board of Directors is very close and regular. Accordingly, the supervision of business performance of Board of Management also takes place continuously, ensuring timely support and direction from the Board of Directors.



3. On the orientation of the Board of Directors

The Board of Directors determines the goals, directions and tasks for 2025 as follows:
Ensure business operations remain effective, meeting or exceeding the 5-year targets outlined in the Master Plan for overcoming the difficulties caused by the Covid-19 pandemic for the period 2021 - 2025.
Continue optimizing resource usage and improving the efficiency of the fleet, focusing on each type and individual aircraft, ensuring the fleet utilization rate increases by over 5% compared to 2024. This includes ensuring regular maintenance, improving flight schedule management, eliminating the need for backup aircraft, and enhancing fleet efficiency.

Continue implementing organizational restructuring, reorganizing, and optimizing the business processes. Ensure sufficient resources for pilots, flight attendants, and engineers to meet high production targets; emphasize training for management staff; strive for a labor productivity increase of over 7% compared to the previous period and return employee incomes to pre-pandemic levels. Ensure domestic supply capacity aligns with market demand, prioritize resources to maintain market share on key routes; accelerate the recovery of international routes by scheduling A321 NEO aircraft after resolving the Pratt & Whitney engine issues. The Corporation's international market share should be at least equal to that of 2024, and VNA Group's domestic market share should exceed 42%.





06

Report and Assessment of the Board of Management on business results in 2024

- Overview of Business environment
- Performance in various functions
- Investment activities
- Financial performance
- Innovations in organizational structure and management policy
- Future development plan

1. Overview of
Business environment

The years 2024 - 2025 have been recognized by many reputable organizations in the aviation industry as a crucial period, promising strong growth following the pandemic, particularly in the international aviation market. However, the mass recall of Pratt & Whitney engines for A321 NEO aircraft has triggered a minor crisis affecting aircraft resources worldwide.

In 2024, the business environment presents both challenges and opportunities. While the international aviation market continues its recovery and growth trend, domestic market demand has weakened. Additionally, macroeconomic factors and input costs have shown unfavorable developments. Specifically:

- The global economic and political landscape remains complex, with ongoing conflicts such as the Russia-Ukraine war, the Israel-Hamas conflict, and fluctuations in major currency exchange rates.
- In 2024, jet fuel prices averaged \$96.32 per barrel, 8.6% lower than the same period last year. The average exchange rate (TGBQ) for USD/VND in UTH2024 was

Domestic Market

The total number of domestic passengers reached 34,35 million, representing a 14.4% decrease year-over-year and an 8% decline compared to 2019. The primary reasons were aircraft shortages and a weakened market demand.

24,990 approximately 4.9% higher than in 2023, reducing business performance by around VND 433 billion.

- Long-term USD loan interest rates remained high during the first nine months of 2024 and only began to decline in mid-September when the FED implemented its first rate cut since 2022. Domestically, VND loan interest rates remained relatively stable in Q1, but started to rise again toward the end of Q2. Given the corporation's large-scale debt and overdue payments to suppliers due to the impact of COVID-19, persistently high interest rates continued to exert significant pressure on costs and business performance. Throughout 2024, the corporation actively negotiated with domestic financial institutions to reduce loan interest rates and is currently in discussions with ACV to agree on a reasonable interest rate for deferred debt repayments, ensuring a balanced benefit for both parties.
- The disruption of global supply chains and the Pratt & Whitney engine recall have led to higher aircraft leasing costs, spare parts prices, and maintenance expenses.

International market

The total number of international passengers (including charter flights) reached 41,2 million, marking a 29,6% increase year-over-year but a 0,2% decline compared to 2019. Among scheduled flight routes, the strongest growth was observed in the Australia and India markets, driven by airlines expanding operations and launching new routes. Meanwhile, the slowest recovery was seen in the China and Hong-Kong routes, which have only recovered to approximately 55% of pre-COVID levels.

2. Performance
in various functions

2.1. Route network

By the end of 2024, VNA operated a total of 57 regular international routes (equivalent to 92% of the 2019 level) connecting Vietnam to 31 destinations in 18 countries/territories. During that year, VNA opened

several new routes, including HAN/SGN - MNL (in June 2024), HAN/SGN - MUC (in October 2024). In the domestic market, VNA operated 39 routes to 22 destinations.

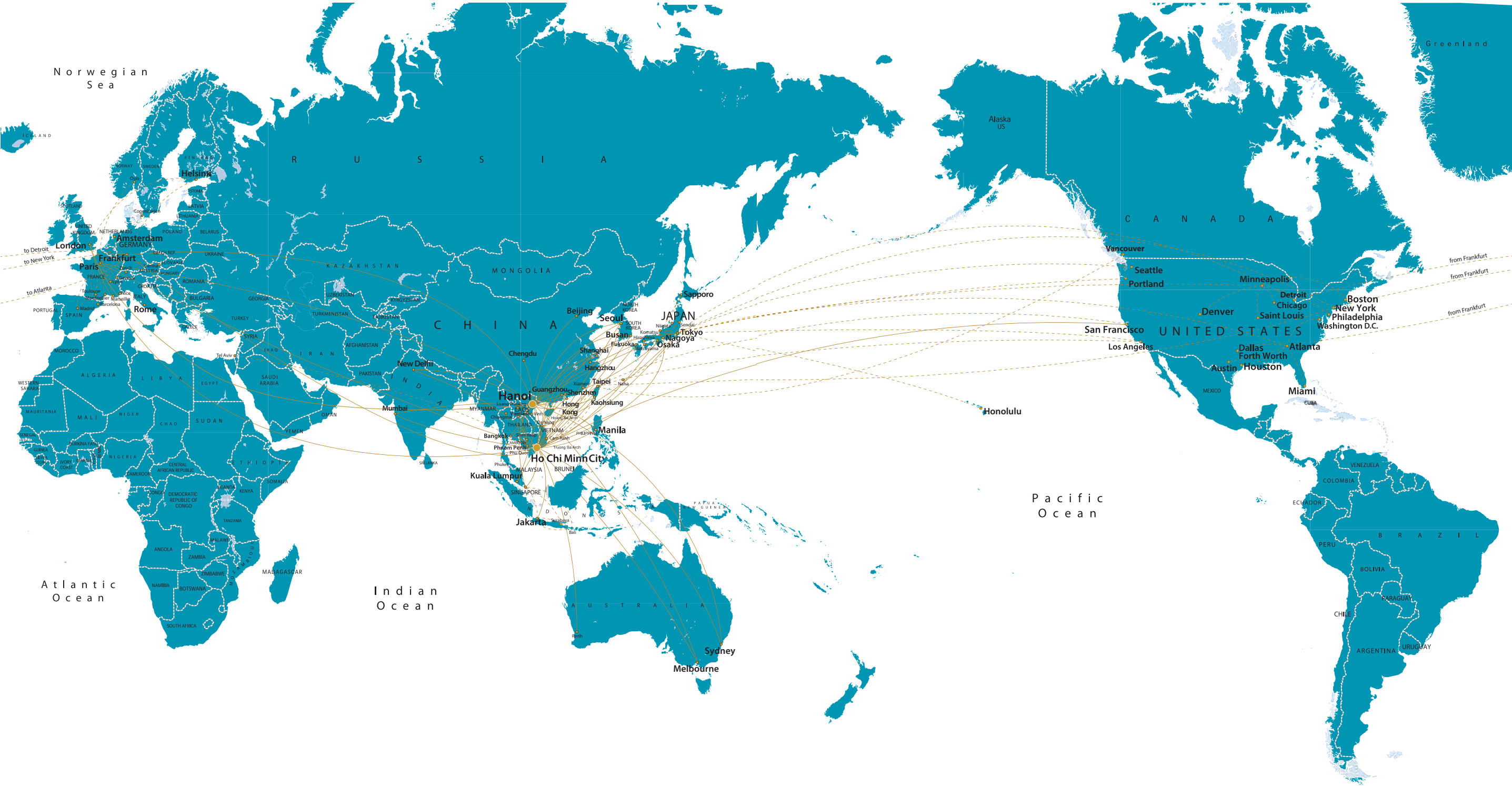
Data on Domestic and International Network (directly operated):

2024	Destination		Route network	
	Domestic	International	Domestic	International
Parent Company	22	31	39	57
PA	16	2	15	2
Total	22	31	39	57

(*Data as of December 2024)



INTERNATIONAL FLIGHT NETWORK



— Operated by Vietnam Airlines.
- - - Operated by codeshare partners.

Vietnam Airlines offers codeshare services on 20 domestic French routes to/from Paris operated by SNCF.

DOMESTIC FLIGHT NETWORK

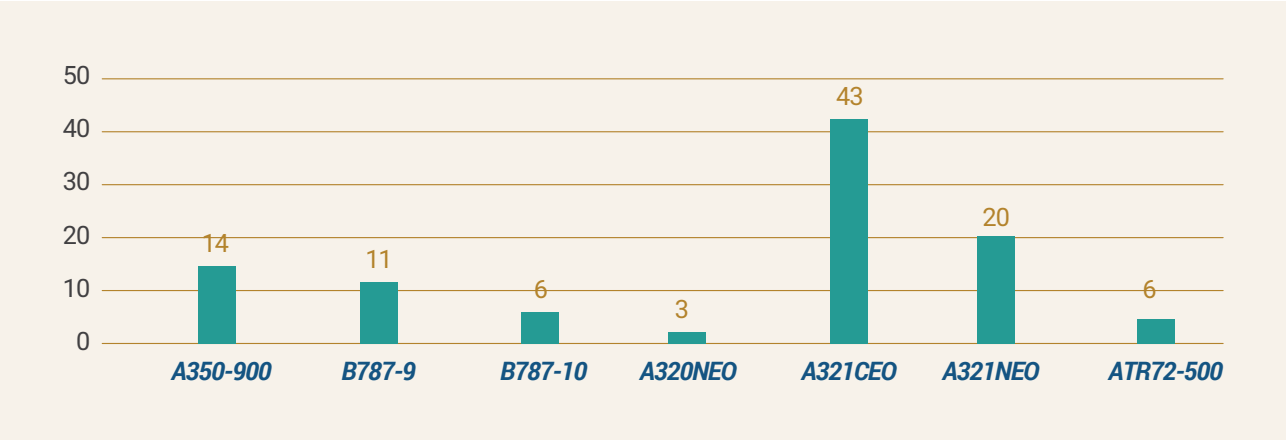


ASIAN NETWORK



2.2. Fleet

2.2.1. Fleet structure as of December 31, 2024



2.2.2. Fleet data as of 31/12/2024

Aircraft type	As of December 31, 2024			Note
	Leased	Owned	Total	
TurboProp	0	6	6	Aircraft propeller with turbine engine, 72 seats
ATR72-500	0	6	6	
Narrow-body aircraft	33	33	66	(From 178 - 203 seats)
A320NEO	3	0	3	
A321CEO	10	33	43	Including 01 dry-lease aircraft to K6
A321NEO	20	0	20	
Wide-body aircraft	24	7	31	(From 274 - 367 seats)
A350-900	14	0	14	
B787-9	4	7	11	
B787-10	6	0	6	
TOTAL	57	46	103	

2.2.3. Fluctuations in aircraft in 2024

Aircraft type	As of January 1, 2024	As of December 31, 2024	Fluctuations
A350	14	14	0
B787-9	11	11	0
B787-10	4	6	2
A320NEO	0	3	3
A321CEO	46	43	-3
A321NEO	20	20	0
ATR72	6	6	0

Fleet Development Plan for the 2021 - 2025 period, with vision towards 2040
Aircraft type orientation: VNA Group plans to utilize a fleet incorporating new and advanced aircraft. The fleet will consist of three primary types conforming to international standards:



Currently, some aircraft types in the world, although having a similar maximum seating capacity to jet aircraft, have a range comparable to narrow-body aircraft. Therefore, in the future, there may be a study or the use of two separate aircraft types, or the use of an aircraft type that can serve both the narrow-body fleet and the regional jet fleet.

It is expected that by 2025, the demand for Vietnam Airlines' wide-body fleet will be 31 aircraft, which is largely within the limit of the leased and purchased aircraft; the narrow-body fleet will consist of 54 aircraft; and the ATR fleet will have 05 aircraft. To achieve the goals of expanding the flight network, market share, and ensuring competitiveness, it is projected that by 2030, the demand for Vietnam Airlines' wide-body fleet will be 37 aircraft; the narrow-body fleet will comprise 95 aircraft; and the ATR fleet will have 05 aircraft.

Fleet development plan for the 2021 - 2025 period (average annual aircraft)

VNA (VN+OV)	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Wide-body aircraft	19	29	29	27	31	31	31	37	37	37
Narrow-body aircraf	39	56	62	53	54	59	71	82	88	95
AT7/ Regional jets	6	6	5	5	5	5	5	5	5	5
Total	64	91	96	86	90	95	107	124	130	137

2.3. Commercial performance

2.3.1. Passenger Transportation

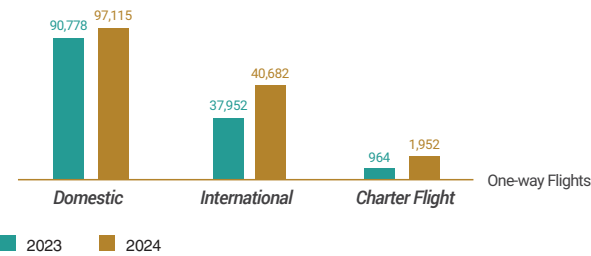
Parent company

In 2024, the socio-political and economic situation in Vietnam presents many advantages, but global circumstances are unfavorable, such as political conflicts in various regions, high fuel prices, a stronger US dollar, disruptions in global supply chains, and the engine recall issue with PW, which has led to increased leasing costs, spare parts, and maintenance expenses.

In this context, Vietnam Airlines Group has implemented several solutions to ensure the goals set at the beginning of the year are achieved. As of now, the flight network has essentially fully recovered and has experienced growth compared to the pre-pandemic period, while also launching several new routes.

Metric	Unit	2023	2024	2024/2023 (%)
Total number of flights	One-way	129,757	139,749	107.7%
Domestic		90,833	97,115	106.9%
International		37,962	40,682	107.2%
Charter flights		962	1,952	202.9%
Total number of passengers	Million	21.0	22.7	108.2%
Domestic		14.7	15.3	104.5%
International		6.3	7.1	114.3%
Charter flights		0.1	0.3	250.7%

Total number of flights

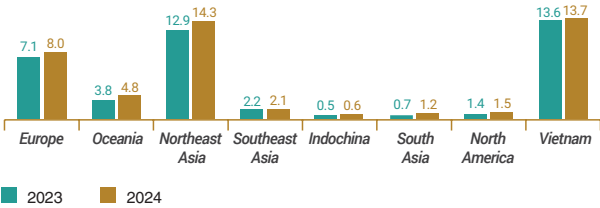


Total number of passengers

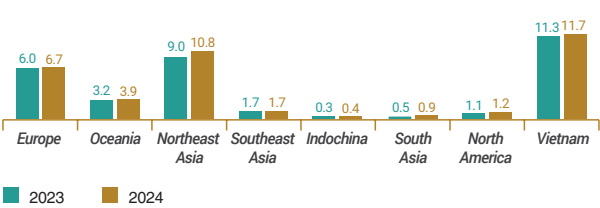


NO	Metric	ASK (billion seat-kilometers)			RPK (billion revenue passenger-kilometers)			Seat utilizaton/load (%)		
		2023	2024	% difference	2023	2024	% difference	2023	2024	% difference
1	Europe	7.1	8.0	112.7%	6.0	6.7	111.7%	84.8%	83.7%	-1.1
2	Oceania	3.8	4.8	126.9%	3.2	3.9	122.6%	83.9%	81.4%	-2.5
3	Northeast Asia	12.9	14.3	110.6%	9.0	10.8	119.7%	70.0%	75.5%	5.5
4	Southeast Asia	2.2	2.1	93.7%	1.7	1.7	100.1%	78.2%	82.6%	4.4
5	Indochina	0.5	0.6	122.9%	0.3	0.4	125.7%	62.3%	61.3%	-1.0
6	South Asia	0.7	1.2	164.9%	0.5	0.9	173.5%	72.5%	75.1%	2.6
7	North America	1.4	1.5	105.0%	1.1	1.2	111.4%	80.6%	83.4%	2.8
8	Vietnam	13.6	13.7	101.0%	11.3	11.7	103.2%	83.1%	84.8%	1.7
	Total	42.2	46.1	109.4%	33.2	37.2	112.1%	78.7%	80.7%	2.0

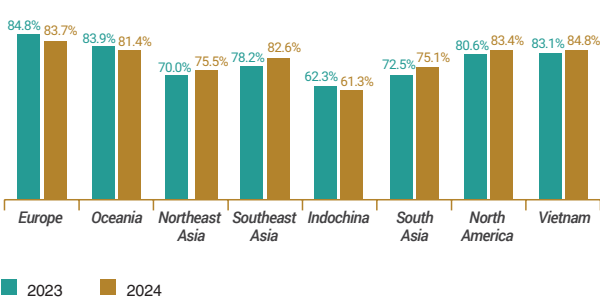
ASK (billion seat.km)



RPK (billion passenger.km)



Seat utilizaton/load (%)

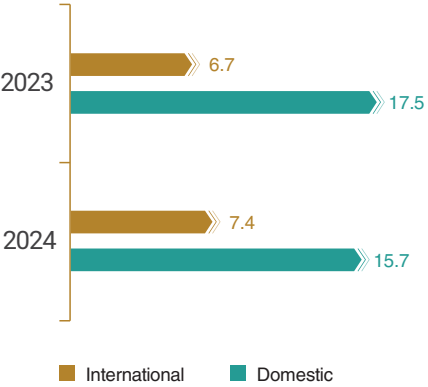


VNA Group

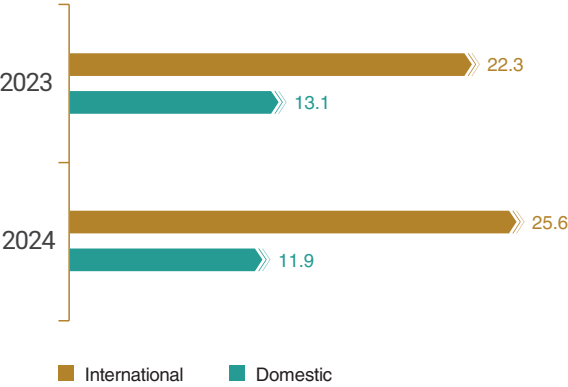
Metric	International (*)			Domestic			Total		
	2023	2024	24/23	2023	2024	24/23	2023	2024	24/23
Passengers	6.7	7.4	110.5%	17.5	15.7	89.7%	24.1	23.1	95.9%
RPK	22.3	25.6	114.7%	13.1	11.9	90.7%	35.4	37.5	105.8%
ASK	29.2	32.4	111.0%	15.7	14.1	89.8%	44.9	46.5	103.6%
Load factor	76.4%	78.9%	2.5	83.5%	84.7%	1.2	78.9%	80.7%	1.8
Market share	21.0%	18.0%	-3.0	43.5%	45.7%	2.3	33.6%	30.6%	(3.0)

Unit: Passengers: million; RPK: billion passengers.km; ASK: billion seats.km; Load factor: %; Market share: %
(*): Including charter flights

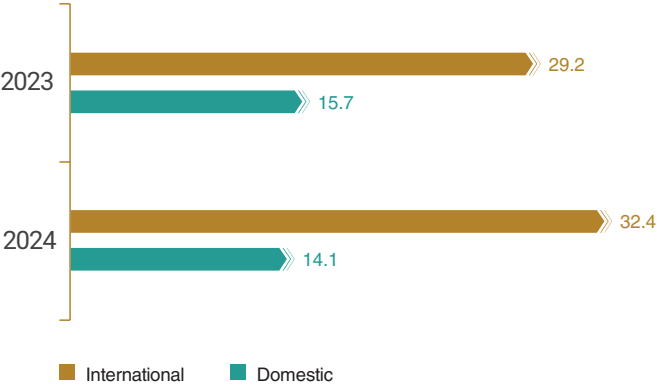
Passengers (Million)



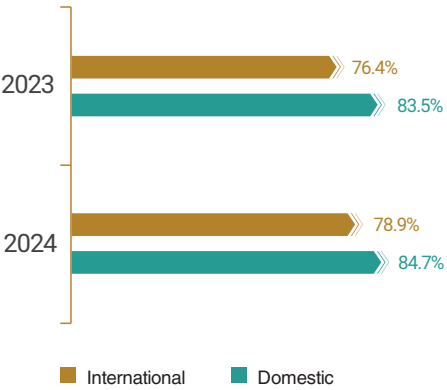
RPK (Billion passenger.km)



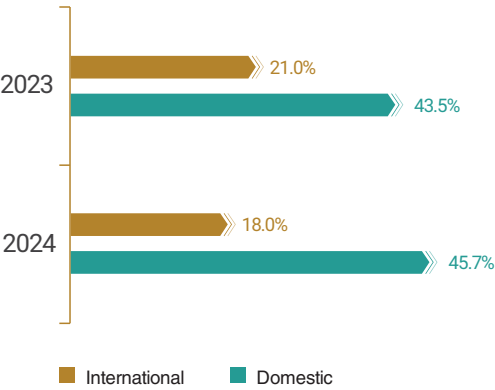
ASK (Billion seat.km)



Load factor



Market share



2.3.2. Cargo and Mail Transportation

I. Cargo and Mail Transportation of Vietnam Airlines (VNA)

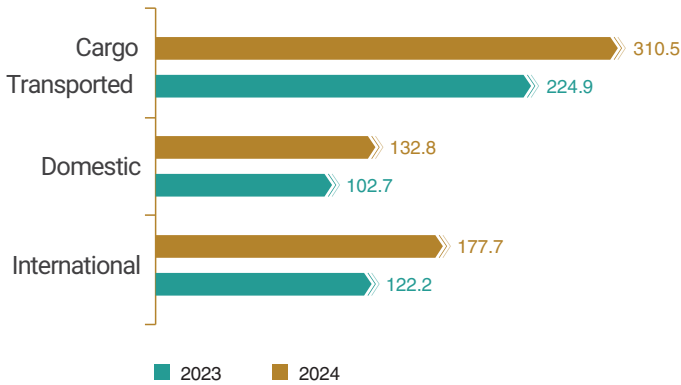
1. Update of data for 2020 - 2024

Metric	UNIT	2020	2021	2022	2023	2024	%2024/2023
Cargo and parcel transportation	Thousand tons	195.3	219.5	213.0	224.9	310.5	138%

2. Cargo and Parcel Transport Performance in 2023 - 2024

Metric	UNIT	2023	2024	%2024/2023
Cargo Transported	Thousand tons	224.9	310.5	138%
Domestic		102.7	132.8	129%
International		122.2	177.7	145%

(Source: Goods Sales Force Reporting System)



3. Evaluation and analysis by market

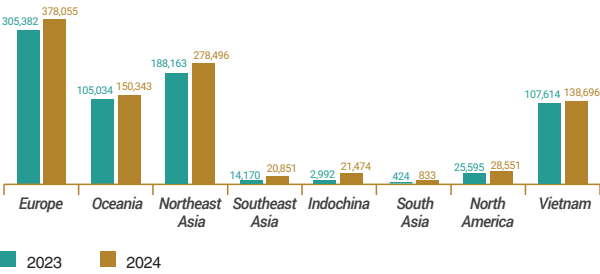
NO	Metric	RFTK: thousand tons.Km			AFTK: thousand tons.Km			Load factor (%)		
		2023	2024	SS 24/23	2023	2024	SS 24/23	2023	2024	SS 24/23
1	Europe	305,382	378,055	124%	344,037	399,292	116%	89%	95%	6%
2	Oceania	105,034	150,343	143%	166,433	217,991	131%	63%	69%	6%
3	Northeast Asia	188,164	278,496	148%	431,614	397,414	92%	44%	70%	26%
4	Southeast Asia	14,170	20,851	147%	22,548	27,558	122%	63%	76%	13%
5	South Asia	2,992	21,474	718%	4,831	27,179	563%	62%	79%	17%
6	Indochina	424	833	197%	2,363	4,880	207%	18%	17%	-1%
7	America	25,595	28,551	112%	32,496	30,434	94%	79%	94%	15%
8	Vietnam	107,614	138,696	129%	276,063	260,242	94%	39%	53%	14%
	Total	749,374	1,017,299	136%	1,280,385	1,364,990	107%	59%	75%	16%

(Source: Sales Force Cargo Reporting System)

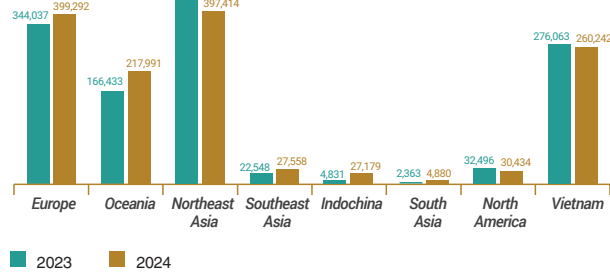
The total cargo market of Vietnam in 2024 is 124% compared to 2023 (International is 124%, Domestic is 125%).

With VNA's sales efforts, the cargo operation across VNA's entire flight network in 2024 achieved the following results: The cargo and parcel throughput reached 1,017 million ton.km, which is 136% of 2023. Of this, International was 879 million ton.km, 137% of 2023, and Domestic was 139 million ton.km, 129% of 2023.

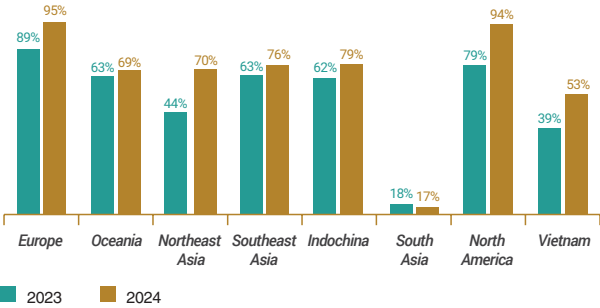
RFTK (1000 tons.km)



AFTK (1000 tons.km)



Load factor (%)



II. Cargo and Parcel Transportation by VASCO

1. Cargo and Parcel Transportation Results for 2023 - 2024

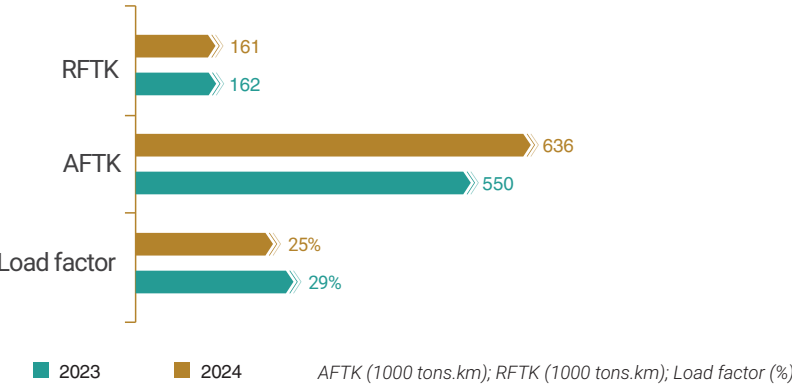
Metric	UNIT	2023	2024	SS 2024/2023
Domestic	Thousand tons	0.842	0.704	84%

(Source: Provided by VASCO)

2. Market Analysis and Evaluation of Operations by Region

Metric	RFTK (1000 tons.km)			AFTK (1000 tons.km)			Load factor (%)		
	2023	2024	SS 24/23	2023	2024	SS 24/23	2023	2024	SS 24/23
Vietnam	162	161	99%	550	636	116%	29%	25%	-4%
Total	162	161	99%	550	636	116%	29%	25%	-4%

(Source: Provided by VASCO)

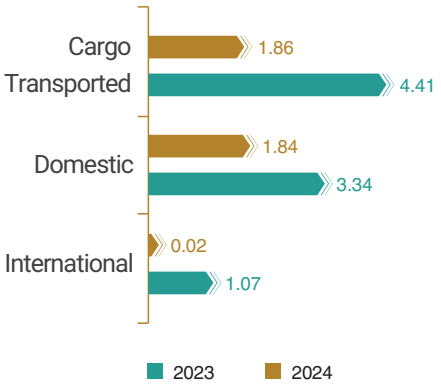


III. Cargo and Parcel Transportation of PA

1. Cargo and Parcel Transport Results for 2023 - 2024

Indicator	UNIT	2023	2024	SS 24/23
Cargo Transported	Thousand tons	4.41	1.86	42%
Domestic	Thousand tons	3.34	1.84	55%
International	Thousand tons	1.07	0.02	1%

(Source: Provided by PA)

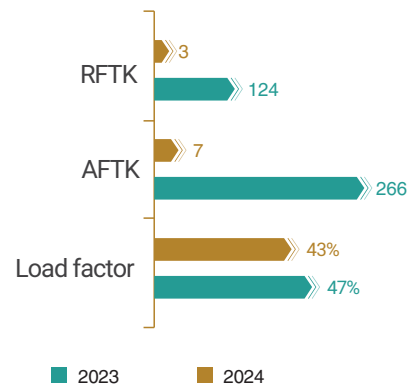


2. Market Analysis and Evaluation of Operations by Region

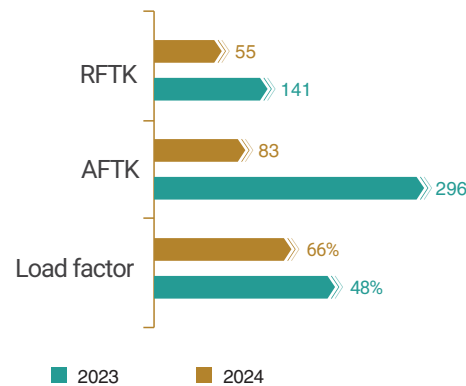
Metric	RFTK (1000 tons.km)			AFTK (1000 tons.km)			Load factor (%)		
	2023	2024	SS 24/23	2023	2024	SS 24/23	2023	2024	SS 24/23
Southeast Asia	124	3	2%	266	7	3%	47%	43%	-4%
Vietnam	141	55	39%	296	83	28%	48%	66%	18%
Total	265	58	22%	562	90	16%	47%	64%	17%

(Source: Provided by VASCO)

Southeast Asia



Vietnam



AFTK (1000 tons.km); RFTK (1000 tons.km); Load factor (%)

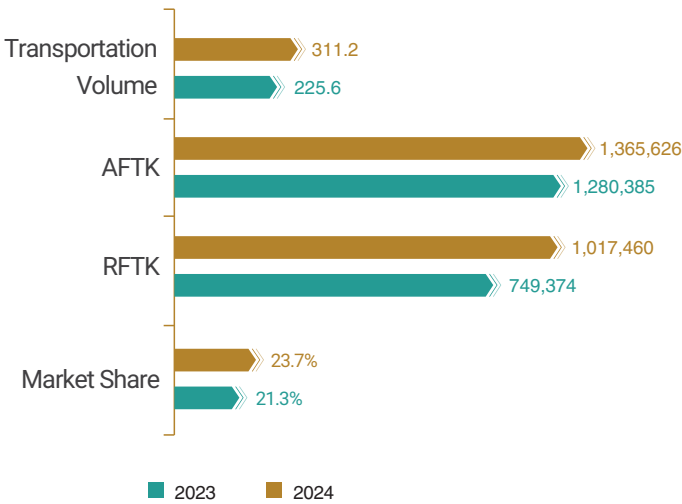
IV. Cargo and Parcel Transportation of the Parent Company (VNA and VASCO)

1. Update of data for 2023 - 2024

Metric	UNIT	2023	2024	2024/2023
Cargo, parcels transported	Thousand tons	225.7	311.2	138%

2. Cargo and Parcel Transportation Results

Metric (VNA & VASCO)	UNIT	2023	2024	SS 2024/2023
Transportation volume	Thousand tons	225.6	311.2	138%
AFTK	1000 tons.km	1,280,385	1,365,626	107%
RFTK	1000 tons.km	749,374	1,017,460	136%
Market share	%	21.3%	23.7%	2.4%

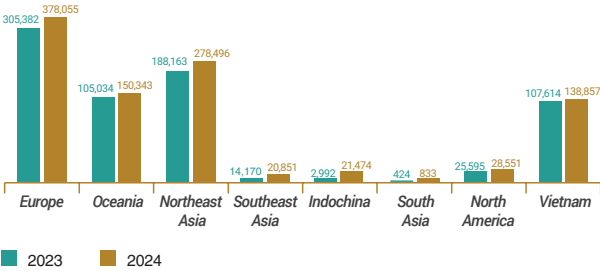


3. Evaluation and analysis by market

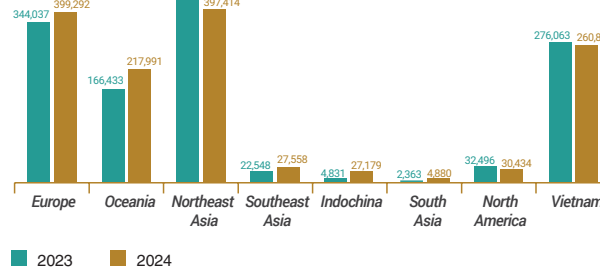
NO	Metric	RFTK (1000 tons.km)			AFTK (1000 tons.km)			Load factor (%)		
		2023	2024	SS 24/23	2023	2024	SS 24/23	2023	2024	SS 24/23
1	Europe	305,382	378,055	124%	344,037	399,292	116%	89%	95%	6%
2	Oceania	105,034	150,343	143%	166,433	217,991	131%	63%	69%	6%
3	Northeast Asia	188,163	278,496	148%	431,614	397,414	92%	44%	70%	26%
4	Southeast Asia	14,170	20,851	147%	22,548	27,558	122%	63%	76%	13%
5	South Asia	2,992	21,474	718%	4,831	27,179	563%	62%	79%	17%
6	Indochina	424	833	197%	2,363	4,880	207%	18%	17%	-1%
7	America	25,595	28,551	112%	32,496	30,434	94%	79%	94%	15%
8	Vietnam	107,614	138,857	129%	276,063	260,878	94%	39%	53%	14%
	Total	749,374	1,017,460	136%	1,280,385	1,365,626	107%	59%	75%	16%

(Source: Provided by PA)

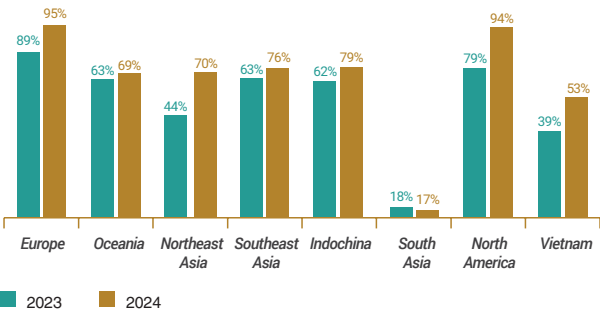
RFTK (1000 tons.km)



AFTK (1000 tons.km)



Load factor (%)



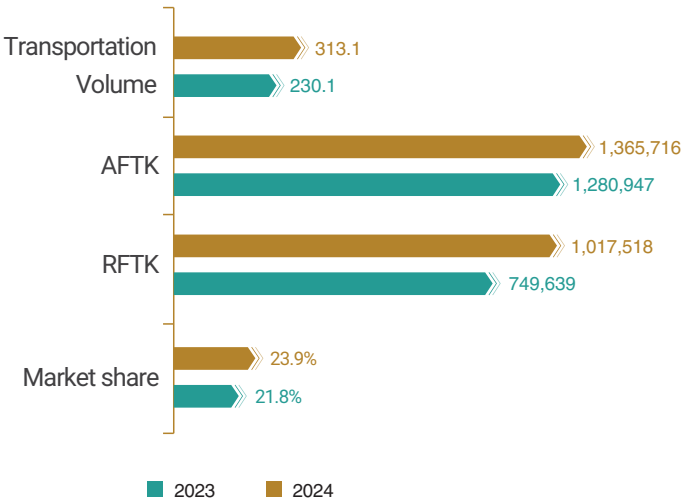
V. Cargo and Parcel Transportation of VNA Group (Parent Company and PA)

1. Data Update 2023 - 2024

Metric	UNIT	2023	2024	SS 2024/2023
Transported Cargo and Parcels	Thousand tons	230.0	313.1	136%

2. Cargo and Parcel Transportation Results

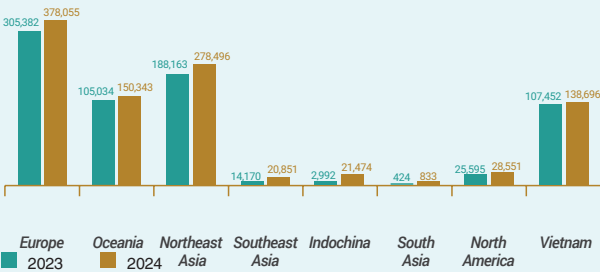
Metric VNA & VASCO and PA	UNIT	2023	2024	%2024/2023
Transported Volume	Thousand tons	230.1	313.1	136%
AFTK	1000 tons.km	1,280,947	1,365,716	107%
RFTK	1000 tons.km	749,639	1,017,518	136%
Market Share	%	21.8%	23.9%	2.1%



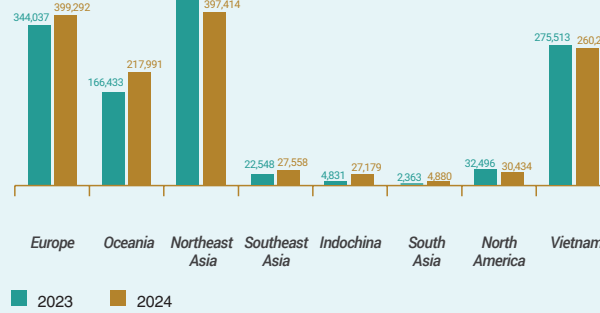
3. Evaluation and analysis by market

NO	Metric	AFTK (1000 tons.km)			AFTK (1000 tons.km)			Load factor (%)		
		2023	2024	SS 24/23	2023	2024	SS 24/23	2023	2024	SS 24/23
1	Europe	305,382	378,055	124%	344,037	399,292	116%	89%	95%	6%
2	Oceania	105,034	150,343	143%	166,433	217,991	131%	63%	69%	6%
3	Northeast Asia	188,163	278,496	148%	431,614	397,414	92%	44%	70%	26%
4	Southeast Asia	14,294	20,854	146%	22,548	27,565	121%	60%	76%	16%
5	South Asia	2,992	21,474	718%	4,831	27,179	563%	62%	79%	17%
6	Indochina	424	833	197%	2,363	4,880	207%	18%	17%	-1%
7	America	25,595	28,551	112%	32,496	30,434	94%	79%	94%	15%
8	Vietnam	107,755	138,912	129%	276,359	260,961	94%	39%	53%	14%
	Total	749,639	1,017,518	136%	1,280,947	1,365,716	107%	58%	75%	16%

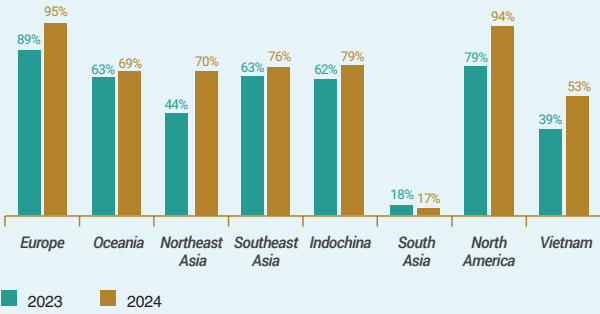
RFTK (1000 tons.km)



AFTK (1000 tons.km)



Load factor (%)



VI. Restructuring of the Parent Company and Member Enterprises

Cargo Operations

- Maintain VNA Group's domestic cargo market share at 60% (with the trunk route market share HAN-SGN-HAN at approximately 65%).
- Closely monitor cargo market trends, implement flexible sales policies, and optimize flight revenue. Strengthen cargo sales to maximize flight load, ensuring the load factor for wide-body aircraft on international passenger flights reaches 90%-100%, and over 71% for narrow-body aircraft.
- Strengthen cooperation with other airlines to improve efficiency and expand partnerships.

2.3.3. Frequent Flyer Program (Lotusmile)

1. BSV Program

a. Revenue

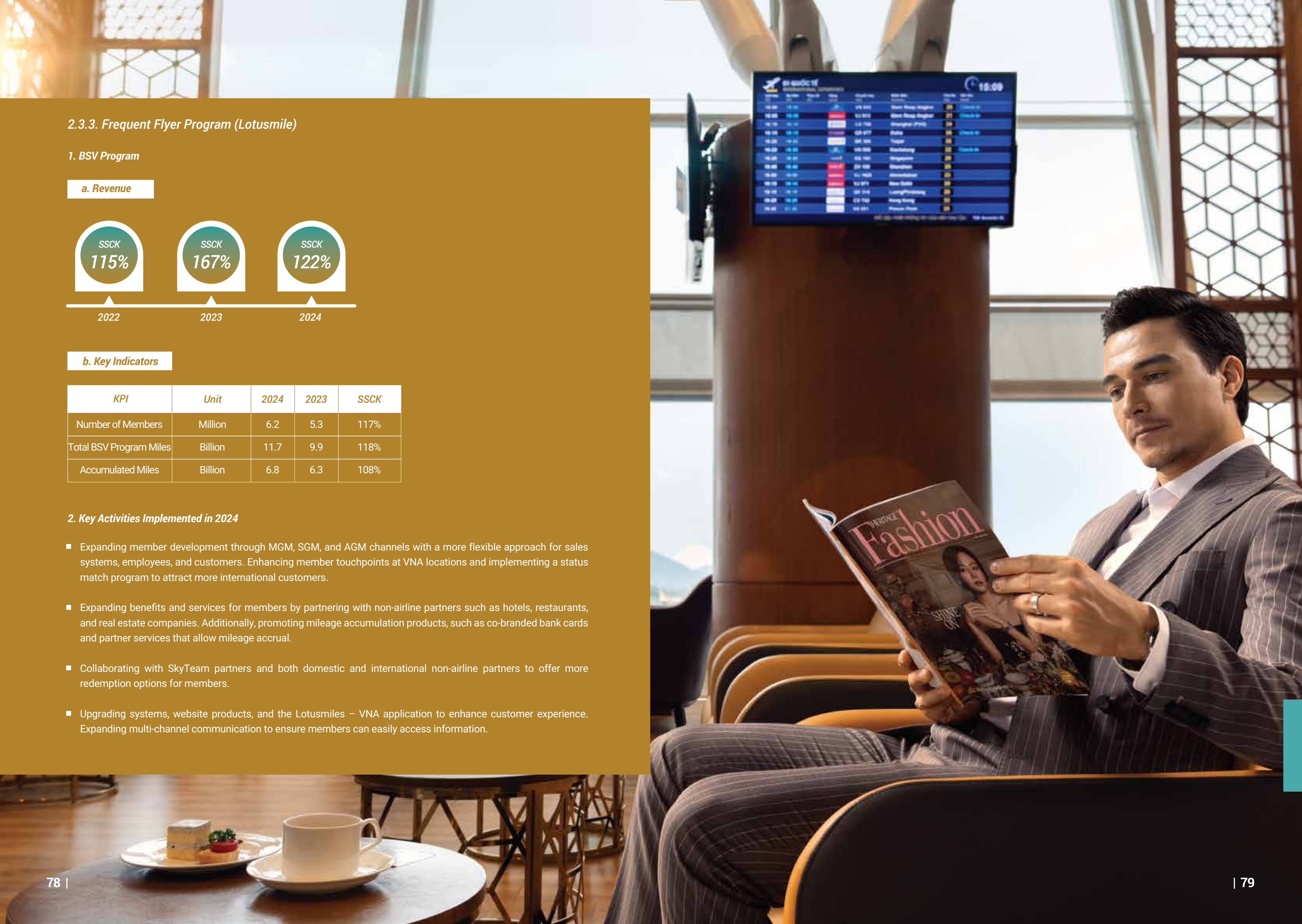


b. Key Indicators

KPI	Unit	2024	2023	SSCK
Number of Members	Million	6.2	5.3	117%
Total BSV Program Miles	Billion	11.7	9.9	118%
Accumulated Miles	Billion	6.8	6.3	108%

2. Key Activities Implemented in 2024

- Expanding member development through MGM, SGM, and AGM channels with a more flexible approach for sales systems, employees, and customers. Enhancing member touchpoints at VNA locations and implementing a status match program to attract more international customers.
- Expanding benefits and services for members by partnering with non-airline partners such as hotels, restaurants, and real estate companies. Additionally, promoting mileage accumulation products, such as co-branded bank cards and partner services that allow mileage accrual.
- Collaborating with SkyTeam partners and both domestic and international non-airline partners to offer more redemption options for members.
- Upgrading systems, website products, and the Lotusmiles – VNA application to enhance customer experience. Expanding multi-channel communication to ensure members can easily access information.



2.4. Service Performance

OVERALL ASSESSMENT OF SERVICE QUALITY AND EFFECTIVENESS
THROUGHOUT THE YEAR, IMPROVEMENTS MADE

In 2024, Vietnam Airlines continued to affirm its leading position with remarkable advancements, evidenced by a series of prestigious awards from international organizations. The airline not only maintained high customer satisfaction but also elevated its service standards, delivering an exceptional travel experience on every journey.

Vietnam Airlines was recognized by Cirium, a leading aviation data analytics organization, as one of the Top 5 Most On-Time Airlines in the Asia-Pacific region, reinforcing its commitment to reliability and punctuality. Additionally, by focusing on enhancing its premium economy class service quality, the airline was honored with the Best Value Premium Economy of the Year Award 2024 by AirlineRatings.

The image of Vietnam Airlines in 2024 was further enhanced by being ranked among the Top 10 Most Beautiful Cabin Crew Uniforms in the World, securing the third position according to Cabin Crew 24. This recognition highlights the airline’s meticulous investment in its brand image and the professional appearance of its cabin crew.

Moreover, Vietnam Airlines made a significant leap in the Top 25 Premium Airlines of 2024 ranking, moving from 19th place in 2023 to 11th place, as rated by AirlineRatings. Most notably, the airline reaffirmed its exceptional quality by being awarded the prestigious 5-Star Global Airline title by APEX.

Vietnam Airlines continued to maintain and enhance its service quality, reaffirming its leading position in the aviation industry. The airline's Customer Satisfaction Index (CSI) continued to grow, maintaining a high level that surpassed pre-pandemic standards. CSI scores across various categories-from cabin crew and ground staff to ancillary services-showed significant improvements, reflecting increasing passenger satisfaction.

The Net Promoter Score (NPS), which measures customers' willingness to recommend the airline's services, also reached a high level, exceeding the industry average. This serves as strong evidence of customer trust and positive recognition of Vietnam Airlines.

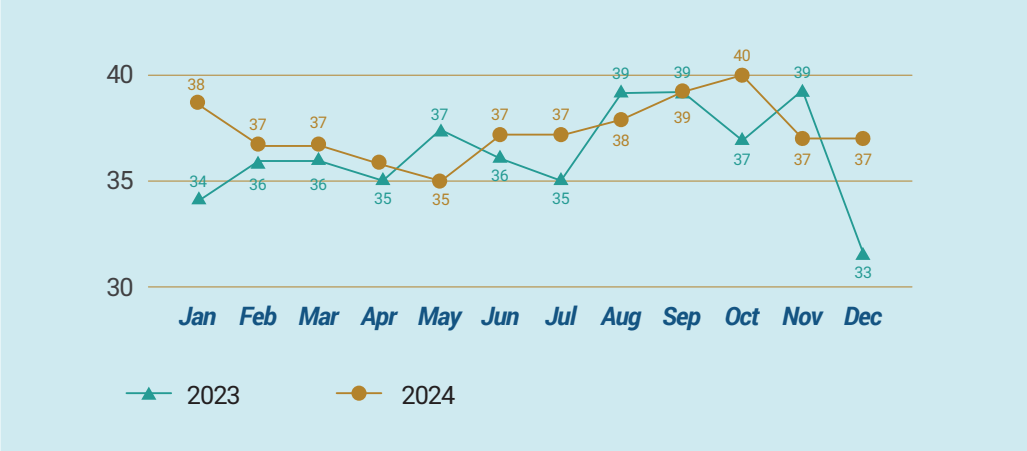
Positive feedback consistently highlights the dedication and professionalism of the airline's cabin crew and ground staff, as well as the company's continuous innovation to better meet passenger expectations.

Throughout 2024, Vietnam Airlines also aggressively implemented the Service Excellence Program, focusing on building a professional service model, improving operational processes, and recognizing outstanding performance. This initiative not only aimed at enhancing employees' skills and knowledge but also at creating an exceptional customer experience, further strengthening the airline's global brand image.

INDICATORS OF CUSTOMER SATISFACTION (CSI, NPS) &
COMPARED TO INDUSTRY AVERAGE

Vietnam Airlines’ NPS (Net Promoter Score) - a measure of customers' willingness to recommend the service - saw significant growth compared to 2023. This result reflects a strong improvement in service quality as well as increasing passenger trust in Vietnam Airlines.

Customer Favorability Index (NPS) Chart



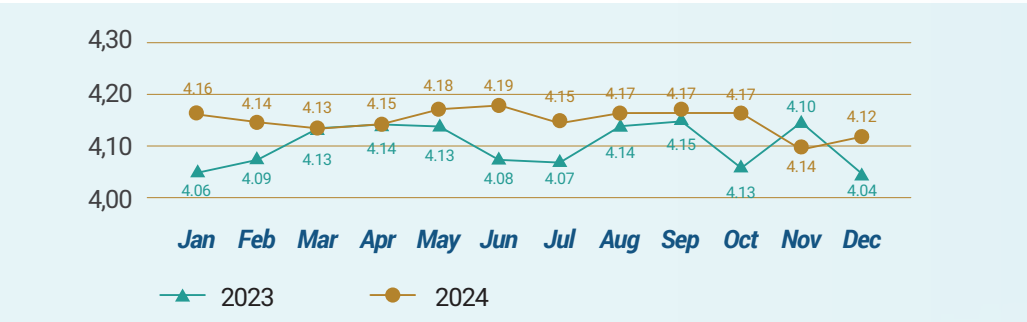
Source: Corporation's Regular Online Survey Program

Key factors contributing to this increase include the reliability of flight schedules, the professionalism and dedication of the cabin crew, and significant improvements in the passenger experience. These changes have not only enhanced customer satisfaction but also strengthened customer loyalty to Vietnam Airlines, reinforcing the airline's leading position in the region with high-quality service and exceptional passenger care.



The airline's Customer Satisfaction Index (CSI) has increased compared to 2023, particularly in categories such as cabin crew, ground staff, and ancillary services. This growth reflects a comprehensive improvement in the passenger service experience, from check-in and in-flight services to handling irregular situations.

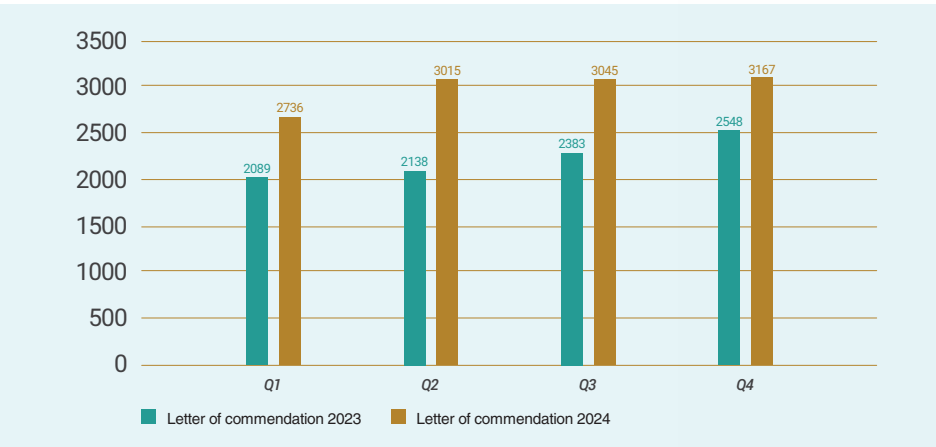
Customer Satisfaction Index (CSI) Chart



Source: The Corporation's Regular Online Survey Program

Positive passenger feedback is not only reflected in surveys but also in the number of commendation letters received, reaching 11,963 in 2024-a significant increase from 9,158 in 2023. These compliments highlight the dedication and professionalism of the cabin crew and ground staff and serve as clear evidence of Vietnam Airlines' ongoing commitment to innovation and service excellence to meet passengers' expectations.

Chart of Commendation Letters



Source: VNA Feedback Information System

Vietnam Airlines always prioritizes customer-centric service, delivering highly personalized flight experiences where every passenger is valued and cared for in the most special way. From assisting first-time flyers, remembering the preferences of loyal customers, to thoughtful gestures such as providing customized meal options or promptly addressing special requests, every effort is made to ensure a seamless journey. More than just transportation, each flight with Vietnam Airlines is a warm and refined experience, reflecting meticulous attention to detail in every service. An international passenger once shared:

"Today, I turn 56 years old, but thanks to the team at Vietnam Airlines, especially Flight Attendant Minh and the flight crew, I had a memorable birthday and felt like a child. This is the best experience of my life!"

It is this thoughtful attention to detail and deep understanding of even the smallest passenger needs that enables Vietnam Airlines to not only connect flights but also emotions, fulfilling its mission of "Cherishing Every Mile"-cherishing

OUTSTANDING NUMBERS/INDEXES RELATED TO SERVICE QUALITY

The year 2024 marks significant progress for Vietnam Airlines in enhancing service quality, with remarkable achievements reflected through key indicators and specific initiatives. Throughout the year, the airline launched a large-scale online survey program, gathering feedback from over 90,000 customers. Additionally, more than 49,000 responses from both customers and internal sources were recorded and addressed. Customer satisfaction indices (NPS, CSI) have continuously improved, thanks to a comprehensive reporting system that evaluates service quality at every touchpoint, from ground procedures to in-flight experiences. This not only embodies the "customer centric" philosophy but also reaffirms Vietnam Airlines' commitment to continuous innovation in meeting and exceeding passenger expectations.

Continuously enhancing passenger experiences, in 2024, Vietnam Airlines expanded its passenger check-in system across more than 60 domestic and international airports. This initiative has significantly improved service quality by introducing modern conveniences that allow passengers to complete check-in procedures independently via web, mobile, or kiosk check-in. Additionally, travelers can utilize the BagDrop service for self-service baggage check-in at airports or enjoy seamless international connections with over 50 partner airlines worldwide. Passengers checking in via web or mobile receive personalized boarding passes designed to reflect various events and festivals, offering an elevated and customized travel experience.

Keeping pace with global aviation trends in service quality and safety, Vietnam Airlines has also implemented programs and projects related to passenger services within the SkyTeam alliance, such as Lounge access, SkyPriority, and Baggage Tracking. Furthermore, through multilateral collaborations with organizations like AAPA and IATA, the airline continues to expand and enhance a seamless, consistent travel experience for passengers holding Vietnam Airlines tickets.

Building on its success in enhancing passenger experiences, in 2025, Vietnam Airlines, in collaboration with ACV (Airports Corporation of Vietnam), is actively working on key phases to put Terminal 3 of Tan Son Nhat Airport into operation by April 2025. Equipped with cutting-edge technology and expanded terminal infrastructure, the new facility will significantly

surpass the current capacity in serving passengers. This milestone is expected to mark a breakthrough in service quality, offering an enhanced and seamless travel experience. In-flight cuisine plays a crucial role in Vietnam Airlines' strategy to enhance customer experience. The airline has revamped its menu on both domestic and international routes, blending traditional Vietnamese dishes with international flavors. Signature regional specialties such as beef noodle soup, Hanoi-style grilled pork with vermicelli, Hue-style spicy beef noodle soup, Hoi An chicken rice, seafood thick noodle soup, and My Tho rice noodle soup have left a lasting impression on passengers. Beyond these offerings, Vietnam Airlines has introduced the "Coffee on Cloud" service to promote Vietnamese coffee culture, featuring renowned varieties like iced milk coffee, white coffee, and black coffee. The airline also incorporates local specialties such as Xa Doai oranges, Moc Chau strawberries, Ruby Son La plums, Cat Chu mangoes from Dong Thap, Binh Duong sweet tangerines, and Hai Duong mung bean cakes into its menu, showcasing Vietnam's agricultural products to international travelers. The beverage selection includes a range of herbal teas and natural fruit juices that are both aesthetically pleasing and health-conscious, such as Hoi An herbal drink, cinnamon ginger tea, lotus tea, ginseng water, lychee tea, tropical mango tea, and lemongrass orange juice-blending tradition with modern wellness trends to meet passengers' growing demands. During the Lunar New Year season, Vietnam Airlines curated a special Tet menu on both domestic and international flights, featuring iconic holiday dishes from all three regions of Vietnam, such as bamboo shoot and pork soup, steamed sticky rice with gac fruit, Vietnamese pork sausage, caramelized pork with coconut water, palm heart salad, lotus seed jam, and coconut jam-bringing the festive spirit to passengers in the skies.

Regarding the LotusDeli Retail segment, following the initial success of selling LotusDeli bubble tea on domestic flights, in 2024, Vietnam Airlines expanded its retail offerings to international routes. The airline introduced eco-friendly paper cup packaging, reinforcing its commitment to social responsibility. By December 2024, the number of bubble tea cups sold had reached 1 million, generating a total cumulative revenue of 52 billion VND (with approximately 17 billion VND in 2024 alone) and contributing nearly 21 billion VND in profit for Vietnam Airlines.

Regarding Duty-Free Sales, Vietnam Airlines successfully resumed its duty-free service in partnership with a new supplier in May 2024, offering a more attractive product selection that meets international aviation standards.

In 2024, Vietnam Airlines partnered with two of Vietnam's largest dairy product suppliers through a 63 billion VND sponsorship agreement to provide in-flight dairy products for passengers. This initiative not only enhanced service quality but also resulted in significant cost savings. Since its launch in mid-2023, the total value of sponsorships, including both cash and in-kind contributions, has reached 87 billion VND.

Vietnam Airlines upgraded its wireless entertainment experience on A321 aircraft, offering passengers over 1,000 hours of diverse entertainment content, including blockbuster international films, reality shows, and popular music albums. Starting in July 2024, passengers on long-haul flights can enjoy premium headphones with superior sound quality. Entertainment content is regularly updated to align with passenger preferences, featuring popular shows such as "Chị Đẹp Đạp Gió Rẽ Sóng," "Anh Trai Vượt Ngàn Chông Gai," and "Mẹ Siêu Nhân." These innovations not only enhance relaxation on board but also reflect Vietnam Airlines' commitment to personalized services for maximum passenger comfort.

2.5. Technical Operations

2.5.1. Results of technical assurance for safe and efficient operations

Optimized the content of scheduled maintenance work packages, improved preparation, control, and coordination in periodic maintenance, achieving a 7% reduction in Total Turnaround Time (TAT) for major periodic maintenance in 2024, ensuring aircraft are released from checks as planned.

Continuing to enhance planning and coordination of maintenance activities to improve operational efficiency, minimizing aircraft groundings, delays, flight cancellations, extended periodic rates, and increasing the fleet's operational readiness coefficient.

Evaluate and implement technical improvements from manufacturers at the earliest opportunity to address fleet limitations.

Maintain control over the fleet's technical condition, identify common faults, and implement enhanced preventive maintenance solutions to minimize disruptions and improve fleet dispatch reliability.

In line with its sustainability goals and commitment to promoting reading culture, Vietnam Airlines collaborated with leading newspapers, including Nhân Dân, Đầu tư, Giao thông, Thời báo Ngân hàng, and Kinh tế Sài Gòn, to integrate their publications into the PressReader digital reading platform. This initiative enables passengers to access thousands of renowned newspapers and magazines, expanding their reading options while also reducing paper consumption to support environmental conservation.

Additionally, single-use plastic items have been replaced with eco-friendly materials, such as wooden cutlery for Economy Class. Vietnam Airlines also donated over 7.8 tons of high-quality food to social organizations and launched various waste reduction and environmental protection initiatives.

These continuous efforts highlight Vietnam Airlines' unwavering dedication to service innovation, a customer-centric approach, and a commitment to sustainability while optimizing operational costs. Through its pioneering initiatives and improvements, Vietnam Airlines continues to elevate its position as a national aviation icon.

Maintain and improve monitoring of maintenance progress, flexibly adjust periodic maintenance schedules based on operational demands, and apply digital transformation initiatives for enhanced coordination and efficiency in maintenance scheduling.

Continuin implementation of basic technical programs (AD/SB, MOD) to enhance equipment and aircraft system reliability; Establishing a comprehensive program to improve the quality and efficiency of maintenance, repair work, and fault detection; Maintaining and enhancing coordination between Flight Operations and Technical Units to minimize operational disruptions.

Ensure cabin interior quality despite challenges in manpower and resources, enhance aircraft cleanliness (ECP deep cleaning, increased seat cover washing frequency), implement the A321 CEO cabin upgrade program, and conduct material procurement assessments for upgrading Business Class interiors on A350 and B787 wide-body aircraft.



2.5.2. Solutions to Improve Aircraft Utilization Efficiency and Reduce Technical Costs

2.5.2.1. Engineering, maintenance, and supply management

Continue implementing the Equalized EA Check program for the A321 fleet and transition the Equalized EC program to Block C Check in alignment with the aging aircraft fleet. Review the content of scheduled maintenance packages down to each specific task to minimize aircraft downtime for maintenance and optimize maintenance resource utilization.

Implement the Continuous Improvement (CI) program for special scheduled maintenance during peak operational periods to optimize processes and reduce turnaround time (TAT) for periodic maintenance.

Continuously review and evaluate the effectiveness of fundamental technical programs, preventive maintenance, and enhanced maintenance to improve the reliability of aircraft systems and equipment while ensuring sufficient aircraft and engine resources to meet the company's operational demands at each stage.

Strengthen the development and application of digital transformation in aircraft technical condition management in 2024 by successfully replacing the existing aircraft maintenance management software with the new AMOS system, developing and implementing the TIMS technical data management platform, and

researching the application of AI technology for evaluation, analysis, and integration of technical data.

Additionally, continue improving the effectiveness of aircraft and engine status monitoring tools such as AHM, SHM, ADEM, and predictive maintenance software like SPM and PRCP to detect potential failures early, take proactive measures, and reduce operational disruptions.

Introduce the portable wireless IFE entertainment system on A321CEO aircraft, ensuring service quality consistency with the A321NEO fleet. Accelerate the selection of seat suppliers and DOA for configuration modifications of 23 A321 aircraft, while preparing materials, resources, and training to activate IFC services for 10 A350 aircraft in 2025.

The year 2024 remains highly challenging for the global aviation supply chain, with issues ranging from shortages of raw materials to supply chain disruptions, soaring costs, and overloaded repair workshops due to resource constraints. The lack of available spare parts has extended turnaround times (TAT), particularly for engines. In response, Vietnam Airlines has proactively sought suitable solutions:

- Diversify suppliers and enhance the use of comprehensive hourly-based outsourced component maintenance services to minimize the risk of uncontrollable repair and maintenance cost increases. Implement various measures to manage out-of-contract expenses effectively.
- Strengthen the utilization of domestic and regional maintenance and repair services to reduce transportation costs, shorten repair turnaround times, and consequently lower overall maintenance expenses and the investment required for spare parts inventory. Regularly reassess spare parts inventory levels to align with changes in fleet operations.
- Work closely with VAECO to optimize and timely prepare spare parts inventory, reducing the turnaround time for scheduled aircraft maintenance. Enhance on-wing repairs, extend component removal intervals when nearing service limits, and explore alternative spare parts solutions when primary components are unavailable.
- For engine repairs, VNA focuses on defining a precise repair scope, controlling part replacements, and managing repair turnaround times to ensure the shortest possible engine maintenance duration. Additionally, VNA collaborates with engine manufacturers to secure cost support, shorten repair lead times, find optimal solutions for engine issues, and negotiate price reductions for key maintenance items.
- Actively negotiate with Boeing, Airbus, and OEMs to enhance technical support, lower service costs, enforce warranty claims, and maximize available benefits (FOC, credits) for defects related to design flaws, material issues, or low-reliability components.
- Expand the presence of technical personnel at key outstation locations to minimize maintenance costs and increase operational flexibility.
- Implement proactive maintenance programs, inspections, and resource planning to ensure safe and efficient operations, particularly during peak travel periods.



2.5.2.2. Technical Cost Management

Update and analyze unit costs (CASK) on a quarterly and annual basis, as well as upon request. Identify cost drivers leading to increased expenses, provide feedback, and implement adjustments within the fiscal year, particularly for leasing, engine and auxiliary power unit (APU) repairs, and component pooling contracts.

Continue developing more detailed KPIs for technical costs, specifically those registered in the Technical Division, such as cost per engine hour for A321-V2500 engines and cost per flight hour/engine hour for engine flight-hour agreements. Analyze influencing factors and take immediate action to reduce costs at the root cause level.

Closely and regularly manage engine repair contracts, component pooling agreements, fuel contracts, and other service and procurement contracts to ensure the corporation's commercial interests are protected. Conduct detailed evaluations of supply options during engine repairs to minimize direct maintenance costs.

Negotiate cost reductions and additional support from contract partners during contract execution.

Control engine and APU repair costs through measures such as price negotiations, setting cost caps (NTE - Not to Exceed), strengthening control over replacement components and defective parts, optimizing work scope for LRU/QEC, and maximizing engine time on wing.

2.5.3. Development Orientation for Vietnam Airlines and VAECO Maintenance Facilities

Implementing the investment in the construction of Hangar 3 at NBA and the maintenance facility at Long Thanh, ensuring the completion of Phase 1 (Hangar 1 Long Thanh) by June 2026, increasing maintenance capacity by 40%.

Collaborating with partners such as Korean Air in the field of aircraft maintenance to learn and integrate advanced management practices into the models of Vietnam Airlines and VAECO, optimizing aircraft maintenance and repair costs, enhancing competitiveness, and progressing towards establishing a regional maintenance hub.

Actively seeking and executing long-term maintenance contracts with major customers such as LUF, KE, Cebu Pacific, and Asiana Airlines to elevate the brand and position of Vietnam Airlines and VAECO in the regional and global maintenance market.

Strongly advancing digital transformation, operating the AMOS system, fully mastering the system, and maximizing its functionalities in maintenance management and execution.

Implementing continuous improvement solutions to reduce turnaround time (TAT) for scheduled maintenance by at least 10%.

Continuing to develop essential maintenance certifications to ensure self-sufficiency in maintenance operations and reduce external dependencies, including CNA maintenance, Radom maintenance, and composite equipment repairs.

Researching and developing new aircraft maintenance capabilities, such as Boeing 737 maintenance and aircraft configuration conversions (from passenger to cargo), to be ready for implementation when the Long Thanh maintenance facility becomes operational.

2.5.4. Impressive and Outstanding Indicators Related to Technical Operations

In 2024, the Corporation successfully carried out a substantial workload, contributing to the completion of the business and production plan, ensuring absolute safety, and achieving the annual targets. Specifically, as follows:

Indicators	2024 Performance Results
ARL	94.86 (Target: 94.39) - Achieved Target
OCR	0.43% (Target: 2.5% *) - Achieved Target
DR A321	99.67 (Target: 99.63) - Achieved Target
DR A350	99.53 (Target: 99.44) - Achieved Target
DR B787	99.49 (Target: 99.25) - Achieved Target
DR ATR72	99.68 (Target: 99.65) - Achieved Target

(The OCR target of 0.43% is the average index over 12 months of 2024).

Aircraft Maintenance:

Line Maintenance: Ensured technical support for 278,484 flight hours, including: A320/321: 154,426 FH, A350: 53,377 FH, B787: 63,497 FH, and ATR72: 7,184 FH.

Aircraft maintenance:

Number of Checks	A321	A350	B787	ATR72
A-checks	0	55	72	8
EC checks	63	0	0	0
C/Y checks	81	20	17	2
Other Maintenance	149	23	12	6

2.6. Flight operation

In 2024, operations were conducted efficiently and with absolute safety for 139,882 flights, an increase of 11.8% compared to 2023. This included 215 VIP/VAP special flights serving leaders of the Party and the State.

On-time performance (OTP) remained high, with departure OTP at 83.4% and arrival OTP at 81.9%.

Decisive cost-saving measures were implemented, achieving an estimated savings of VND 424.7 billion, significantly contributing to the corporation's cost reduction efforts.

Administration

Operate VNA and VASCO flights safely, flexibly, and efficiently while supporting Pacific Airlines' operations to optimize the overall VNA Group network.

Ensure the safe and attentive handling of both domestic and international special flights serving Party and State leaders, as well as the transportation of delegates attending Central Committee and National Assembly conferences.

Manage flight schedules, flight permits, and T+29 slot allocations effectively and flexibly, ensuring alignment between commercial and operational requirements.

Continue enhancing the centralized operations and dispatching model to improve efficiency and service quality.

Collaborate with the Civil Aviation Authority and Vietnam Air Traffic Management Corporation (VATM) to implement

Operational Technical Management

Ensure the operational flight documentation and data system for the entire network. Develop flight route plans, prepare data and documents for special charter flights on long-haul routes to America, Europe, Asia, and Australia/New Zealand.

Establish flexible flight routes, adjust and optimize routes to/from Europe and Japan, and seek approval for cost-saving optimal alternate airports (e.g., downgrading Can Tho Airport's fire rescue category to CAT 7 to serve as an alternate airport for SGN for A350/B787 aircraft). Utilize uncontrolled airspace and isolated airports.

and utilize remote flight procedures, ACDM/ATFM, ensuring VNA flights operate efficiently and punctually.

Recommend necessary route adjustments to meet operational demands, optimize route selection and evaluation, and enhance operational efficiency while reducing costs.

Develop proactive strategies to address geopolitical crises such as the Russia-Ukraine and Iran-Israel conflicts, avoiding Russian and Iranian airspace and selecting alternative routes accordingly. Adjust flight paths to circumvent typhoons and tropical depressions in response to increasingly unpredictable global climate changes.

Maintain and enhance the emergency response system to effectively manage irregular operations, emergencies, and crises.

Develop and refine regulations and procedures while directly participating in evaluations to meet requirements for IOSA 2024, MARI 2024, and the renewal of the AOC certificate from the Civil Aviation Authority of Vietnam (CAAV). Collaborate with CAAV and Vietnam Air Traffic Management Corporation (VATM) to develop and implement PBN flight procedures at domestic airports and contribute to airport network planning within Vietnam.

Prepare documents and data, and implement fuel-saving solutions: develop a flexible DOW based on passenger

numbers for B787/A350 to optimize operations on routes to the U.S., Europe, and Australia, saving 1.6 billion VND per year. Collaborate with the PSS team to successfully transition to the Amadeus DCS system and issue the AHM565 in the new format.

Complete the electronic flight bag (EFB) documentation system and develop a function to alert for missing NOTAM, WX, and CFP data when updating the FMS system. Restructure the operational documentation system to enhance the usability of eDOC on iPads and EFB Class 3 for B787. Develop FON management software to save time.

Negotiate with suppliers AIB, ATR, Honeywell, Jeppesen, and NavBlue for payment deferrals and extensions. Ensure budget compliance and payment procedures in accordance with financial regulations. Extend the documentation and data contract with Jeppesen and the navigation data contract with Honeywell.

PC and TV Flight Scheduling Operations

Lead the calculation of PC/TV operational resources to meet the requirements of each operational period with different operating characteristics.

Manage and centrally coordinate PC/TV flight assignments; optimize flight itineraries, adjust PC/TV structure to ensure effective scheduling, improve efficiency, and increase average flight hours for PC/TV.

Develop and standardize coordination processes and assign responsibilities among units to enhance PC/TV flight scheduling across the entire VNA Group.



Operations Management

Leading the implementation of Fuel Cost Savings (FCS) initiatives, achieving a total fuel savings of 22,000 tons in 2024, exceeding the target by 2,000 tons, equivalent to VND 428.5 billion. Analyzing and evaluating aircraft operations to enhance efficiency and reduce costs. Monitoring and calculating the Performance Factor (PF) for the aircraft fleet, coordinating with the Technical Department to implement solutions for PF reduction, and recommending aircraft assignments based on PF. Developing and updating databases for block time, taxi time, and fuel consumption standards to optimize seasonal and annual flight schedules for effective aircraft utilization.

Successfully completing sustainability programs and objectives related to flight operations.

Managing key performance indicators (KPIs) for operations, monitoring, analyzing, and advising on solutions to ensure target completion. Providing periodic and ad-hoc reports as required by the Civil Aviation Authority, aviation organizations, corporate executives, and board management.

Advising and assisting the Vice President - Director of Flight Operations, Flight Operations Center

Crisis and Emergency Response Management

Conducted the 2024 emergency evacuation drill: Successfully carried out emergency evacuation on land and water for the A320 NEO aircraft on October 10, 2024, at VAECO NBA.

Provided emergency response training in 2024 for personnel assigned to emergency response duties as required.

Ensuring Pilot Resources for Operations

Total Pilot Resources in Operation as of December 2024: 1,029 pilots, including 515 Captains and 514 First Officers

Management Board in completing the 2024 business plan and budget execution.

Ensuring that CASK remains below the target, implementing cost-saving measures across the Flight Operations Division, and managing costs based on KPI performance. Developing the 2025 business plan in alignment with the division's objectives and the corporation's overall productivity goals.

Digital Transformation Initiatives: Enhancing the MoPlus electronic document system, modifying iPad management methods, replacing Wi-Fi boxes for pilots to reduce manual labor and costs. Implementing the 2024 Digital Transformation (DT) Plan in coordination with the corporation's overall DT strategy.

Coordinating regular and internal training for the Flight Operations Center via online platforms, maintaining periodic FOD competency assessments, and ensuring the timely renewal of Flight Operations Instructor (FOI) certifications.

Ensuring efficient contract management, payment processing for navigation and overflight fees, and overseeing landing/takeoff fees, crew accommodation, and allowances for pilots and flight attendants.

System development: Established an emergency response management system and an emergency activation notification system.

Reviewed emergency response standards to complete the IOSA audit and evaluation program.

Vietnamese pilots: 916 (89%), Foreign pilots: 113 (11%). Pilot resources meet the corporation's operational demand.



Safety Assurance Operations

Safety Performance Results for 2024

NO	Flight Operations Safety Index (Incident rate per 10,000 flights)	2024 Target	Actual Performance (131,394 flights)	TH 12T/24 2024 target
1	Rate of Category A, B incidents per 10,000 flights	0	0	Achieved
2	Rate of Category C incidents per 10,000 flights	≤ 0.19	0	Achieved
3	Rate of Category D incidents per 10,000 flights	≤ 0.19	0.15	Achieved
4	Rate of Category E occurrences per 10,000 flights	≤ 1.45	0.76	Achieved
5	Rate of Level 3 occurrences per 10,000 flights	≤ 2.35	1.60	Achieved
	B787	≤2.26	1.85 (16.241 flights)	Achieved
	A350	≤1.80	1.88 (10.621 flights)	Not Achieved
	A321	≤2.08	1.60 (99.925 flights)	Achieved
	ATR72	≤5.41	0 (3.725 flights)	Achieved
6	Rate of Level 2 occurrences per 10,000 flights	≤ 2.16	136	Achieved
	B787	≤9.44	3.69	Achieved
	A350	≤10.55	6.59	Achieved
	A321	≤192.15	160	Achieved
	ATR72	≤467.50	413	Achieved
7	Rate of Level 1 occurrences per 10,000 flights	≤ 1353	699	Achieved
	B787	≤741,75	577	Achieved
	A350	≤662,73	268	Achieved
	A321	≤881.48	739	Achieved
	ATR72	≤1,943,93	1.272	Achieved

Monitoring and maintaining the renewal of certifications for the Aviation Training Organization (ATO) to ensure smooth operations in compliance with the requirements of the Vietnam Civil Aviation Authority.

Completed the evaluation and approval process with the Vietnam Civil Aviation Authority for ATO renewal and was issued Certificate No. 00218 - ATO on August 27, 2024, valid until August 31, 2025.

Submit safety reports and HIRA reports to the Safety Task

Force – Operations Division (SAG1) on a monthly basis.

Ensure that the documentation system complies with the regulatory requirements for ATO and meets operational needs.

Control the quality system at the Training Center in accordance with ISO 9001:2015 standards.

Carrying out new approvals and renewals for instructors to ensure sufficient teaching personnel.

Scientific Research, Innovations, and Results

Implementing an automated payment control system for partners, enhancing the efficiency of flight routes to/from Europe via L750.

Synchronizing flight schedules for pilots, cabin crew, and aircraft during the operational recovery phase.
Developing dispatch support tools for selecting optimal flight routes.

Training for conversion, recovery, upgrading, and special types of operations for pilots

Number of trainees: 127, achieving 66% of the annual plan.

Number of classes: 57, achieving 59% of the annual plan.

First Officer to Captain upgrade training: 24 pilots, achieving 92% of the annual plan.

Type transition training: 87 pilots, achieving 71% of the annual plan

Training and Education Activities

Training Content	The total number of trainees
Pilot Training	1,612
Cabin Crew Training	5,911
Operational Staff Training	533
Instructor Training	159
Handover of Emergency Response Plans to the Council	19

Training Completion Rate in 2024 and 2023 Compared to the Plan:

Pilot Training: 100%

Cabin Crew Training: 100%

Operational Management Staff Training: Achieved 98% of the annual plan.

Service Content	Revenue (VND)
Socialized Initial Cabin Crew Training	48,581,095,629
Socialized Recurrent Cabin Crew Training	7,250,089,000
Training Service	2,076,547,733
Training Equipment Rental	968,092,080
SIM collaboration with CAE	619,781,518

Percentage of revenue in 2024 compared to the plan:

Basic pilot - socialized training: 100%

Basic flight attendant - socialized training: 100% of the plan

Training Service: 127%

Equipment Rental for Training: 100%

2.7. Safety

2.7.1. Summary of key safety policies and important changes.

No accidents or incidents of type B or C occurred, with the safety incident/issue KPI per 10,000 flights at 7.87, achieving and exceeding the target (MT: 8.55). The KPI for safety threat-related incidents (submerged part) for Level 1 and 2 incidents per 10,000 flights decreased compared to 2023, with Airline Ratings recognizing and ranking it as one of the 25 safest airlines in the world.

Successfully extended the IOSA certification from IATA until 2026, the AOC certificate from the Vietnam Civil Aviation Authority (CAAV) until November 31, 2025, the FAOC certificate from foreign aviation authorities, and the airworthiness certificates for all fleets; ensuring compliance with standards and regulations for the A320 NEO aircraft's operations; ensuring safety standards when opening new routes and airports.

Successfully chaired the organization of the safety culture, reporting culture conferences, and the coordination meetings on aviation safety among the three corporations.

Completed 100% of the safety evaluation plans for VNA's service partners, including conducting LOSA evaluations for all areas, and handling 100% of safety reports in the AQD system.

Reviewed, submitted for approval, and participated in the feedback process for hundreds of documents and CRs related to safety management within the corporation.

Reviewed the personnel across various areas and submitted for approval the flight methods to ensure absolute safety for special chartered flights serving the leaders of the Party, the State, and the National Assembly on overseas business trips.

Advised the Vietnam airlines corporation leadership and supported the departments and units within Vietnam airlines corporation in fully fulfilling their social responsibilities regarding environmental work, energy, and sustainable development, ensuring full compliance with state regulations to control and reduce emissions, fuel consumption, and noise levels.

Conducted Risk-Based Assessment (RBA) according to the IOSA (IATA Operational Safety Audit) standards, which is an important process to identify, analyze, and assess the risks associated with flight safety. Vietnam Airlines successfully organized training sessions on Risk-Based Assessment, meeting all safety requirements and complying with IOSA regulations. Developed preventive and corrective measures and ensured control measures align with specific IOSA requirements. The RBA evaluation based on IOSA standards not only improves operational safety but also enhances the ability to meet international requirements, thereby strengthening the image and reputation of Vietnam Airlines.

2.7.2. Operations of the Safety Committee, SAG Teams, and Crisis Response Committee

2.7.2.1. Safety Committee (SC)

In 2024, the Safety Committee (SC) held 4 regular meetings with the participation of its members. During these meetings, members discussed, reviewed, and implemented safety policies and procedures in compliance with international standards and regulations set by the Civil Aviation Authority of Vietnam (CAAV).

The committee assessed the safety performance, analyzed key safety indicators (KSIs), and proposed improvement solutions.

The SC updated and approved the list of potential hazards and developed plans to mitigate risks.

It coordinated with various departments to organize safety seminars and forums for employees.

The committee maintained compliance with IOSA standards and ICAO requirements.

It also increased the number of safety reports from employees, thereby improving risk monitoring and mitigation efforts.

2.7.2.2. Safety Assessment Groups (SAGs)

The Safety Assessment Groups (SAGs) hold regular monthly meetings as per the Safety Management System Manual (SMSM) guidelines.

Conduct a comprehensive inspection of all operational areas, including aircraft operations, technical services, ground services, and passenger services.

Study incidents and near-misses to identify root causes and propose preventive measures.

Report to the Safety Committee on improvement measures based on the evaluation results.

Complete 100% of internal safety inspections and achieve safety indicators exceeding the plan.

Early identification and resolution of major operational hazards through an effective monitoring mechanism.

2.7.2.3. Crisis Management Committee (CMC)

In 2023, the Corporation established the Crisis Management Committee (CMC) under Decision No. 1104/QĐ-TCTHK-TCNL dated December 22, 2023, with the responsibility of handling incidents and events that could lead to crises in the Corporation's operations.

The committee is divided into 6 subcommittees crisis management focusing on the following areas: communication, flight operations, IT, aviation security, disease outbreaks, and finance, each led by a Deputy

General Director. The permanent agency responsible for monitoring and responding to all situations is the Crisis Management Center.

After one year of operation, the Crisis Management Committee has established criteria and coordination mechanisms to promptly identify issues leading to crises at six levels. Regular training exercises are organized to ensure readiness to respond to all situations.

2.7.2.4. Plans for the Next Year

Enhance coordination between the Safety Committee, SAGs, and Crisis Management Committee to ensure comprehensive safety.

Promote the application of technologies, such as AI and big data analytics, in monitoring and forecasting safety risks.

Additionally, joint exercises between parties are held to enhance the ability to handle emergency situations.



2.8. Security

VNA is determined to ensure security in operations, safeguarding the lives of passengers and all personnel. The security in operations is ensured through well-trained and capable staff, well-maintained equipment, and effective procedures, all under appropriate supervision.

VNA ensures aviation security is the responsibility of all staff and personnel. It promotes an aviation security culture, emphasizing integrity and the effective use of the feedback system to ensure that security incidents and violations are thoroughly investigated, reviewed, and, if necessary, lead to revisions of related procedures.

VNA actively identifies hazards and manages, analyzes, assesses, and mitigates security risks in operations. Any violations in aviation security will be strictly handled, and

organizations or individuals who comply with aviation security regulations will be promptly rewarded.

VNA ensures the establishment and maintenance of an aviation security management system, complying with the requirements of aviation authorities, current legal regulations, and always aiming for the highest industry standards.

VNA is committed to providing the necessary resources to implement aviation security policies and objectives. The company continuously improves the management system, creating a trustworthy working environment with the highest level of responsibility throughout the organization to meet the needs and expectations of customers.

VNA’s aviation security assurance in 2024

In 2024, the political and security situation in the world and the region continued to experience complex, rapid, and unexpected developments, particularly with the ongoing Russia-Ukraine military conflict showing no signs of resolution. Relations between Russia and Western countries remained unpredictable, and tensions in the Middle East escalated. These issues continued to pose significant challenges, directly impacting aviation operations. The Corporation's business activities have shown signs of recovery, overcoming the most difficult period in the history of the global and Vietnamese aviation industry. However, in the context of a business environment for air transport still significantly affected by global and regional economic and political instability, there are still latent risks regarding financial and

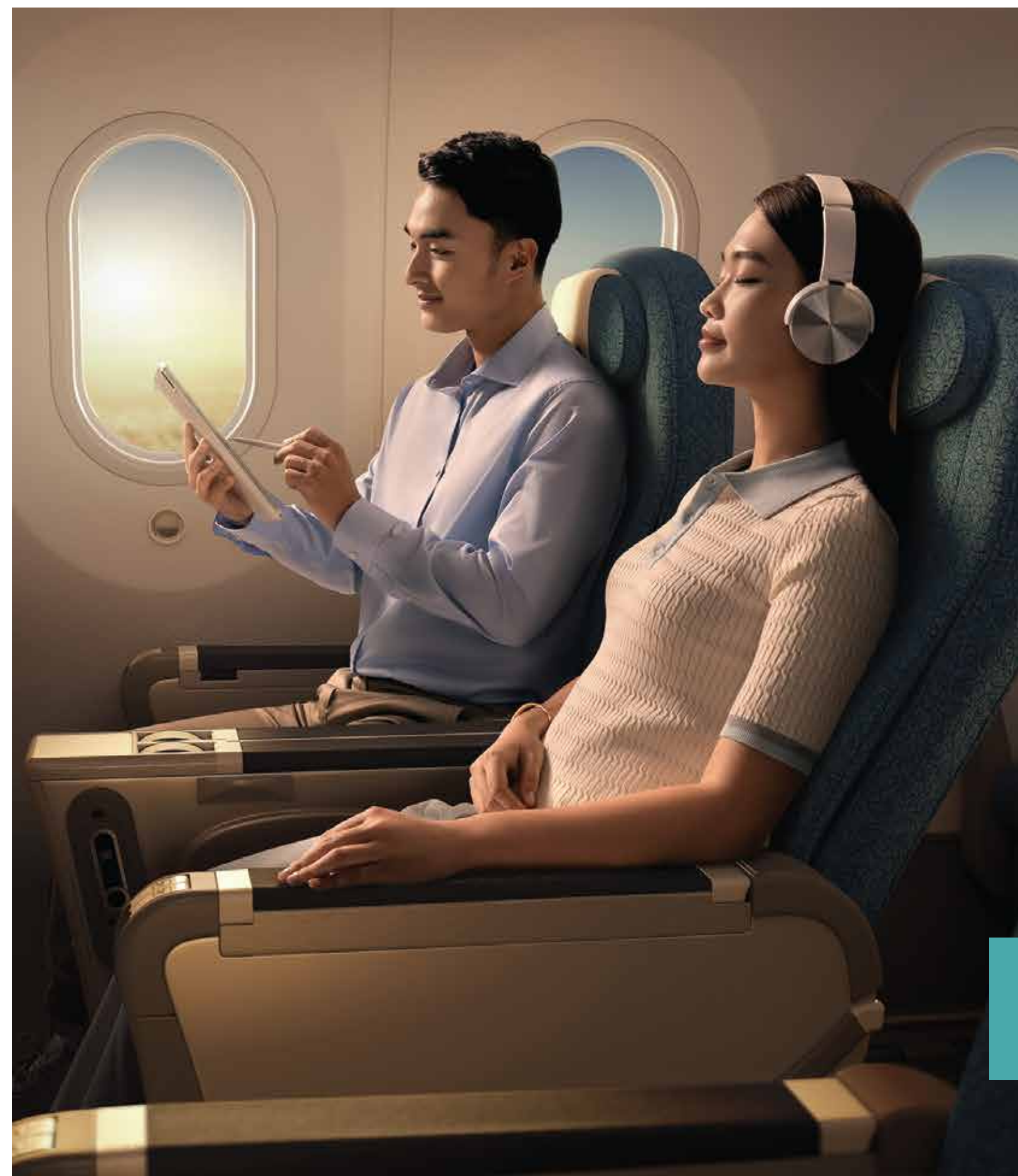
currency matters, as well as the Corporation’s recovery. In response to the impacts of the aforementioned situation, the Corporation has implemented a series of decisive management and operational measures. It closely followed the guidance from the State Capital Management Committee, the Ministry of Transport, and the Civil Aviation Authority of Vietnam (CAAV), while proactively and positively coordinating with relevant agencies and units to effectively carry out aviation security tasks in compliance with regulations. This ensured security for the Corporation's operations across all areas and regions, making a significant contribution to the Corporation's business results. Some notable achievements are as follows.

- Firstly, the operational capacity of VNA’s aviation security management system.** Based on compliance with Vietnamese laws, ICAO, IATA regulations, and a review of the actual conditions of the advisory and supporting agencies of the Corporation, the organizational model, functions, and responsibilities of aviation security within airlines in the region, globally, and in Vietnam, as well as those of ACV and VATM, the Corporation has decided to establish the Aviation Security Department (AVSEC) by upgrading the current Aviation Security Division. This ensures that the AVSEC unit has responsibilities and authority equivalent to other advisory and supporting agencies of the Corporation. The Aviation Security Department began operations on January 1, 2024. According to the organizational model of the Aviation Security Department, the Head of the Department is the leader of the Corporation’s aviation security management system and holds primary responsibility before the CEO for ensuring aviation security in compliance with legal regulations.
- Second, timely organize the development, updating, and revision of aviation security (AVSEC) policies and standards in line with legal regulations and the actual operational conditions.** The focus is on completing the 7th Aviation Security Program (Program AVSEC) of Vietnam Airlines (VNA); revising and updating the cargo terminal aviation security regulations, the aviation security regulations of affiliated units; updating and revising the VNA’s Aviation Security Training Manual according to Circular No. 34/2022/TT-BGTVT of the Ministry of Transport and the 7th revised Aviation Security Program of VNA; procedures for operating charter flights and exclusive cabins of the Corporation in accordance with Decree No. 96/2021/ND-CP dated November 2, 2021, of the Government, and Circular No. 25/2022/TT-BGTVT dated October 20, 2022, of the Ministry of Transport on security measures for charter flights; establishing and implementing security conditions and procedures for new flight routes to the Philippines, Thailand, Myanmar, and Germany. Implementing new regulations for the security of cargo and mail shipments to Australia and the United States; ensuring effective aviation security quality control, meeting AVSEC standards during the aviation security inspections by the Civil Aviation Authority of Vietnam (CAAV) and the U.S. Transportation Security Administration (TSA). Successfully conducting the extension assessment for cargo security certification (ACC3) at HAN, SGN, and applying for a new ACC3 at DAD; completing the assessment of the Corporation’s aviation security sector according to the IATA IOSA standards, supporting the renewal of the IOSA certificate for 2024.

Third, proactively coordinate closely with relevant authorities to stay well-informed about both domestic and international security situations in order to promptly identify, assess security risks, and implement measures to ensure the security of flight routes and operational areas. This also involves effectively responding to situations that may impact the Corporation's operations: (1) Implementing a plan to ensure absolute security for 19 international charter flights, contributing significantly to the foreign affairs activities of the Party and State leaders. (2) Enhancing security measures during holidays, national celebrations, significant events of the country, following security threats at Cam Ranh International Airport and Noi Bai International Airport, and ahead of the complex political developments in South Korea. (3) Promptly assessing aviation security risks to adjust flight routes to/from Europe via Afghan, Iraqi, and Iranian airspace. (4) Coordinating searches, verifying, and providing relevant information, responding to **95** requests from domestic and international authorities; promptly updating and alerting the information system regarding **540** wanted individuals, suspects involved in cases needing monitoring, individuals prohibited from being transported, and those requiring mandatory checks in order to proactively detect, prevent, and notify authorities. (5) Implementing a series of measures to ensure security for passengers, luggage, cargo, mail, and aircraft, promptly identifying and handling **91** aviation security-related incidents in accordance with regulations, with no serious incidents, playing a crucial role in ensuring security for all flights and operations both domestically and internationally.

Fourth, strengthen measures to combat smuggling, commercial fraud, and counterfeit goods, control internal security, and minimize violations of discipline and laws by employees The Corporation has closely followed the directives of competent authorities, especially the National Steering Committee on Anti-Smuggling, Commercial Fraud, and Counterfeit Goods (Steering Committee 389), the Ministry of Transport, the State Capital Management Committee, the Civil Aviation Administration of Vietnam (CAAV), and proactively implemented various solutions, gradually reducing cases of smuggling, commercial fraud, legal and disciplinary violations occurring in operations, contributing to protecting employees and the reputation of the Corporation: (1) Intensifying communication efforts, thoroughly educating all employees through training conferences on anti-terrorism, internal security control, and preventing violations of discipline and laws in 2024, coordinated by the Corporation with the Drug Crime Investigation Police Department (C04), the Domestic Security Department (A02), and the People's Security Academy, to ensure relevant employees understand and do not participate in or assist in smuggling, discipline violations, or illegal activities. (2) Organizing a review and strengthening internal security control measures, implementing rotation policies, and requiring 100% of employees working in positions directly handling baggage, cargo, and aircraft to sign a commitment not to engage in or assist in smuggling, commercial fraud, or the transportation of counterfeit goods. (3) Increasing checks on crew baggage on international flights to ensure strict compliance with crew baggage regulations and customs requirements. (4) Proactively implementing preventive measures against smuggling, commercial fraud, and counterfeit goods; coordinating promptly to detect and strictly handle violations based on the Corporation's stance of zero tolerance and no cover-up for smuggling, fraud, or counterfeit goods activities.

Fifth, proactively coordinate with the Immigration Management Department (A08) of the Ministry of Public Security to deploy in-flight security forces and handle theft cases on flights operated by the Corporation. The Corporation has closely coordinated with the A08 Department in the regular training of aviation knowledge for in-flight security personnel, deploying them for practical training flights and domestic VIP flights, ensuring maximum support for in-flight security personnel to perform their duties on flights without affecting commercial operations or the Corporation's VIP flight operations: (1) Coordinating the deployment of in-flight security personnel on practical training flights on A350 and B787 aircraft for 22 domestic commercial flights, as well as performing security duties on 164 domestic VIP flights, ensuring security and safety without disrupting the normal operations of the flights; collaborating on the development of a cooperation agreement for the deployment of in-flight security personnel on VNA flights. (2) Coordinating with A08 and A09 to implement strict measures to handle theft cases on flights in accordance with legal regulations to ensure deterrence and warning for potential thieves.



2.9. Human Resource Management

Total number of employees of the parent company and consolidated group as of December 31, 2024.

The consolidated workforce of the Corporation as of December 31, 2024, is 18,749 people, including 5,223 from the parent company and 13,526 from subsidiaries and affiliated companies.

Among them, for the parent company: Employees are counted as those listed in the management roster of agencies and units (excluding ALSUCO members).

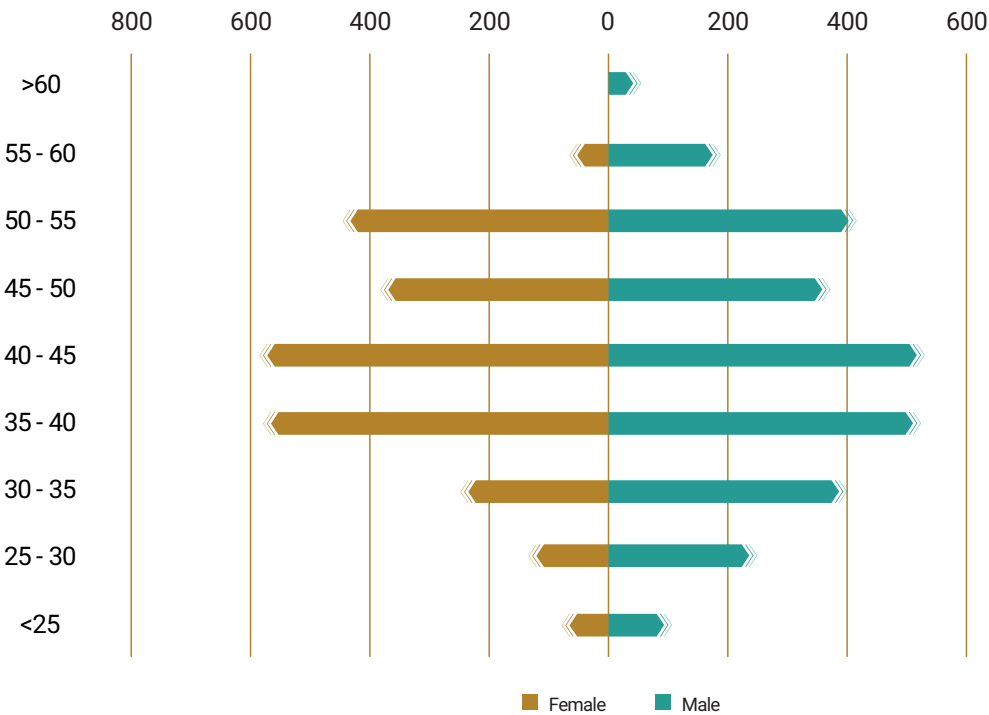
The workforce of Vietnam Airlines continues to develop with a focus on youthfulness while emphasizing the improvement of professional qualifications and expertise. In particular, key and specialized positions such as pilots, flight attendants, engineers, and aircraft technicians are systematically trained and ready to effectively meet the requirements of business production and air transport operations.

Parent Company Information

Average Income:
VNA continues to flexibly manage its human resources and salary policies in line with business production conditions; the average salary of employees in 2024 has recovered to over 95% of the level achieved in 2019 (the peak period of the Corporation's business operations).

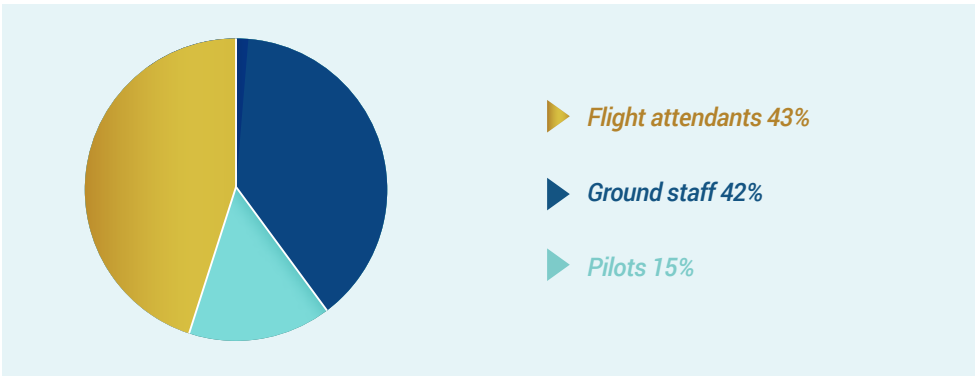
Average Workforce and Average Age:
■ Workforce structure by gender and age (reverse order)

Workforce structure by gender and age.



■ Chart of workforce structure by sector

Chart of workforce structure by sector

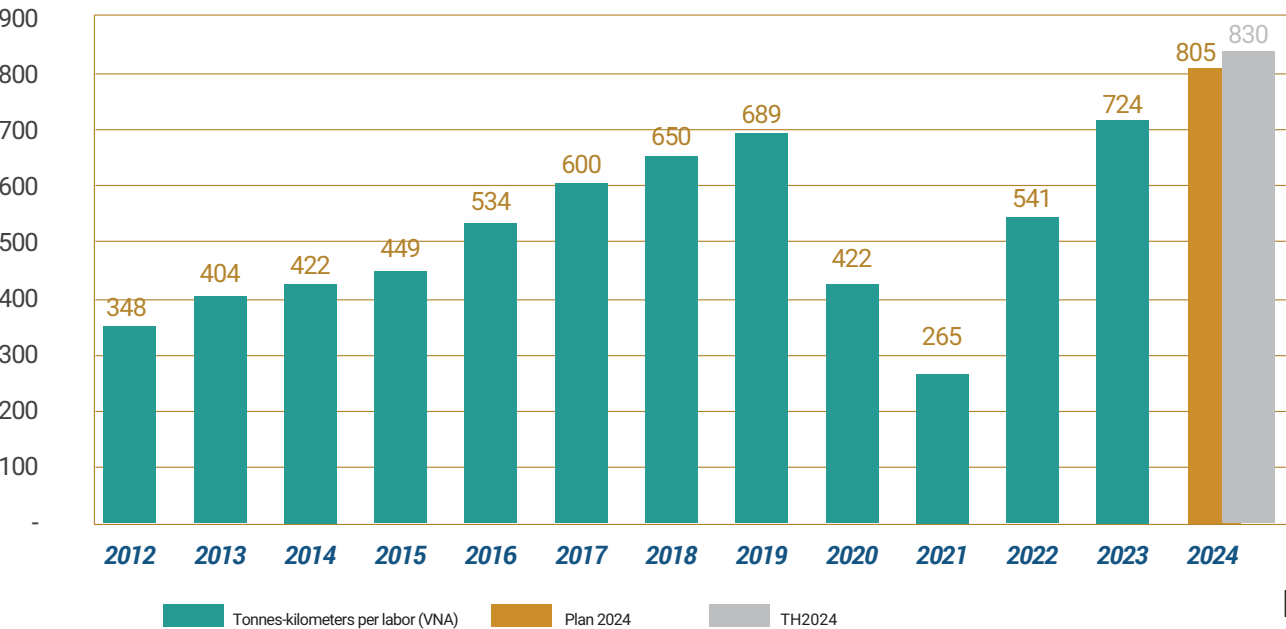


■ Indicators on Labor Productivity

Labor: In 2024, the Corporation continues to actively implement organizational restructuring, reorganization, and optimization of business production processes. The review of work processes, reassignment of labor, reduction of intermediate levels, and shortening decision-making time have been carried out in a coordinated manner, yielding positive and clear results, promoting the dynamism, creativity, and courage of individuals to think and act; enhancing work efficiency and the overall competitiveness of the organization. Proactively and quickly providing reasonable solutions to the streamlined policies and restructuring initiatives of the Party and State to improve management efficiency and save resources. The human resources are optimally utilized, ensuring

that the pilot and flight attendant resources for flight operations are built according to the production plan. The number of employees leaving has been appropriately replaced, corresponding to the scale of business operations, meeting the demand for gradual recovery, implementing the digital transformation policy, and increasing management capacity and competitiveness. With efficient management and the cost-effective use of labor, the average labor force in 2024 is to be 5,205 people, equivalent to 96% of the 2023 plan as reported to the General Meeting of Shareholders. Labor productivity, measured by transported load with revenue ton-kilometers (RTK), is to be 830 thousand tons.km per employee, achieving 103% of the plan.

Chart: Labor Utilization and Labor Productivity 2024



■ Reasons for increase/decrease compared to the previous year: The number of voluntary resignations in 2024 was approximately 2%, which has decreased compared to the previous year due to the recovery of the Corporation's business operations. Productivity-based wages have improved, aiming towards sustainable development.

■ Measures implemented to improve and enhance labor efficiency:
Promote the corporate culture widely to candidates/employees. Build a strong corporate culture, a modern working environment, and digital transformation to reduce work pressure and increase labor productivity.

Build a clear career progression path and create opportunities for employee development. Focus on skill training and internal rotation rather than solely relying on new recruitment.

Fair and transparent evaluation mechanism: regularly assess and evaluate employees' capabilities based on work performance values, with continuous listening, positive feedback, and rewards when employees achieve good results, providing promotion opportunities for deserving individuals.

Results of implementation in the following areas:

■ Recruitment

Vietnam Airlines has continued its program of sourcing, recruiting, and training specific workforce through socialization. This includes targeting basic pilots for training to transition into flight operations and recruiting additional flight attendants to compensate for the termination of labor contracts and to prepare resources for 2025. In addition, the recruitment process has contributed to adding an abundant source of young ground workers with great potential, making a positive contribution in improvement of labor quality and productivity.

■ Human Resource Development and Training

In 2024, to ensure the quantity and quality of training and instruction meet the requirements of the Civil Aviation Administration of Vietnam (CAAV), international assessment organizations such as IATA-IOSA, and the development needs of Vietnam Airlines (VNA), the training and instruction work of the Corporation is being

vigorously implemented: (i) Maintaining and tightly controlling the training of aviation safety and security subjects as required by the CAAV and international assessment organizations such as IATA-IOSA to uphold VNA's "Safety First" objective; (ii) Implementing service enhancement training programs for all employees to spread awareness and continuously improve the quality of services across the Corporation; (iii) Proactively launching training programs for management staff, potential employees, key personnel, specialized workers, and instructors to meet VNA's development needs; (iv) Timely implementing transition training programs for system conversion and operational transition to meet the Corporation's production and business requirements; (v) Building a learning environment and culture throughout VNA.

■ Staff Planning, Appointment, Rotation, and Evaluation
In 2024, activities related to staff planning, appointment, rotation, and evaluation have been closely monitored to ensure timely implementation, adherence to schedules, and that selected staff possess the appropriate competencies and expertise to meet the Corporation's requirements and objectives. Aiming for the sustainable development of the Corporation, the evaluation criteria will be adjusted and updated to align with the actual situation, creating favorable conditions for the development and enhancement of the quality of the staff team.

■ Training Programs and Curricula meet the requirements of the Civil Aviation Authority of Vietnam (CAAV) and IOSA-IATA; Planning and developing a team of part-time instructors, including pilots and cabin crew, with high political qualities and professional expertise to meet the training and education requirements of the Corporation; Organizing the sourcing, recruitment, training, and development of cabin crew, pilots, and flight operations staff to promptly provide specialized labor resources, ensuring the required quality and work efficiency for the Corporation.

■ Corporate Culture

Throughout the formation, construction, and sustainable development of Vietnam Airlines, the development of corporate culture and workplace values has been built upon the foundation of preserving and promoting the beautiful cultural values of the nation, the traditional values of the civil aviation industry, and the Vietnam

People's Army's heroic legacy. This has created the internal strength and distinctive culture of the Corporation. As a result, it has contributed to the crystallization of the core values of the corporate culture, which have been deeply ingrained over time, becoming ethical standards not only in communication and behavior but also in the vision, mission, core values, rules, management style, goals, development strategies, and the behaviors and attitudes of all members of Vietnam Airlines.

In addition to emphasizing the responsibility of preserving and promoting the existing positive values,

the development and elevation of corporate culture are closely tied to digital transformation, meeting the requirements for international integration.

These are crucial criteria. With the goal of building a strong Vietnam Airlines with a unique identity, the cultural and behavioral code, the "Vietnam Airlines Culture Handbook," serves as a compass for every member of the organization to understand, appreciate, and preserve the company's core values. At the same time, it is an essential tool in the process of personal growth and self-improvement, contributing to the strengthening of collective power.

2.10. Communications and Brand Development

In 2024, the brand communication activities of the Corporation with the new message "#VạnDặmNângNiu" (Thousands of Miles of Care) reflect: (1) the spirit of constantly striving to surpass limits and exceed customer expectations to deliver VNA's excellent services; (2) symbolizing the care, kindness, and hospitality typical of the Vietnamese people in VNA's service culture, affirming the core value of Vietnam Airlines, which always puts customers at the center, ensuring that customers feel welcomed and valued throughout their journey, and fostering a deeper emotional connection with VNA.

The #VạnDặmNângNiu campaign marks the beginning of the brand repositioning process with a dynamic and creative brand image for Vietnam Airlines. Through captivating storytelling on modern digital platforms, it connects with each passenger individually, sharing inspiring stories and reaffirming our commitment to innovation, culture, and sustainability. The journey with Vietnam Airlines is not just about reaching the destination; it's about experiencing a complete and inspiring flight journey that is deeply infused with Vietnamese essence.

Brand image management

- Maintain the brand image at all customer and employee touchpoints
- Develop brand recognition in a youthful, modern, and trend-aligned direction; make VNA a cultural ambassador for Vietnam on the global map.
- Strengthen partnerships with provinces, cities, corporations, businesses, embassies, and consulates of other countries to build and develop the brand and image.
- Continue to conduct research and implement programs according to the brand repositioning roadmap.



Advertising and Communication

- Connecting with customers through Omni-Channel advertising and communication – using multiple channels (Advertising, Media, and Social Media) according to the customer journey.
- Focusing on advertising and communication about the strengths and outstanding features of Vietnam Airlines' products and services, such as premium services, digital transformation, and prestigious awards both domestically and internationally.
- Promoting high-revenue class sales and advertising for key international markets.
- Timely and fully implementing 100% of tactical advertising programs, with a special focus on personalization. Advertising campaigns achieve outstanding results in KPIs across digital platforms.
- External and internal communication information closely follows the business production orientation of the Group. KPIs for communication and news market share are ensured.
- Press relations continue to be maintained and strengthened to support communication activities.
- Enhancing participation in organizing and sponsoring national and international programs and events.
- Keeping up with trends and new tools through programs such as OneS and the three mascots.

Outstanding events

Organizing campaigns and events that create highlights, attracting the attention of customers, partners, and the public, such as holiday and New Year celebrations; launching new flight routes (Munich); Vietnam Airlines Festa fair; VITM, ITE fairs, international roadshows; signing ceremonies with provinces, cities, and businesses; the Hanoi Dragon Boat Race and VNA Run for Love; the Vietnam Airlines Classic program; the 5AM Concert Season 2 event in Da Lat; and executing 10 event programs in the role of the national airline to introduce routes and the VNA image during official trips

by Party, State, Government, and National Assembly leaders to Australia, China, South Korea, India, France, Mongolia, Cambodia, UAE, and Japan. Workshops on the overall solution proposals to address difficulties caused by the Covid-19 pandemic, helping VNA recover and develop during the 2021 - 2025 period.

Sustainable development activities (ESG): Implementing creatively and widely, with sustainable development activities across all three pillars-economic, social, and environmental-such as:

- Using SAF fuel, participating in SkyTeam's aviation challenge, joining IATA's CO2 emissions measurement project, collaborating with Momo on the 'Contribute Leaves to Heal Forests' project, launching the 'Light Miles' campaign - Flying Light to Con Dao, and the HeForShe campaign to promote gender equality.
- Accompanying the country in overcoming the aftermath of storms and floods: transporting nearly 30 tons of goods including life jackets, medicines, food, beverages, and more.
- Corporate Social Responsibility (CSR) activities are implemented extensively across various fields, enhancing the promotion of the company's image to a wide range of customers: Flights to bring migrant workers home to reunite with their families during the Lunar New Year; Free transportation of vaccines for the National Expanded Immunization Program; Establishing a green library in Dien Bien province; Dream trips for underprivileged children; Miles donation and charity auctions; The VNA Run for Love race with participation from the visually impaired; Participation in gender equality programs initiated by the UN.





INTERNATIONAL AWARDS

NO	International awards
1	Top 10 Most Punctual Airlines in Asia and Top 5 Most Punctual Airlines in Asia Pacific by Cirium
2	Best value premium economy of the year 2024 by AirlineRatings
3	Top 10 Best airline uniform by Cabin Crew 24
4	Top 25 premium airlines of 2024 by AirlineRatings
5	Global 5 star airline by APEX
6	Best Loyalty Program at Loyalty & Engagement awards 2024
7	"2024 Travel and Leisure Brand of Choice" by Decision Lab
8	Ranked 95/500 Largest Companies in Southeast Asia by Fortune SEA
9	Top 10 Airlines with the Highest Total Seats Offered in the Year 2024 Southeast Asia by Open Sky magazine
10	Asia's leading MICE airline 2024 by World Travel Award
11	World's leading cultural airline 2024 by World Travel Award
12	Most upcoming and service friendly airline by the Indian Tourism and Cultural Trade Association
13	"Million Miles of Wonder Experiences" Campaign Won Gold in the Personalization Category at the Smarties X Global Awards
14	"Million Miles of Wonder Experiences" Campaign Won Bronze in the Real Time Marketing Category at the Smarties X Global Awards

DOMESTIC AWARDS

NO	Domestic Awards
1	The most punctual airline in Vietnam in the first 6 months of 2024 by the Civil Aviation Authority of Vietnam
2	Top 10 well known trademark of Vietnam 2024
3	The airline with the best service for Golfers in 2024 awarded by Vietnam Golf and Leisure Magazine
4	The airline with the highest on-time flight rate in Vietnam during the peak summer period by Open Sky Magazine
5	Top 500 Leading Employers in Vietnam 2024 by Investment Newspaper - Viet Research
6	Top 10 Best Places to Work in Vietnam 2024 in the Logistics Industry by Investment Newspaper - Viet Research
7	Vietnam National Brand awarded by the Ministry of Industry and Trade
8	"Million miles of wonder experiences" campaign won the Silver Prize in the Personalization category at the Smarties Vietnam Awards 2024
9	"Million miles of wonder experiences" won Bronze in the Real Time Marketing category at the Smarties Vietnam 2024 Awards

NO	Domestic Awards
10	First prize in the Gender Equality category through community participation and partnerships at the Women's Empowerment Principles Awards Ceremony
11	Landing video "Vietnam not only...but also..." won Second prize in the video clip category at the National Foreign Information Awards
12	TVC "Cherish every mile" won First prize in the Vietnam Creative Advertising Award for television advertising at the Van Xuan Creative Advertising Awards
13	TVC "Cherish every mile" won the Creative Tourism - Travel Brand of the Year Award at the Van Xuan Creative Advertising Awards
14	Project "For a Green Vietnam and Sustainable Development" won the Sustainable Development Idea Award at the Human Act Prize 2024 organized by Nhan Dan Newspaper

2.11. Information Technology

a. Digital platforms and newly developed or improved software systems in business areas (commerce, operations, engineering, sales, management, etc.)

In the context of Industry 4.0 reshaping the entire aviation industry, Vietnam Airlines (VNA) affirms its leadership position with a comprehensive digital transformation strategy, while continuously investing in modern aircraft and applying advanced technologies to enhance competitiveness, improve passenger experience, and optimize operational efficiency.

VNA recognizes that digital transformation is not just a trend, but a necessity in the digital age. The airline has implemented a series of modern technological solutions such as Artificial Intelligence (AI), Advanced Analytics (Big Data), Machine Learning, Biometrics, Internet of Things (IoT), Cloud Services, Blockchain, and Hyperautomation to build a "Digital Enterprise" – a solid foundation for sustainable growth and competition in the international arena.

Alongside digital transformation, VNA also focuses on investing in the development of a new generation of aircraft, with advanced models such as the B787 and A350. These aircraft not only reduce fuel consumption and emissions, lower maintenance costs, but also

provide a superior flight experience with spacious cabins and modern entertainment systems.

In 2024, VNA implemented a new Aircraft Maintenance Management System (AMOS) from MRO-IT, replacing the old AMASIS system, along with the common Technical Information Management System (TIMS). By integrating AI, IoT, Big Data, and automation technologies, VNA has enhanced its ability to analyze, predict, and monitor aircraft status in real-time, ensuring that the fleet meets international safety and operational efficiency standards.

In addition, in the field of engineering, VNA collaborates with top partners such as Boeing, Airbus, General Electric, and Rolls-Royce to apply advanced aircraft monitoring systems such as Aircraft Health Monitoring (AHM) for Boeing, Aircraft Maintenance Analysis (AIRMAN) for Airbus, and Advanced Diagnostic and Engine Management (ADEM) for aircraft engines. These systems allow VNA to monitor technical conditions 24/7, improving the reliability and readiness of the modern fleet.

To optimize flight operations, VNA has upgraded all of its modern operational systems. Information systems supporting flight planning, mobile applications for crews, operational control systems, and network planning support systems have been implemented to optimize aircraft utilization, manage flight crews efficiently, plan flexible operations, and support real-time decision-making.

In order to create a seamless customer experience, VNA has completed the digital transformation of its Passenger Service System (PSS). The airline's sales system (B2C, B2B) is built on the advanced Salesforce technology platform, integrating seamlessly with external ecosystems via API connectors. Additionally, the e-commerce website and modern Customer Data Platform (CDP) systems have been upgraded to meet growing passenger demands.

VNA continues to improve its digital infrastructure, providing maximum convenience for passengers through online procedures on its website, mobile app, and self-service check-in kiosks at airports both domestically and internationally. The advanced version of the mobile app from 2019 integrates modern features such as flight search, itinerary tracking, online booking, deal updates, and transaction management via the Lotus Blossom (Bong Sen Vang) account. The system also supports the search of 67 digital maps for domestic and international airports. It integrates QR code payments through Napas gateway (Momo, Moca apps), VNPay, and SOFORT Banking services at international markets such as Germany, Switzerland, and Austria.

To provide a unique in-flight entertainment experience, VNA introduced a Microsite application, linked to the

airline's website, updated regularly in 8 languages (Vietnamese, English, French, German, Russian, Japanese, Korean, Chinese), allowing passengers to check service information and select their preferred entertainment programs. Wireless Streaming is a first for Vietnam Airlines, with A321neo aircraft equipped with a system enabling passengers on short flights (under 3 hours) to access entertainment via personal devices like tablets, smartphones, and laptops.

In addition, VNA has implemented several technological software solutions to support operations, management, and business activities, such as: Safety Quality Analysis for operations, Revenue Collection Management (REVERA), Revenue Optimization (RMS), Fare Management and Distribution, Administrative Management (SkyOffice), Human Resources (SkyHR), Process Management (BPM), and Contract Management (CMS). These solutions help VNA optimize the efficiency of digital administrative tasks and enhance the overall management capacity of the airline.

With its comprehensive digital transformation strategy and significant investment in technology, Vietnam Airlines not only solidifies its leadership position in the aviation industry in Vietnam but also opens up numerous opportunities for sustainable development. The technological advancements have been and continue to create significant value for passengers and partners, while reinforcing VNA's commitment to providing a safe, comfortable, and modern flying experience. Vietnam Airlines continues to lead the way, constantly improving and implementing advanced technological solutions, with the goal of becoming the top digital airline in the ASEAN region and on the international stage.

b. Assessment of IT system readiness

The average IT system readiness in 2024 is 100%.

The average information security indicators in 2024 are 100%.

c. Information security policies, data protection for customers, shareholders, and any significant changes (if any).

Ensuring IT security for systems, meeting the established information security KPIs such as: 100% of workstations have installed security software; 100% of servers have installed security software; 100% of IT security incidents are handled.

Optimizing other security services and solutions to cope with VNA's budget constraints.

Commitment to evaluating information security and addressing security vulnerabilities for critical and new IT systems. Continuing to maintain the International PCI DSS compliance certification from the International Payment Card Association. Implementing and deploying the Information Security Management System according to ISO 27001 standards for data center management and database governance. Achieving ISO 27001:2022 certification by August 2024.

Addressing data protection complaints sent to the DPO, quickly resolving and mitigating IT security incidents such as fraudulent bookings and DDoS attacks on the e-commerce website; ensuring all data protection complaints sent to the DPO are resolved.

Organizing user awareness assessments on IT security and conducting phishing attack simulations via email. Replacing SSLs and centralizing management. Implementing anti-spoofing solutions for emails sent from external sources. Deploying the strategy to separate the email marketing domain, enhancing the safety and effectiveness of email marketing. Conducting research, applying, and testing new IT security solutions such as PAM, SOAR, and EDR.

d. Roadmap and Solutions to Become a 4.0 Digital Enterprise

Enhancing the implementation of research on digital infrastructure transformation solutions, organizing digital data sources, and promoting the utilization of intelligent reports (BI). Establishing a shared data warehouse, Datalake House, covering all sectors to meet data exploration and management needs in the Cloud environment. Issuing data governance policies and data exploration processes across the entire corporation.

Synchronizing the deployment of digital platforms and application software systems according to aviation industry standards based on the best practices and advanced procedures of the aviation sector. Implementing advancements from the 4.0 Industrial Revolution, such as Artificial Intelligence (AI) in forecasting, fuel optimization, biometric identification, and big data analytics in commercial, operational control, and customer service

automation, enhancing customer experience. Strengthening the application of advanced global digital technologies in technical maintenance operations, early fault prediction to improve aircraft maintenance and repair efficiency.

Upgrading the Security Operations Center (SOC) system to meet regulations and directives from regulatory authorities on Information Security. Successfully deploying and maintaining Information Security standards such as ISO 27001, PCI DSS, etc. Upgrading access management and permission systems on critical applications. Completing the Information Security model for each application, implementing role-based management models on application layers and databases, ensuring data management, retrieval, and traceability when required.

2.12. Restructuring the Parent Company and Subsidiaries

2.12.1. Reorganization of business operations

Flight routes	
Managing business operations in alignment with market developments and available aircraft resources. In the international market, suspending or reducing the frequency of routes that are under performing, while continuing to seek market expansion opportunities by launching new routes. Additionally, other routes will	largely maintain their frequencies as in 2019, except for routes to Russia and Myanmar due to ongoing political instability. In the domestic market, maintaining the VNA Group's main market share on key routes, continuing to increase capacity on tourist routes, and managing flexible load to ensure efficiency.
Sales operations	
Complete the internal governance system and regulations to ensure transparency and openness; implement greater delegation, authorization, and empowerment, fostering autonomy and responsibility based on strengthened inspection and supervision efforts.	reduce costs. Leverage new technology and new management methods in the aviation industry through system and IT solution innovations. Specifically, VNA will implement the revenue management system based on O&D (Origin & Destination) with the goal of increasing revenue by 2% in the markets where it is applied.
Refine the management indicator system to be specific, clear, and systematically implemented across the entire organization.	Focus on market research and forecasting to fully understand competitive dynamics, proactively building and managing products according to planning scenarios, closely aligned with market demands, ensuring optimal business efficiency across the entire flight network based on each route and aircraft type. Product design must closely follow the rapidly changing customer needs and behaviors, genuinely putting the customer at the center, ensuring convenience, peace of mind, and accessibility for customers.
Establish a digital transformation strategy and digital culture mindset; promote the application of digital technology in all business operations, management, and VNA's operations to speed up decision-making and improve decision-making accuracy.	
Enhance the customer database system to support modern marketing activities, implement personalization in marketing efforts, and provide a foundation for deploying services that upgrade customer experiences.	Regarding the fleet, diversify aircraft sizes while simplifying the types of aircraft within each size category to allow for greater flexibility in operations and designing products that meet market demands.
Synchronously implement solutions to upgrade website infrastructure, IT systems, digital transformation, and commercial policies to achieve the goal of online sales channels (VNA Website, Mobile App) accounting for over 25.5% of sales by 2025.	Implement flexible pricing solutions (dynamic pricing) as soon as possible to ensure diversity and flexibility, catering to various customer groups, even individual customers. However, the pricing structure and principles must ensure simplicity, ease of understanding, and accessibility for customers.
Revise and update software systems for flight network planning, fleet management, and flight scheduling; revenue management systems, and price setting and distribution systems to ensure flexibility, align with the rapid market changes, increase labor productivity, and	Enhance the service quality for major customers (Corporate Account - CA), including developing tailored
discount policies for customers, applying the LoutsBiz (Loyalty Program) system in management; providing quick, automated, and transparent services to customers with the goal of continually satisfying current customers and expanding communication to attract new customers.	Implement solutions related to technology application, digital marketing, and improve sales policies, enhancing negotiations with non-airline partners to promote the sale of ancillary products, with the goal of increasing ancillary service product revenue to 6%-7% of total passenger revenue by 2025.
Improve the LotuSmiles frequent flyer program to enhance the benefits offered to customers, aiming to expand and increase the frequency of service usage among loyal customers, while encouraging them to continue using transportation services and purchase additional ancillary services from VNA.	For commercial cooperation, focus on implementing joint venture agreements with strategic airline partners in each market region, such as Air France, Delta, China Airlines, Korean Air, and ANA. In the domestic market, continue to execute the cooperation plan with PA and Vasco as part of the overall development plan to ensure the competitiveness of VNA Group.
The policies and solutions in communication efforts should be implemented flexibly, responding quickly to market fluctuations, but based on a comprehensive long-term communication strategy with specific and clear communication goals. Each communication campaign should have an organization to monitor and evaluate its effectiveness.	Develop the cargo transportation business, explore the use of aircraft for cargo transport.
	Reorganize and simplify distribution channel management in the Vietnam market; centralize certain distribution management tasks from branches to the headquarters (HQ), including managing sales for large customers, flight management, and overseeing commercial discount policies.
Freight operations	
Maintain VNA Group's domestic freight market share at 60% (with a market share of the main route HAN-SGN-HAN around 65%).	flights for wide-body aircraft reaches 90%-100% and for narrow-body aircraft exceeds 71%.
Closely monitor the freight market developments, implement flexible sales policies, and optimize flight revenue. Increase freight sales to fill flight capacities, ensuring the load factor on international passenger	Strengthen partnerships with airlines, enhance efficiency, and expand collaboration.
	Strengthen cooperation with airlines, enhance efficiency, and expand collaboration.
Service operations	
Based on the implementation	
Based on the restructuring policy of the Corporation according to	
Resolution No. 18-NQ/TW (2017) on continuing innovation and reorganization of the political system to be streamlined, effective, and efficient.	
Leadership resolution of the Board of Directors of the Corporation.	

Current status of the Service Division organization:

The Service Division consists of three main units:

Passenger Service Department (PSD): Responsible for ground services, in-flight services, cost management, and customer experience

Airport Service & Operations Center (ASOC): Manages airport operations, safety supervision, and quality control.

Flight Attendant Crew (FAC): Ensures in-flight service quality, flight attendant management, and training.

Although the current model of the Service Division has shown many advantages and clear effectiveness, after more than two years of operation, there are some areas that need to be analyzed and considered for adjustment.

Basis and principles of restructuring:

An organization performs many tasks, but each task should be assigned to one organization to lead and take primary responsibility.

Enhance the effectiveness of the organization, eliminate unnecessary administrative procedures, and prevent waste.

Consolidate organizations with similar or closely related tasks in the execution process to ensure a streamlined organization.

The new organization is more efficient, capable of operating immediately, without disrupting ongoing work.

Restructuring Plan

The Services Division proposes a restructuring plan in two phases:

Phase 1 (January 2025)

Phase 2 (Q3 2025)

Expected results after Phase 1 restructuring

For the Passenger Service Division (PSD)

Streamlining the organizational structure by reducing one department level, from 4 departments to 3 departments.

More balanced distribution of functions, tasks, and workload among the departments.

Reduce intermediary steps, thereby shortening processing time. Specifically, tasks related to cost management according to cost drivers, evaluating cost management effectiveness through KPIs, planning, operations, and evaluating the implementation of business plans. Specialized departments such as DVMĐ and DVTK will directly handle these tasks and take direct responsibility for the outcomes of their work.

By reducing the intermediary steps mentioned above, the quality of work processing will improve as specialized departments become more aware of their workload and responsibilities, leading to better planning, organization, and allocation of resources for implementation.

A single point of contact is responsible for and effectively organizes the supply and retrieval of PVHK goods, meeting the requirement that each task is assigned to one organization to lead and bear primary responsibility.

Enhance labor efficiency: Based on assigning clearly defined specialized tasks to the appropriate departments responsible for execution, this will create conditions for departments to utilize labor more effectively, allocate more tasks to employees, and lay the foundation for evaluating and reducing labor in the future, in line with the goal of having an organization handle multiple tasks as per the established policy.

For ASOC

The reduction in the leadership positions of the center and the staff in the Accounting department will be achieved. Phase 2 (Q3/2025) of the Service Restructuring Plan: Continue reviewing and studying the restructuring plan for ASOC and the flight attendant crew (FAC), focusing on further streamlining the organization, optimizing management, and improving operational efficiency.

2.12.2. Financial restructuring of the parent company

As we move into 2024 - a crucial phase in the post-pandemic recovery process - the Corporation continues its strong efforts to implement various financial restructuring solutions, including: aggressively rolling out cost-cutting measures, restructuring assets by liquidating old aircraft to increase revenue, and supplementing cash flow for production and business activities; accelerating the debt restructuring process, developing cash flow scenarios, and flexibly managing revenue and expenditure while using debt extension and short-term credit solutions to ensure cash flow for business operations. Notably, in June 2024, the Corporation completed its report, which was approved by the National Assembly, outlining a plan to extend a refinancing loan package of VND 4,000 billion. In this plan, the State Bank of Vietnam granted an extension of three installments for the overdue refinancing debt owed to the credit institutions lending to the Corporation for additional capital to support business operations.

This solution has created a necessary window to alleviate cash flow pressure in 2024, ensuring liquidity,

maintaining business operations, and focusing on implementing asset restructuring, capital sources to supplement cash flow and income. Additionally, the Corporation continues to diligently report and explain to the relevant authorities about the proposed solutions in the Total Plan, which addresses the difficulties caused by the impact of the Covid-19 pandemic, enabling the Corporation to recover and develop sustainably from 2021 to 2035. By November 2024, at the 8th session of the 15th National Assembly, the National Assembly approved solutions including: allowing the Corporation to offer shares to existing shareholders to raise capital by a maximum of VND 22,000 billion (phase 1 of VND 9,000 billion to be implemented in 2025, phase 2 of VND 13,000 billion in 2026); allowing Pacific Airlines (PA) to waive late payment penalties and outstanding tax arrears until December 31, 2024, as a basis for the Corporation to implement capital restructuring solutions, including issuing additional shares to increase capital and restructuring its investment in PA.

2.12.3. Restructuring of member companies

In 2024, the Corporation (VNA JSC) has actively implemented its divestment efforts in its subsidiary companies and achieved several results, including: completing the approval process for the capital transfer plan and carrying out some preparatory work for the divestment of VNA JSC's stake in Tan Son Nhat Cargo Services Joint Stock Company; successfully implementing solutions to support Pacific Airlines in

maintaining operations while continuing to collaborate with relevant ministries to address obstacles in the divestment process of VNA JSC's stake in PA; studying and reporting to the competent authorities for adjustments to the capital transfer plan of VNA in several multi-industry companies with limited relevance to air transport services, aiming to proceed with the divestment starting from 2025.

2.12.4. The application of digital transformation in business activities

Vietnam Airlines is strongly applying e-commerce platforms to sales activities such as continuously upgrading and developing the Website to create a unique sales platform and customer experience. Developing Mobile App to increase sales channels and mobile experience. Integrating and cooperating multi-channel with banking partners, trading floors, and e-markets to diversify products. Continuously cooperating with

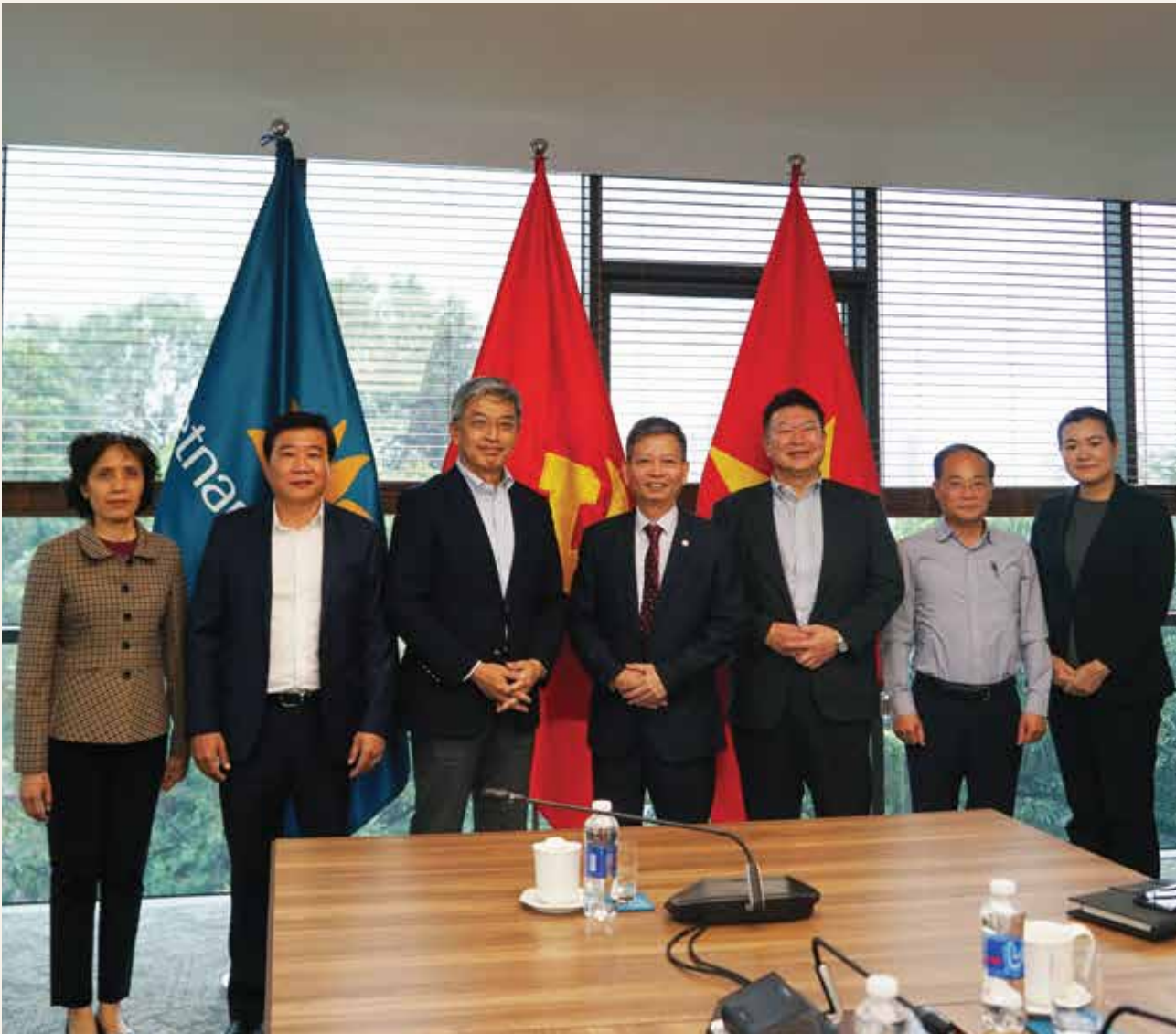
partners to open channels accumulating reward points for customers, bringing customers the most benefits when using Vietnam Airlines service. In addition to direct sales of aviation products, a number of non-aviation products are also integrated and expanded to customers through commercial portals such as VN Mall, VN Amazing or other trade promotion activities.

2.13. Cooperation programs

a. Strategic partnership with the shareholder ANA Holdings Inc

In 2024, VNA and ANA continued to strengthen their comprehensive strategic partnership across various fields according to the agreements between the two parties within the framework of VNA's share investment partnership in 2016. In 2024, both sides maintained discussions on the possibility of joint venture cooperation in the commercial sector, while also intensifying the implementation of technical support in several areas: information technology and digital transformation, training to enhance meal service quality, new Passenger Service System (PSS), and ancillary revenue management, among others.

Through ANA's sharing and support, VNA has gained valuable experience to enhance service quality, particularly in in-flight catering, providing a better customer experience. In terms of digital transformation, ANA's support has helped VNA complete the development of a shared data warehouse, assist in the preparation and implementation of the new Passenger Service System (PSS), build an architectural model for flight operation software systems, and gain insights into airport resource allocation. These efforts have allowed VNA to gradually refine its data, systems, and operational solutions.



b. Commercial cooperation (bilateral/ multilateral/ joint venture/ Skyteam)

In terms of bilateral joint ventures, in 2024, the Corporation has cooperated with 22 international airlines and 1 French railway company; exchanged potential joint venture cooperation with Saudi Arabia Airlines, Emirates, Singapore Airlines, Scandinavian Airlines, and Aeromexico to expand the cooperative flight network and better serve the increasingly diverse needs of passengers.



Regarding joint ventures, the Corporation continues to manage its joint venture cooperation on the Vietnam - France route with Air France, completing the procedures to request the authorities for an extension of the competition exemption for cooperation with Air France and submitting an application for competition exemption for the joint venture cooperation with China Southern Airlines. Additionally, the Corporation continues discussions on potential joint venture cooperation with several partners.



Regarding Special Prorate Agreements (SPA), VNA also effectively manages more than 80 SPA cooperation with airlines and shipping lines. Strengthening cooperation helps VNA expand its flight network, diversify products, protect revenue for Vietnam Airlines and contribute to improving the efficiency of flight operations, enhancing brand image and enhancing presence in most major markets in the world.



Regarding multilateral cooperation, Vietnam Airlines has actively participated in activities at multilateral organizations IATA and the SkyTeam Alliance to promote the role and influence of VNA in building and shaping general policies of the Union. In 2024, the Corporation officially joined the Asia-Pacific Airlines Association (AAPA). A highly influential organization in the aviation industry, particularly in the Asia-Pacific region. Joining AAPA strengthens the Corporation's relationships with member airlines, allows direct involvement in lobbying activities to increase influence, and boosts the Corporation's position in the region. Membership also strengthens the Corporation's ties with regional airlines, fostering cooperation and mutual support across various areas.



Regarding government agreements and industry relations, the Corporation has always proactively contributed its opinions on regulatory measures for air transport operations between Vietnam and other countries to protect its interests in flight operations. Accordingly, in 2024, the Corporation proposed negotiation plans and participated in delegations of the Civil Aviation Authority to discuss bilateral air agreements between Vietnam and countries such as India, Bangladesh, New Zealand, as well as multilateral air agreements within the ASEAN region and between ASEAN and dialogue countries including the EU, New Zealand, South Korea, and Japan



c. Cooperation with local authorities

The cooperation between Vietnam Airlines and provinces/cities has been continuously strengthened and expanded. By the end of 2024, VNA had completed partnership agreements with 40 out of 63 People's Committees of provinces/cities. Specifically, in 2024, Vietnam Airlines signed new comprehensive cooperation agreements with three provincial People's Committees, including Son La, Hai Duong, and Lang Son. For previous partnerships, Vietnam Airlines continues to maintain and implement overall activities in tourism, culture, and commerce promotion to jointly boost tourism, investment, aviation, and destination marketing. The cooperation also aims to develop policies that effectively support and prioritize the use of each other's products and services, enhance brand promotion, and affirm the comprehensive partnership role between Vietnam Airlines and local authorities in the operation and development process. This not only improves business efficiency but also contributes to the promotion of tourism, trade, and economic development of the localities and the country as a whole. The cooperation with provinces and cities in recent years has helped Vietnam Airlines elevate its national brand and affirm its role as the leading airline in Vietnam.



d. Cooperation with local authorities

The cooperation agreement between Vietnam Airlines and economic groups was aimed at leveraging the strengths of each party in operational and business areas, in order to foster comprehensive cooperation, and to establish a long-term strategic partnership in the process of operation and development. Through comprehensive cooperation, Vietnam Airlines and these groups engaged in mutually supportive activities, expanding and developing their business operations to effectively capitalize on their respective strengths and tap into domestic and international markets. This included focusing on the traditional business fields of each party as well as other areas of mutual interest. The cooperation aims to enhance the benefits for officials and employees of both parties.

In 2024, Vietnam Airlines continued to expand its partnership by signing additional agreements with Vietnam Airports Corporation and Sentosa Development Corporation from Singapore. Additionally, Vietnam Airlines maintained and implemented ongoing cooperation activities with major corporations and economic groups that it has partnered with before, such as VinGroup, Sun Group, Thien Minh Group, and Saigontourist. These collaborations have successfully carried out joint marketing activities, co-hosted events, and launched joint product sales campaigns, thereby enhancing the customer experience and increasing the value and benefits for all parties involved.



3. Investment activities

3.1. Large project investments

The development investment plan for 2024 of the Corporation has been assigned to the relevant agencies and units in Decision No. 1115/QĐ-TCHK-ĐTMS dated July 15, 2024. The total funding amounts to 283.6 billion VND, including 70.9 billion VND for asset investments and 212.7 billion VND for asset investment reserves. The total situation regarding the implementation of the 2024 investment plan is as follows:

Investment portfolio	2024 Plan		2024 Actual		% of Actual/Plan	
	Number of Projects	Disbursement (VND billion)	Number of Projects	Disbursement (VND billion)	Number of Projects	Disbursement (VND billion)
1	2	3	4	5	6	7
Asset Investment	22	70.9	9	21.5	40.9%	30.3%
Aircraft	1	1.8	-	-	-	-
Construction	7	35.9	-	-	-	-
Equipment, IT	14	33.1	9	21.5	64.3%	65.0%
R&D Investment	4					
Provisions		212.7		2.5		1.2%
Total	26	283.6	9	24.0	34.6%	8.4%

Note: Column 4 is the total number of approved pre-investment projects, the number of completed investment projects and put into use, and the nar settlement projects in 2024.



ASSET INVESTMENTS

Aircraft investment

In 2024, VNA continues to prepare for the investment of 50 narrow-body aircraft. The project has been approved by the Department of Natural Resources and Environment for the Environmental Impact Assessment. VNA and Boeing have signed an MOU accepting Boeing's offer for 50 B737Max aircraft, which will serve as the basis for continued discussions and negotiations with manufacturers to support the investment process. Currently, VNA is seeking approval from the Prime Minister to proceed with the investment project under current regulations, which will serve as the foundation for the preparation of a feasibility study report.

Equipment investment

The total value of equipment investment for 2024 is 24 billion VND, mainly to fund two training equipment projects required by aviation authorities (which will be completed and put into use by the end of 2023) and one project for purchasing ULD (containers) for passenger and cargo transportation.

Construction investment

In 2024, VNA is focusing its resources to participate in the investment projects and development of infrastructure at Long Thanh International Airport. Currently, VNA has won

the bid to be the investor for aircraft maintenance, in-flight catering, ground service vehicle maintenance, and aircraft cleaning facilities. VNA is also continuing to propose being the investor for aviation fuel supply, cargo terminal, and aviation logistics center projects.

Investment provisions

In 2024, VNA has reserved 212.7 billion VND to fund new projects approved within the year (200 billion VND reserved for the conversion of 23 A321 aircraft and 12.7 billion VND for other equipment projects). VNA has used only 2.5 billion VND from the reserve to implement small equipment projects approved during the year for business operations. The reserve for the conversion project of the 23 A321 aircraft has not yet been used as the project is still in the contractor selection phase.

General assessment of property investment

In 2024, VNA follows the principle of only implementing projects if sufficient funding is allocated. The investment budget for 2024 is primarily used to pay for essential projects completed and put into use in 2024 for direct business operations. The investment work is carried out according to state and corporate regulations. While the investment execution percentage is low, it does not affect the overall business operations of VNA.




3.2. External investments

Overall assessment of the efficiency of external investment

In 2024, alongside favorable factors such as the recovery in domestic and international travel demand, the aviation industry still faced numerous challenges, including a shortage of aircraft, global political instability, exchange rate fluctuations, and rising oil prices. The State-Owned Enterprises (SOEs) have capitalized on market opportunities to maintain market share and customers. Among them, the group of single-member LLCs, catering services, and cargo companies have gained new customers, while all companies have strived to improve service quality in order to negotiate price increases. Catering companies have also intensified the supply of non-air products, optimized factory utilization, and resources. Therefore, along with cost management solutions, most SOEs have successfully met their assigned targets and achieved profit growth compared to 2023, while ensuring flight safety and the quality of goods and services provided to VNA.

Business performance of investees in 2024

Summary of the operational situation of the subsidiaries

NO	Logo	Company	VNA's Ownership	Business performance
1		VAECO	100%	<p>VAECO is a 100% owned subsidiary of Vietnam Airlines (VNA). It is the only aircraft maintenance organization in Vietnam to receive both of the world's two most prestigious certifications: FAR-145 from the Federal Aviation Administration (FAA, 2010) and EASA-145 from the European Union Aviation Safety Agency (EASA, 2017), in addition to certifications from the Civil Aviation Authority of Vietnam and 20 aviation authorities worldwide. Furthermore, VAECO was approved by EASA for its SMS program in October 2023, one year ahead of schedule, becoming one of the first AMOs to be certified under the new EASA requirements. This has enhanced VAECO's competitiveness and made it a trusted partner for airlines both domestically and internationally. VAECO has achieved significant milestones in developing aircraft maintenance capabilities, especially for modern aircraft types such as the Airbus A350 and Boeing B787. The company has invested in equipment and infrastructure, improving service quality and increasing its capacity to serve international customers.</p> <p>VAECO's 2024 business results have improved significantly with total revenue reaching 2,795.7 billion VND, profit before tax reaching 272.4 billion VND, ROE reaching 19.3%.</p>

NO	Logo	Company	VNA's Ownership	Business performance
2		Skypec	100%	<p>It is a 100% VNA-owned single-member limited liability company with extensive experience and professionalism in the field of providing aviation fuel for domestic and international airlines. The company operates with a fuel storage system of 200,000m3 and a network of operations at 18 airports across Vietnam and four major international airports in South Korea.</p> <p>To meet the strict quality standards for refueling aircraft, the company continuously improves and invests in additional refueling vehicles, builds modern infrastructure, and has laboratories that meet the international standard ISO/IEC 17025:2017 with 10 standard tests. The company's quality management system is ISO 9001:2015 certified by QMS, ensuring optimal service to both domestic and international airline customers. The company has implemented an intelligent monitoring system integrated with GPS and onboard cameras, as well as digitizing refueling vehicles, ensuring the fuel supply chain of SKYPEC is tightly controlled. SKYPEC is the fuel supplier for all domestic airlines and nearly 100 international airlines operating in Vietnam.</p> <p>SKYPEC's production and business activities in 2024 have achieved positive results with a total output of 1,595,367 tons; Total revenue target has reached 35,270 billion VND and profit before tax reached over 268.2 billion VND, ROE reached 27.9%.</p>
3		VIAGS	100%	<p>VIAGS operates in the field of providing services at passenger terminals, cargo terminals, and aprons, offering technical services, ground trading for passengers, and aircraft of airlines at various airports. With over 25 years of experience as a ground service enterprise, VIAGS has a workforce of nearly 4,000 highly skilled employees who undergo comprehensive training and possess expertise in various areas. The company also maintains a modern equipment system that adheres to the highest safety and quality standards, certified for ISO 9001:2015, ISO 14001:2015, and ISAGO. In 2024, the company received numerous commendation letters for its safe, timely, and efficient service to international airlines. VIAGS was also awarded several prizes, such as the Ground Time 35' Service Organization Award from Vietnam Airlines, the successful transformation and operation of the new PSS system from Vietnam Airlines, and the Award for Effectively Implementing Service Enhancement by Vietnam Airlines. Additionally, VIAGS was named the Best Ground Service Provider for Vietnam Airlines in 2024.</p> <p>In 2024, VIAGS' operations benefitted from a favorable environment as the domestic and international aviation markets saw positive growth, especially with Indian airlines launching new routes to Vietnam, and Chinese airlines increasing frequencies. VIAGS proactively engaged in negotiations, successfully signing service contracts with five new airlines, bringing the total number of customers to 90 airlines. However, the company also faced challenges such as aircraft shortages and airline capacity cuts, resulting in increased operating costs, fuel prices due to global conflicts, and heightened competition. Despite these challenges, VIAGS implemented effective management solutions, continually improving service quality and optimizing profitability. Business results in 2024, the total number of flights the Company serves has reached 127,459 flights; Total revenue target has reached 2,515.8 billion VND, EBT reached more than 243.7 billion VND, ROE reached 55.6%.</p>

NO	Logo	Company	VNA's Ownership	Business performance
4		VACS		<p>It is a 100% VNA-owned single-member limited liability company specializing in the production of meals, ready-to-eat food, and providing in-flight catering services. To meet the increasingly high demands of customers, the company has implemented ISO 9001 and SQF 2000 (food safety standards) recognized by HACCP. In 2024, VACS received numerous awards and certificates from airlines, such as the Excellent Catering Services Award 2023 from Eva Air, the Best Catering Partner Award 2024 and the 2024 Service Excellence Award for Creative and Efficient In-flight Solutions from Vietnam Airlines; the Certificate of Excellence for the 2023 - 2024 period from the State Capital Management Committee at Enterprises; and the Leading Unit in the 2024 Emulation Movement from the State Capital Management Committee at Enterprises.</p> <p>In 2024, the domestic aviation market continued to maintain strong growth, while the international market fully recovered. The company actively engaged in negotiations with clients to resume or supply new catering services for international airlines that had not resumed operations or had not re-ordered meals from VACS in 2023. The company also increased service prices based on menu upgrades for existing customers. Additionally, the company proactively expanded the supply of non-air products, which helped quickly improve the business operations of VACS. Business results in 2024, VACS' total supply of meals has reached 10,370,184 meals; Total revenue target has reached 842.1 billion VND, EBT reached more than 120.3 billion VND, ROE reached 77%.</p>
5		PACIFIC AIRLINES		<p>It is a company in which VNA owns 98.84% of the charter capital and operates in the field of air transport. In 2024, due to financial difficulties, PA negotiated and arranged to return aircraft to the lessors, who subsequently waived the lease payments and late payment penalties amounting to approximately 4,284 billion VND. In response to the extremely challenging operational status of PA, VNA continued to implement resource coordination solutions, leasing 03 aircraft to PA to help maintain its Air Operator Certificate (AOC) and flight slots as required by the authorities. PA continued to operate flight routes under the VNA-PA cooperation agreement. At the same time, the National Assembly allowed PA to waive late payment penalties and interest on tax debts (which had not been determined due to outstanding liabilities with the state budget before the foreign investors' investment in PA in 2007). PA is required to settle all outstanding tax debts (principal amount) by December 31, 2024. By December 31, 2024, PA completed the full payment of its outstanding tax debts to the state budget. In 2024, the company is estimated to achieve total revenue of 5,389.7 billion VND and net profit before tax of approximately 2,313.3 billion VND.</p>
6		NCTS		<p>It is a company in which VNA owns 55.13% of the charter capital, providing cargo services at Noi Bai Airport for the first time. With extensive experience and well-invested equipment, the company has been highly regarded by customers for its professional service, especially in handling special cargo such as oversized, heavy, and live animal shipments. In 2024, NCTS was honored with the "Top 3 Leading Value-Adding Enterprises Vietnam 2024" award and the "Certificate of Honor" from Lao Airlines (QV) for providing high-quality cargo services in 2023, along with 18 letters of commendation for its regular flight service from international airlines. This recognition highlights the company's efforts in implementing synchronized solutions to improve service quality and maintain market share amidst fierce competition among cargo service companies at Noi Bai. In 2024, the company's business results include a cargo throughput of 370 thousand tons, total revenue of 950 billion VND, a pre-tax profit of 331 billion VND, and an average return on equity (ROE) of 102%.</p>




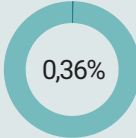
NO	Logo	Company	VNA's Ownership	Business performance
7		TCS		<p>It is a company in which VNA owns 55% of the charter capital, with the first and leading international cargo warehouse at Tan Son Nhat Airport. With 30 years of experience, TCS has continuously strived to achieve certifications such as ISAGO, ISO 9001:2015, RA3, IATA CEIV Pharma, IATA CEIV Fresh, etc., to meet the requirements and ensure the best service quality for customers. In 2024, TCS was honored with a Certificate of Merit from the Chairman of ANA Cargo for outstanding service quality in handling chartered cargo flights operated by Boeing 767 aircraft. Additionally, in 2024, TCS was honored to be the cargo terminal selected by Spring Airlines, Air India, and Turkmenistan Airlines to serve their flights at Tan Son Nhat Airport. The company has implemented various solutions to increase revenue and save costs, maintaining high business efficiency in 2024, the cargo through put was 225,053 tons, total revenue reached 706.6 billion VND, pre-tax profit amounted to 387.1 billion VND, and ROE was 299.4%</p>
8		TECS		<p>It is a company in which VNA owns 51% of the charter capital, operating mainly in the following sectors: express cargo handling and processing, freight forwarding services, logistics services, customs brokerage, warehousing, and cargo storage. The company has focused human resources and implemented many measures to fully exploit cargo sources, closely follow market trends, and seize business opportunities to complete the 2024 business tasks successfully, with a cargo through put of 41,197 tons. The total revenue target for TECS was 261.3 billion VND, pre-tax profit was 94.4 billion VND, and ROE was 141.2%.</p>
9		VINAKO		<p>It is a company in which VNA owns 65% of the charter capital, traditionally engaged in cargo forwarding services, especially international exports to the Japanese market. In 2024, the shipping rates to Japan increased to 2019 levels, coupled with intense competition among large freight forwarders, making it difficult for VINAKO to adjust its selling prices to match the rates, which significantly impacted the company's revenue and posed challenges for developing new sources of goods and customers. However, with measures to strictly control input costs, review pricing policies for large shipments, maintain flexibility in competition, offer discounts, and enhance the provision of supplementary services, the company was able to maintain throughput, compensate for revenue losses, and minimize costs across all operations. In 2024, the company's business results included a cargo throughput of 5.8 thousand tons, total revenue of 165 billion VND, pre-tax profit of 28 billion VND, and ROE of 234%.</p>
10		NCS		<p>The company, in which VNA holds 60.17% of the charter capital, operates in the production of meals, ready-to-eat foods, and catering services, with nearly 30 years of experience. NCS maintains the implementation of a quality management system in accordance with ISO 22000:2005, HACCP, HALAL standards, and applies Lean Six-Sigma, 5S quality management methods in its production and business activities. The company has been honored by airlines and received numerous certificates of merit: It was recognized as the Best Meal Company of 2023 and the Best Company for Quality Operations in 2023 by Japan Airlines; Recognized as the Best Meal Company of 2023 by Lao Airlines; and Awarded the Best Meal Company in Vietnam in 2023 by VNA. The company also received a Certificate of Merit from the Vietnam General Confederation of Labor and a Certificate of Recognition for outstanding achievements in the 2024 emulation movement from VNA. In 2024, NCS faced favorable conditions when several international airlines resumed operations earlier than planned and made efforts to approach other airlines for early bidding. At the same time, in addition to serving milk tea on board, NCS has positioned and built its non-air brand, expanding the supply of non-air products for Lunar New Year, Mid-Autumn Festival, and continuing to provide snacks for the Vinschool system.</p> <p>In the 2024 business results, NCS provided a total of 11,995,726 in-flight meals. The company recorded total revenue of VND 717.8 billion, profit before tax of VND 67.6 billion, and a return on equity (ROE) of 30.5%.</p>

NO	Logo	Công ty	VNA's Ownership	Business performance
11		NASCO		It is a company in which VNA holds 51% of the charter capital, primarily operating in providing direct support services for air transport and other related air transport services at Noi Bai International Airport. The passenger transport market in 2024 is on a strong recovery trend, which has led to positive growth in the company's business sectors. NASCO's financial investment at NCTS has achieved high efficiency. Despite facing challenges related to airport premises costs, the company remained proactive in expanding its market share and customer base. Efforts were centered on improving service quality and brand equity in alignment with the parent company, Vietnam Airlines. Simultaneously, management initiatives were adopted to optimize labor costs and drive productivity, while ensuring overall operational efficiency. In 2024, NASCO posted total revenue of VND 425.6 billion, pre-tax profit of VND 26.1 billion, and an ROE of 20.75%.
12		VFT		It is a company in which VNA holds 51.52% of the charter capital, operating in the field of pilot training for airlines in the region. In 2024, the pilot training activities at the Rach Gia flight school continued to face many difficulties, with rising costs and revenues that could not compensate for these increases, leading to a loss in this area, reducing the overall profit of the company. However, the company has made efforts to implement solutions for finding new customers to increase revenue and enhance management and financial measures to improve operational efficiency. In 2024, VFT achieved its target with total revenue of 62.2 billion VND, pre-tax profit of 5.3 billion VND, and ROE of 6.2%.
13		AITS		It is a company in which VNA holds 52.73% of the charter capital, operating in the field of providing information technology and telecommunications services. AITS currently plays a crucial role in VNA's air transport chain by providing essential IT-telecommunications services such as the Core LAN network system, server room operations, Data Gateway, transmission switch equipment, IPS systems, SCADA EVNSPC firewall devices, and more. In 2024, AITS achieved total revenue of 282.3 billion VND, pre-tax profit of 12.7 billion VND, and ROE of 14.6%.
14		ALSUCO		It is a company in which VNA holds 51% of the charter capital, primarily operating in labor supply, notably supplying cabin crew for airlines, with VNA accounting for 80-90% of total revenue. In 2024, VNA's operations showed positive signs of recovery, and the increase in cabin crew workload at ALSUCO was a significant boost for its business activities. Additionally, the subsidiary ALSIMEXCO gradually stabilized its operations and started generating revenue from exporting cabin crew to foreign airlines. Despite facing challenges such as a shortage of high-quality personnel and competition affecting the efficiency of some business areas, ALSUCO implemented solutions to research the market, seize new business opportunities, and leverage its existing experience in providing general labor to secure new contracts, contributing to the overall operational effectiveness. In 2024, the company achieved total revenue of 621 billion VND, pre-tax profit of 9 billion VND, and ROE of 28.9%.
15		SABRE VN		It is a company in which VNA holds 51.69% of the charter capital, operating in the field of setting up reservation systems and related services through the SABRE global distribution system (GDS). Since 2017, SABRE VN has officially taken over and signed a customer service contract with VNA. Over the years, SABRE VN has continued to play an indispensable role in the supply chain of VNA's 4-star services, moving towards a 5-star standard. Notably, during the process of VNA's PSS system transformation, the company worked hard to ensure the stability and smooth operation of customer service for VNA. In 2024, the company achieved total revenue of 126.4 billion VND, pre-tax profit of 9.9 billion VND, and ROE of 143%.

Summary of Operational Status of Affiliate Companies

NO	Logo	Company	VNA's Ownership	Business performance
1		VALC		The company, in which VNA holds 32.48% of the charter capital, VALC operates in the aircraft industry, specializing in the buying, selling, leasing, and subleasing of aircraft. The company's establishment was driven by the objective of acquiring aircraft for lease to airlines, contributing to the growth of Vietnam's aviation sector. By increasing the number of locally owned aircraft, VALC aims to reduce reliance on the international aircraft supply market, enhance competitiveness, and foster integration of Vietnam's aviation industry with the global market. In 2024, the Company has stabilized production and business activities by leasing 10 A321 aircraft to VNA. With the sale and liquidation of ATR aircraft during the year. In 2024, the company continued to maintain stable operations, primarily leasing 10 A321 aircraft to VNA. In 2024, the total revenue reached 71.2 million USD, net profit before tax was 19.6 million USD, and ROE was 24%.
2		MASCO		The company, in which VNA holds 36.11% of the charter capital, the aviation service company operating at airports in the Central region, has a long-standing presence and is recognized as one of the pioneers in the industry. Its services include manufacturing and supplying in-flight meals, providing essential supplies and tools, passenger and crew transportation, conducting commercial activities at airport terminals, offering vocational training, etc. Masco is applying the ISO 22000:2018 food safety management system to production and business activities to ensure quality standards of meals supplied to Airlines. In 2024, the company experienced favorable conditions as the passenger transport market gradually recovered. At the Cam Ranh branch, VNA resumed charter flights to China, and the company gained new customers, such as Air Samarkand, which helped increase revenue and balance business income and expenses. In Da Nang, the company continued to serve both international and domestic airlines, which increased international flights from DAD. Activities at vocational training centers also improved as the company coordinated with the Department of Labor, Invalids, and Social Affairs to provide training for demobilized soldiers. In 2024, the total revenue reached 178.8 billion VND, net profit before tax exceeded 7.3 billion VND, and ROE was 17.2%.
3		AIRIMEX		The company, in which VNA holds 41.31% of the charter capital, primarily operates in the import and distribution of machinery, equipment, materials, spare parts, and export-import services for the aviation industry. In 2024, the company continued to maintain its position as the sole provider of aircraft spare parts import-export services and transportation services for VNA. However, the company also faced challenges due to fierce competition from transportation and ground equipment partners, dependency on bidding for supplies, and profit decline due to fluctuations in prices and input costs, as well as supply chain disruptions. Despite these challenges, Airimex successfully implemented synchronized solutions to increase revenue and reduce costs, achieving a total revenue of 330.7 billion VND, net profit before tax of 6 billion VND, and ROE of 14.6%.
4		APLACO		As a company in which Vietnam Airlines holds 30.41% of the charter capital, Main business activities are trading plastic products, common and high-end plastic products, including: plastic products for industry, export plastic products, household products, mold equipment, supplies for the plastic industry, etc. In addition, the company also engages in trading of recycling supplies, raw materials, and vehicle spare parts to support the recycling industry....In 2024, the company's production and business activities faced many difficulties due to soaring prices, increasing raw material costs, capital shortages, and elevated financial expenses, etc. Significantly impacting business outcomes. Presently, financial report data from APLACO is not available for VNA.

Danh mục đầu tư khác

NO.	Logo	Company	VNA's Ownership	Business performance
1		K6		Established in 2009 with capital contributions from the Royal Government of Cambodia, Vietnam Airlines, and Cambodian investors. In 2024, demand on Vietnam routes and Cambodia domestic routes recovered, giving K6 the opportunity to improve production and business results. K6 has made efforts to restore flight routes to Vietnam and China, and at the same time implemented solutions to increase revenue, reduce costs, negotiate payment delays, and capitalize on charter flights and cargo operations to supplement cash flow and sustain operations.
2		SPT		As a joint stock company, with VNA owning 0.36% of the charter capital (equivalent to 4.3 billion VND), SPT focuses on providing postal, telecommunications, and information technology services. Currently, VNA still does not have information about the company's 2024 business results.

The 2024 business performance results of subsidiaries are unaudited figures.

3. Investment capital increase/decrease
situation of the Corporation in subsidiaries/affiliates in 2024.

In 2024, VNA did not increase/decrease its investment capital in subsidiaries/affiliates



4. Financial
Status

4.1. Mandatory financial indicators according to Circular 96/2020/TT-BTC

Parent company's results				
Indicators (Parent Company)	Unit	2023	2024	Percentage Difference 2024/2023
Total asset value	Billion VND	49,932	49,461	-0.9%
Net revenue	Billion VND	68,443	82,757	20.9%
Operating profit	Billion VND	(5,077)	2,290	-145.1%
Other profit	Billion VND	288	497	72.8%
Profit before tax	Billion VND	(4,789)	2,787	-158.2%
Profit after tax	Billion VND	(4,799)	2,775	-157.8%
Dividend payout ratio (%)	%	0%	0%	
Taxes and other payable amounts	Billion VND	40	51	27.2%
1. Liquidity indicators				
Current Ratio (Current Assets / Current Liabilities)	Times	0.15	0.18	24.0%
Ratio (Current Assets - Inventory / Current Liabilities)	Times	0.14	0.18	25.1%
2. Capital structure indicators				
Debt to total assets ratio	%	116.8%	111.3%	-4.7%
Short-term debt to total assets ratio	%	90.7%	91.4%	0.8%
Long-term debt to total assets ratio	%	26.1%	19.9%	-23.7%
Debt ratio (excluding sales income)/Owner's equity	Times	(5.71)	(7.45)	30.5%
Debt ratio/Owner's equity	Times	(6.96)	(9.83)	41.2%
Owner's equity to total capital ratio	%	-16.8%	-11.3%	-32.5%
3. Activity indicators				
Inventory turnover (Cost of goods sold/Average inventory)	Times	234.3	245.1	4.6%
Total asset turnover (Net revenue/Total assets)	Times	1.37	1.67	22.1%
4. Profitability indicators				
Return on sales (Profit after tax/Net revenue)	%	-7.0%	3.4%	-147.8%
Return on equity (Profit after tax/Average owner's equity)	%	80.3%	-39.7%	-149.5%
Return on assets (Profit after tax/Average total assets)	%	-9.2%	5.6%	-160.6%
Operating profit margin (Operating profit/Net revenue)	%	-7.4%	2.8%	-137.3%

(*) The ROE ratio in 2023 is positive due to negative average equity and negative net profit after tax; the ROE in 2024 is negative due to negative average equity and positive net profit after tax.



Consolidated results

Indicators (Parent Company)	Unit	2023	2024	Percentage Difference 2024/2023
Total asset value	Billion VND	57,717	58,187	0.8%
Net revenue	Billion VND	91,540	105,942	15.7%
Profit from business operations	Billion VND	(5,978)	3,199	-153.5%
Other profit	Billion VND	615	5,217	748.1%
Profit before tax	Billion VND	(5,363)	8,416	-256.9%
Profit after tax	Billion VND	(5,632)	7,958	-241.3%
Dividend payout ratio (%)	%	0%	0%	
Taxes and payable amounts	Billion VND	321	366	13.8%
1. Liquidity Indicators				
Current ratio (Current assets / Current liabilities)	Times	0.24	0.30	24.7%
Quick ratio Current assets - Inventory / Current liabilities	Times	0.19	0.24	30.5%
2. Capital Structure Indicators				
Debt to total assets ratio	%	129.5%	116.1%	-10.4%
Short-term debt to total assets ratio	%	106.0%	98.2%	-7.3%
Long-term debt to total assets ratio	%	23.5%	17.8%	-24.2%
Debt (excluding sales revenue) to equity ratio	Times	(3.8)	(5.8)	54.0%
Debt to equity ratio	Times	(4.4)	(7.2)	64.6%
Equity to total capital ratio	%	-29.5%	-16.1%	-45.6%
3. Activity Efficiency Indicators				
Inventory turnover (Cost of goods sold / Average inventory)	Times	27.8	27.1	-2.6%
Revenue/Total assets	Times	1.59	1.82	14.8%
4. Profitability Indicators				
Return on sales (ROS) (Profit after tax / Net revenue)	%	-6.2%	7.5%	-222.1%
Return on equity (ROE) (Profit after tax / Average equity)	%	40.1%	-60.4%	-250.5%
Return on assets (ROA) (Profit after tax / Average total assets)	%	-9.5%	13.7%	-244.3%
Operating profit to net revenue ratio	%	-6.5%	3.0%	-146.2%
Earnings per share (EPS)	VND	(2,678)	3,416	-227.6%
Rice-to-earnings ratio (P/E)	Times	(4,574)	8.387	-283.4%

(*) The ROE ratio in 2023 is positive due to negative average equity and negative net profit after tax; the ROE in 2024 is negative due to negative average equity and positive net profit after tax.

Overall Assessment

Thanks to the favorable development of the transportation market in 2024, along with efforts in management and the proactive implementation of solutions to improve production and business efficiency and profits, despite the high and unfavorable input factors such as fuel prices, interest rates, and exchange rates, the parent company achieved relatively positive business results in 2024 with a pre-tax profit of VND 2,787 billion. With the profitable results of the parent

company and its subsidiaries, including PA, the entire corporation achieved a consolidated pre-tax profit of VND 8,416 billion in 2024. Due to the profitable business results, the financial indicators for 2024 have improved regarding the negative equity and accumulated losses. However, due to the severe consequences of the Covid-19 period, the financial status at the end of the year remains negative, with significant risks.

4.2. Financial analysis of the parent company and consolidation.

Managerial strategies to enhance operational efficiency, business performance, and liquidity of Vietnam Airlines

In 2024, Vietnam Airlines continued to implement a range of solutions to improve operational performance, ensure liquidity, and maintain continuous operations, including:

Production Organization: Vietnam Airlines proactively forecasts in advance, prepares early, especially in terms of aircraft resources, and closely monitors market developments to implement timely business plans according to market trends. It ensures efficient use of resources, constantly reviews products and flight schedules, and actively adapts flight schedule management methods. The airline also continuously innovates sales activities, implements solutions to increase average revenue, and capitalizes on revenue opportunities, especially during peak periods. Efforts are made to enhance management practices, optimize costs, and improve the efficiency of aircraft, pilots, and crew usage to improve operational performance in air transport.

Labor and Wage Policies: In 2024, VNA continued to organize, arrange, and optimize the business production process, enhancing the overall effectiveness and competitiveness of the organization, while responding flexibly to market fluctuations.

Cost Reduction and Strict Savings: VNA continued to focus on cost-cutting, saving, and optimizing management and expenses, proposing that relevant agencies extend government policy support measures (such as tax reductions for environmental protection on aviation fuel).

Regarding cash flow and liquidity management, and negotiating payment deferrals: In 2024, with positive results in air transport, VNA was able to balance its cash flow to ensure payment of expenses incurred for business operations during the year. VNA continued to manage cash flow cautiously, proposing the extension of debt refinancing, and proactively preparing room to manage cash flow while using flexible solutions such as deferring payments to suppliers and short-term credit loans to maintain liquidity.

In addition to internal initiatives, VNA has completed a Comprehensive Plan outlining solutions to overcome difficulties caused by the Covid-19 pandemic, aiming to enable VNA's early recovery and sustainable development during the 2021 - 2035 period. VNA has proactively and regularly reported to the Government, the state ownership representative agency, the Ministry of Finance, and other relevant ministries and agencies to update on its business operations and propose support measures for the aviation sector and the enterprise itself.

In 2024, the Corporation completed a report to the National Assembly, resulting in the issuance of two Resolutions addressing VNA's challenges. These include Resolution No. 142/2024/QH15, which approved the plan to extend the refinancing loan up to three times, and Resolution No. 174/2024/QH15, which approved measures for VNA's recovery and sustainable development. A key highlight of the latter is a financial package to increase charter capital, with a maximum scale of VND 22,000 billion, starting in 2025.

Revenue and profit of the parent company

UNIT: Billion VND

NO	Metric	2023	2024	Difference 2024/2023	
				Value	%
1	Total revenue	69,849	84,478	14,628	20.9%
	Net revenue	68,443	82,757	14,314	20.9%
	Financial revenue	1,118	1,007	-111	-10.0%
	Other income	288	714	426	147.7%
2	Total costs	74,638	81,690	7,052	9.4%
3	Profit before tax	-4,789	2,787	7,576	
4	Profit after tax	-4,799	2,775	7,574	

VNA's business operations in 2024 faced a mix of opportunities and challenges. Thanks to the favorable development of the passenger transport market in 2024, along with efforts in management and the implementation of decisive solutions to improve business performance and profits, despite the high input factors of fuel prices, interest rates, and exchange rates, the parent company achieved relatively positive results in 2024. Total revenue and other income of the parent company in 2024 reached VND 84,478 billion, an increase of 20.9% compared to 2023 and the same 113,1% as compared to 2019. In the revenue structure, revenue from sales and service provision reached VND

82,757 billion, increasing by 20.9% compared to 2023 and accounting for 98% of total revenue. Financial income amounted to VND 1,007 billion, down 10.7% compared to 2023 (a decrease of VND 111 billion). Other income reached VND 714 billion, increasing by 147.7% compared to 2023 (an increase of VND 426 billion).

The 2024 business results of the parent company achieved a pre-tax profit of VND 2,787 billion (a performance improvement compared to the VND 7,576 billion loss in 2023 recovered to 96% of the pre-tax profit in 2019).

Capital Sources - Assets of the Parent Company

UNIT: Billion VND

Assets - Capital Sources Indicators	2023	2024	Percentage Difference 2024/2023	
			Value	%
1. Current assets	6,650	8,233	1,583	23.8%
2. Non-current assets	43,282	41,228	-2,054	-4.7%
Total assets	49,932	49,461	-472	-0.9%
1. Liabilities	58,310	55,063	-3,247	-5.6%
Short-term liabilities	45,296	45,228	-68	-0.2%
Long-term liabilities	13,014	9,835	-3,179	-24.4%
2. Shareholders' equity	-8,378	-5,602	2,775	-33.1%
Total capital sources	49,932	49,461	-472	-0.9%

The total assets as of December 31, 2024, amounted to VND 49,461 billion, a decrease of VND 672 billion compared to the same period in 2023 (0.9%). The non-current assets at the end of the period were VND 41,228 billion, a decrease of VND 2,054 billion compared to the same period in 2023 (4.7%). Among these, fixed assets decreased by VND 4,680 billion compared to the same period in 2023, mainly due to depreciation. In 2024, VNA completed the sale of three old A321CEO aircraft (the sale and asset handover procedures were completed in 2024). The non-current assets category increased by VND 2,335 billion, mainly in prepaid expenses related to major engine and aircraft repair costs.

Short-term assets at the end of the period were VND 8,233 billion, an increase of VND 1,583 billion compared to the same period in 2023 (up 23.8%). Key increases include: cash and cash equivalents, up by VND 1,254 billion; short-term receivables, up by VND 1,142 billion, mainly due to prepaid expenses for major repairs offset by overhaul funds. The item that saw a significant decrease was other short-term assets, down by VND 882 billion, mainly in deductible VAT after VNA received tax refunds in 2024.

The asset structure at the end of the year shifted towards an increased proportion of current assets compared to the same period in 2023 (increasing from 13.3% to 16.6%), with a decrease in the proportion of non-current assets (decreasing from 86.7% to 83.4%). The short-term and quick liquidity ratios improved slightly compared to the same period in 2023.

The parent company's shareholders equity as of December 31, 2024, improved to VND -5,602 billion, an increase of VND 2,775 billion compared to the same period in 2023, due to the company's profit in 2024.

Liabilities as of December 31, 2024, amounted to VND 55,063 billion, a decrease of 5.6% (a decrease of VND 3,247 billion) compared to the same period in 2023. In the liability structure at the end of 2024, long-term liabilities accounted for 17.9%, while short-term liabilities accounted for 82.1%.

As of December 31, 2024, short-term liabilities amounted to VND 45,228 billion, a slight decrease of 0.2% compared to the same period in 2023 (an absolute drop of VND 68 billion). The items that increased include short-term trade payables (up by VND 3,000 billion) and short-term unearned revenue (up by VND 446 billion) due to the recovery in production and business scale. The item with the largest decrease was short-term loans and financial lease liabilities (down by around VND 2,994 billion, of which short-term loans decreased by VND 1,692 billion), and other short-term payables also decreased by VND 633 billion.

Long-term liabilities as of December 31, 2024, were VND 9,835 billion, a decrease of 24.4% (an absolute decrease of VND 3,179 billion...compared to 2023, mainly due to the reduction in long-term loans and finance leases VND 3,543 billion).

The total outstanding debt under long-term loan and finance lease agreements of the parent company (including both long-term debt and short-term debt corresponding to amounts due within one year) as of December 31, 2024, amounted to VND 9,948 billion, a decrease of VND 4,837 billion compared to the same period in 2023, primarily due to the repayment of loans during the year.

The accounts payable to suppliers with deferred payment due by December 31, 2024, amounted to VND 7,056 billion, a decrease of VND 1,803 billion compared to the same period in 2023, as VNA has balanced and repaid part of the debts according to commitments with partners during the year.

The capital indicators in 2024 showed positive improvements in terms of equity and accumulated losses. The capital structure of Vietnam Airlines - Parent Company improved with an increase in equity (rising from -16.8% at the end of 2023 to -11.3% at the end of 2024) and a decrease in the proportion of external capital (accounts payable decreased from 116.8% to 111.3% of total capital). In the structure of accounts payable, the proportion of short-term debt increased (from 77.7% to 82.1%), while the proportion of long-term debt decreased (from 22.3% to 17.9% of total accounts payable).

Consolidated revenue and profit

UNIT: Billion VND

NO	Metric	2023	2024	Increase or decrease compared to 2023	
				Value	%
1	Total revenue and other income	93,176	112,706	19,530	21.0%
	Net revenue	91,540	105,942	14,402	15.7%
	Financial revenue	926	1,266	340	36.7%
	Other income	710	5,498	4,788	674.2%
2	Loss/Profit in subsidiaries and affiliates	88	70	-18	-20.3%
3	Total revenue and income (including profit and loss in joint venture companies)	93,265	112,777	19,512	20.9%
4	Profit before tax	-5,363	8,416	13,778	-256.9%
5	Profit after tax	-5,632	7,958	13,589	-241.3%

The total consolidated revenue and income (including the profit/loss share from associated companies) of VNA in 2024 was VND 112,777 billion, an increase of 20.9% compared to 2023. Among this, net revenue from sales and services in 2024 was VND 105,942 billion, a 15.7% increase compared to 2023, accounting for approximately 94% of total revenue. Financial revenue increased by 36.7% compared to 2023 (an absolute

increase of VND 340 billion). Other income in 2024 rose sharply compared to 2023 (up by VND 4,788 billion) primarily due to extraordinary income from a subsidiary of VNA, Pacific Airlines, having a major portion of its aircraft lease and maintenance debts written off. Consolidated pre-tax profit for 2024 reached VND 8,416 billion, the highest in the corporation's history.

Consolidated Assets - Liabilities

UNIT: Billion VND

Metric	2023	2024	Difference 2024/2023	
			Value	%
1. Short-term assets	14,884	17,338	2,453	16.5%
2. Long-term assets	42,833	40,849	-1,984	-4.6%
Total assets	57,717	58,187	470	0.8%
1. Liabilities	74,743	67,531	-7,212	-9.6%
Short-term debt	61,171	57,159	-4,012	-6.6%
Long-term debt	13,572	10,372	-3,200	-23.6%
2. Owner's Equity	(17,026)	(9,344)	7,682	-45.1%
Total Capital	57,717	58,187	470	0.8%

Total consolidated assets as of December 31, 2024, amounted to VND 58,187 billion, a slight increase of VND 470 billion (0.8%) compared to 2023. The current assets at the end of the year were VND 17,338 billion, an increase of VND 2,453 billion (16.5%), with the main increase being in cash (up VND 2,076 billion) and short-term receivables from customers (up VND 1,201 billion) due to the recovery of business operations.

Non-current assets at the end of the year totaled VND 40,849 billion, a decrease of VND 1,984 billion (4.6%) compared to 2023. Of this, fixed assets decreased by VND 4,768 billion due to depreciation and the sale of aircraft at the parent company; the increase in fixed assets was mainly due to investments in new machinery, equipment, vehicles, production tools, and software at the parent company and some subsidiaries. Other non-current assets increased by VND 2,449 billion, mainly in prepaid expenses related to aircraft maintenance and spare parts, as well as revolving tools and equipment.

The asset structure shifted towards an increase in the proportion of current assets (from 25.8% to 29.8%) and a decrease in the proportion of non-current assets (from 74.2% to 70.2%).

The consolidated equity as of December 31, 2024, was VND -9,344 billion, an improvement of VND 7,682 billion compared to the end of 2023 due to profitable business results. The consolidated liabilities as of December 31, 2024, decreased by 9.6% (a decrease of VND 7,212 billion) compared to the same period in 2023. Of these liabilities, long-term liabilities accounted for approximately 15.4%, and short-term liabilities accounted for approximately 84.6%.

As of December 31, 2024, short-term liabilities were VND 57,159 billion, a decrease of 6.6% (an absolute drop of VND 4,012 billion). The key declines were in short-term

borrowings, loans maturing within one year, accrued expenses, and short-term payables. In contrast, increases were mainly in unearned revenue and short-term employee payables.

Long-term liabilities as of December 31, 2024, totaled VND 10,372 billion, down 23.6% (an absolute decrease of VND 3,200 billion) compared to the same period in 2023. The declines were primarily in long-term borrowings and financial leases, and long-term trade payables; the only notable increase was in long-term accrued expenses

Total outstanding short-term loans and refinancing as of December 31, 2024 was VND 10,102 billion, a decrease VND 1,953 billion compared to the beginning of the year. Total outstanding loans under long-term loans and financial leases of the entire VNA (including long-term and short-term debts - corresponding to payables within 1 year) as of December 31, 2024 was VND 10,381 billion, a decrease VND 4,932 billion compared to the same period in 2023, mainly due to loan repayment activities.

The accounts payable to suppliers with deferred payment until December 31, 2024, totaled VND 10,812 billion, a decrease of VND 2,931 billion compared to the end of 2023, mainly due to the parent company's debt repayment activities, and also because Pacific Airlines had its debt forgiven by the supplier in 2024.

The capital structure indicators in 2024 improved positively with respect to consolidated equity and accumulated losses. The capital structure of the total company continued to shift towards increasing the proportion of equity (from -29.5% at the end of 2023 to -16.1% at the end of 2024), while reducing the proportion of external capital (total liabilities decreased from 129.5% to 116.1% of total capital). With in the liability structure, the proportion of short-term debt increased

4.3. Contracts or transactions with related parties

Transactions with related parties are presented in section 35. The main transactions with related parties - Notes to the audited financial statements for the individual financial report of 2024 (attached).

5. *Innovations in organizational structure and management policy*

In 2024, VNA continues to implement organizational restructuring, arrangement, and optimization of production and business processes. The review and reorganization of work processes, reassignment of labor, reduction of intermediary levels, and shortening of decision-making time have been implemented synchronously, bringing positive, clear results, promoting dynamism, creativity, daring to think and daring to do; Responding faster and more flexibly to market changes and fluctuations; Screening and eliminating redundant and less meaningful processes and tasks; Concentrating resources on key work; Improving individual work efficiency and the overall competitiveness of the organization.

6. *Future Development Plan*

Maintain the number one position in market share for domestic and international flights to/from Vietnam.

Strengthen the integrated ecosystem within the air transport chain.

Become the leading company in digital technology applications in Vietnam.

Additionally, to continue fulfilling the missions set forth, VNA has established goals for the post-2025 period, with targets set for 2040:

Become the second largest airline in terms of revenue size in Southeast Asia, moving up one rank compared to the 2021 - 2035 period.

Vietnam Airlines a ranking among the top 5 most preferred airlines in Asia, up from the top 10 in the 2021 - 2035 period.

Maintain its position as the most preferred company in the Vietnam labor market.

Lead in the use of environmentally friendly products, reducing emissions and waste. VNA is currently implementing solutions to minimize environmental impact, such as using natural products for meal supplies, reducing plastic use on flights, and moving towards adopting eco-friendly products throughout the system.



07

Sustainability *report*

- Sustainable development goals
- Sustainable development performance report 2024

1. Sustainable Development Goals

1.1. Declaration on sustainable development

VNA is dedicated to maintaining growth and development while upholding commitment to sustainable practices, environmental protection, community contribution, and the well-being of employees and society as a whole. We firmly believe that by adhering to these values, we can pave the way for a brighter future for generations to come.

In line with this principle, we pledge to implement environmental protection measures across all our activities. VNA actively employs advanced technologies to minimize carbon emissions and pollution. We strive to adopt fuel-saving practices and diligently manage our resource consumption. As proud members of IATA and the SkyTeam Alliance, we are committed to fulfilling the industry's global pledge for net zero emissions by 2050 (Net Zero 2050). To this end, we participate in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), a program aimed at compensating for CO2 emissions and reducing our environmental impact.

Furthermore, VNA recognizes its integral role within the community, both locally and globally. Engaging in community-driven initiatives is a vital aspect of our journey toward growth. We actively undertake social activities, support community development projects, and strive to contribute to social progress.

1.2. Sustainable development policy

At VNA, our sustainable development policy revolves around achieving a harmonious balance between environmental, social, and economic factors. We believe in taking action and making positive impacts not only within the aviation industry but also in the broader community and society. By implementing this policy, we aim to accomplish our sustainable development goals and contribute to the creation of a better, 'greener' world. Our key policies include:

- Always prioritizing safety, social responsibility, and environmental protection.

We are dedicated to treating the community with fairness and respect, ensuring that our influence yields positive outcomes and benefits everyone involved.

We actively engage in social activities, support community development projects, and strive to contribute to social progress. Our dedication to treating the community with fairness and respect ensures that our influence yields positive outcomes and benefits everyone involved.

Valuing our employees as a crucial asset, VNA is committed to providing a sustainable, equitable, and safe working environment. The Corporation invests in the training and development of its human resources, creating favorable conditions for personal and professional growth. We pledge to uphold and protect the rights of our employees, ensuring fair wages and reasonable welfare policies.

VNA firmly believes that sustainable development is not merely a goal but a shared responsibility for individuals, society, and the future of our planet. We are committed to taking proactive measures and making a positive impact, contributing to the creation of a better world where the environment, community, society, and employees are respected and nurtured.

- Pioneering technological innovation to ensure sustainable development. Focusing on rapid and robust implementation of digital transformation for enterprises. Prioritizing the development of e-commerce and customer support technologies. Continuing to invest in the modernization and advancement of our state-of-the-art aircraft fleet. Implementing initiatives to promote research and use of Sustainable Aviation Fuel (SAF), carbon credits to reduce CO2 emissions in operational activities in the near future.

- The implementation of solutions, expansion of production scale, or improvement of business production efficiency must ensure a close and harmonious combination of responsibilities towards society, the community, and environmental protection.

- Cultivating an inclusive, diverse, and equitable working environment for our employees. We actively participate

1.3. Sustainable development action plan

Throughout the process of establishment and development, VNA has always aimed for sustainable development. Sustainable development activities have been carried out in a variety of fields, environmental protection, fuel saving, supporting disadvantaged people in society, improving the quality of life of the community. The action plan for sustainable development focuses on the following key tasks:

- Utilize and deploy a new generation of fuel-efficient aircraft to reduce CO2 emissions. Research and optimize flight routes, schedules, and load factors to minimize fuel consumption (including take-off, landing, and flight routes). Upgrade the information technology system to monitor fuel consumption and CO2 emissions, while ensuring third-party verification for reporting to the Civil Aviation Authority of Vietnam.

- Researching and promoting the government's implementation of sustainable aviation fuel (SAF) in Vietnam and CO2 emission reduction credit markets that meet both national and international standards. Join initiatives such as CORSIA and the CO2 credit market in Vietnam once they are deployed by government agencies.

- Install energy-efficient LED lighting to replace fluorescent lighting systems, and explore the use of renewable energy systems within office buildings.

- Deploy the use of electronic documents to limit paper documents. Research and implement the "Zero Waste VNA" program such as using wooden and stainless steel eating utensils instead of plastic utensils; cutting down on the use of nylon bags, etc.

in IATA's "25 by 2025" program, aiming to strengthen the representation of women at management levels.

- Respecting and protecting biodiversity throughout our operations by carefully selecting partners and suppliers who share our commitment to sustainability. We prioritize the use of products and services derived from sustainable resources while minimizing the consumption of non-renewable resources.

- Review regulations and enhance training programs to improve employee welfare, job skills, and working conditions. Emphasize the empowerment of female employees within the organization. Raise awareness and promote gender equality. Maintain public benefit activities and support the community such as voluntary blood donation, tree planting, food donation, etc.

- The plan includes implementing programs to reduce waste, promote recycling, and research uniform usage of stainless steel B-class/PE utensils, aiming to optimize use, save costs, and increase operational efficiency while maintaining service quality. Reviewing and adjusting the passenger service material standards to meet passenger demand and avoid waste. Continuing the project to collect and reuse items provided on flights, such as sugar, milk, pepper, salt, and single-use items like cup liners, stir sticks, disposable chopsticks, etc. Researching the sale of unused meals on flights.

- The clean fuel usage plan to protect the environment: Vietnam Airlines is a pioneering Vietnamese airline, the first to use SAF, including on flights to/from Paris-Charles-de-Gaulle Airport (CDG) since 2022 (SAF usage rate for 2022 - 2023: 1%; 2024: 1.5%), and on flight SIN-HAN VN660 on May 27, 2024. In the future, Vietnam Airlines will continue to increase the SAF usage rate and quantity to reduce CO2 emissions, meeting the regulations and policies of Vietnam and countries worldwide.

2. Sustainable development performance report 2024

In 2024, VNA achieved positive results in sustainable development in environment, society and people.

2.1. Environment

Energy (JET A1) saved in 2024 was 22,000 tons, exceeding 10% of the plan (20,000 tons) and equal to 1.87% of the year's consumption. This achievement translates to a cost saving of 424.2 billion VND.

The amount of CO2 reduced through optimal aircraft operations and fuel use reached 69,520 tons.

Fuel Consumption/Savings Table:

	2018	2019	2020	2021	2022	2023	2024
Fuel Consumption (tons)	1,195,168	1,214,423	602,102	378,836	814,397	1,068,214	1,173,704
Fuel Savings (tons)	6,265	9,164	8,593	9,000	14,000	22,000	22,000

Fuel consumption/Fuel economy

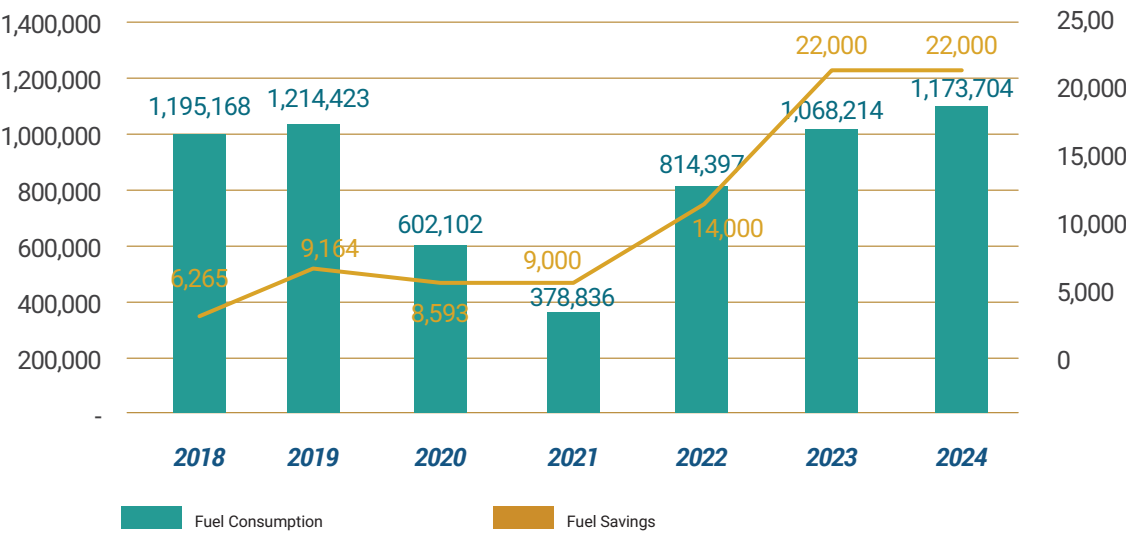
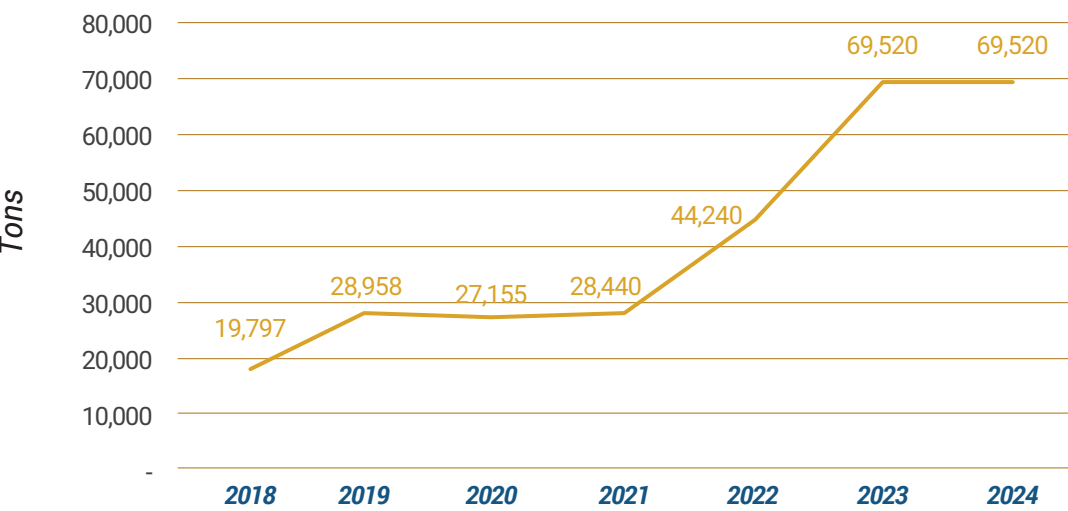


Table of CO² Reduced Through Operational Optimization Activities:

VNA (VN+OV)	2018	2019	2020	2021	2022	2023	2024
Amount of CO ² Emissions Reduced (tons)	19,797	28,958	27,155	28,440	44,240	69,520	69,520

The amount of CO² has been reduced by optimal exploitation operations



Sustainable Aviation Fuel (SAF) Usage: Vietnam Airlines is the first Vietnamese airline to pioneer the use of SAF. Since 2022, Vietnam Airlines has been using SAF on CDG-HAN/SGN routes to meet the requirements and regulations of the French government. During the 2022 - 2023 period, the airline used nearly 505 tons of SAF, with a ratio of 1%; in 2024, this increased to approximately 569 tons of SAF, with a ratio of 1.5%. Additionally, Vietnam Airlines successfully conducted a flight using SAF with a 38% ratio on flight VN660, from Singapore to Hanoi on May 27, 2024. SAF fuel was supplied by Neste, the world's leading producer of sustainable aviation fuel and renewable diesel.

Transition to the Use of Environmentally Friendly Materials: Vietnam Airlines is committed to minimizing plastic waste and promoting the use of environmentally friendly materials throughout its operations. Specifically, we have transitioned to materials that are recyclable or biodegradable, particularly in passenger service items on board. Items such as disposable plastic cutlery, cups, and plates have been replaced with materials made from bamboo, paper, or sugarcane. Additionally, Vietnam Airlines has introduced premium over-ear headphones for Business Class passengers, with ear cushions replaced by paper instead of plastic, contributing to the reduction of plastic waste.

Furthermore, the safety instruction cards have been improved with high-quality paper and optimized designs to increase durability, extend usage time, and reduce the

frequency of replacements. As a result of these efforts, Vietnam Airlines has eliminated 62.8 million plastic bags annually in its in-flight services. This replacement not only reduces plastic waste but also enhances the passenger experience, offering a more comfortable and environmentally friendly atmosphere. This is an important step in reducing negative environmental impact and reinforcing Vietnam Airlines' leadership in building a greener, more sustainable aviation industry.

Implementation of the PressReader Digital Newspaper App: In an effort to reduce paper usage and conserve resources, Vietnam Airlines continues to implement the PressReader digital newspaper app on its flights. This app allows passengers to access over 7,000 newspapers and magazines from more than 120 countries, providing a rich and modern reading experience. By using PressReader, Vietnam Airlines eliminates approximately 35,000 magazines and 64,000 newspapers annually, saving 2.3 million tons of fuel. Additionally, the app helps reduce the aircraft's cargo load, contributing to a reduction in carbon emissions. This is an important step in the digitalization of services, enhancing passenger service quality while protecting the environment and optimizing operational efficiency.

Vietnam Airlines is committed to continuing its investment in green initiatives and technologies, collaborating closely with environmental organizations and partners to expand the scale of sustainability programs. These efforts not only help position Vietnam

Airlines as one of the global pioneers in sustainable development but also reinforce the role and responsibility of the national airline in protecting the planet and delivering tangible benefits to the community.

Implementation of the solution for the recovery and redistribution of dry food products and single-use utensils: Building on the achievements of 2023 in implementing the solution for recovering and redistributing dry food products and single-use utensils after flights to reduce waste and optimize resource use, Vietnam Airlines continues to carry out this process through strict inspection, sorting, and careful handling of items to ensure they meet the standards for reuse. It is estimated that this solution helps "rescue" more than 12 million meals and utensils each year, significantly reducing plastic waste. This solution not only helps Vietnam Airlines optimize resources but also provides considerable economic value. Part of the recovered products is donated to the food rescue organization VietHarvest to support disadvantaged individuals in society. Meals that meet quality standards are distributed to charity centers through a strict transportation process, ensuring food safety and hygiene.

Vietnam Airlines has actively participated in the "Aviation Challenge" program (TAC - The Aviation Challenge) initiated by the SkyTeam airline alliance, aimed at raising awareness about environmental protection and

2.2. Social

The program "Together with Golden Lotus to Connect Love" has achieved impressive results. The total miles donated in 2023-2024 is 13.76 million miles (equivalent to 8.6 billion VND), fulfilling a commendable humanitarian goal. The project has excellently won the award in the "Durable" category at the Human Act Prize (Community Action) in 2024:

- 230 complex maxillofacial surgeries performed.
- Successful surgeries for 2,400 smiles.
- Screening for congenital heart defects for 75,000 children, identifying 197 cases of congenital heart disease.
- Examinations were conducted for 203 children with genital and urinary tract disabilities, and 46 successful surgeries were performed.

the conservation of natural resources. As part of the program, we have implemented several initiatives to protect the environment, such as: providing meal trays with biodegradable utensils for Economy Class, replacing plastic bags used for blankets on flights with kraft paper, switching all bottled water to eco-friendly paper bottles, and replacing some meals with those made from soybeans and sustainable ingredients. Additionally, this is a "light flight" - we encourage passengers to only bring essential items for their trip, raising awareness about environmental protection.

Implementing the "Sustainable Flight Route - Con Dao" project to plant trees and collect recyclable waste to turn into useful items.

In 2024, Vietnam Airlines launched the "Leaf Contribution for a Green Vietnam and Sustainable Development" project, in collaboration with the MoMo e-wallet - a digital technology platform offering customers a meaningful and innovative volunteering experience. With every successful ticket purchase on MoMo, customers contribute 5,000 VND for a Green Vietnam and Sustainable Development. As a result, 50 hectares of forests in the Northwest have been revived, with 60,000 customers contributing and 75,000 donation transactions. The project was awarded the Sustainable Idea category at the 2024 Human Act Prize (Community Action Award).

- On the occasion of the 70th anniversary of the Dien Bien Phu victory, Vietnam Airlines affirms its role and responsibility as the National Airline by partnering with the Youth Union of Hanoi Police to build and donate a Green Library to students in Muong Cha, Muong Cha District, Dien Bien Province. The library construction cost is 150 million VND.
- The Vietnam Airlines Run For Love season 3, with the participation of 300 visually impaired athletes, was successfully held, receiving positive feedback from the community and employees for spreading beautiful images and humanitarian messages of compassion.
- Vietnam Airlines Corporation and the VietHarvest food rescue organization have signed a partnership agreement to implement the donation of unused in-flight meals that are still safe for consumption after flights to

organizations and individuals in need. The products donated by Vietnam Airlines include unused dry foods that meet quality standards, such as cereals and snack cakes. The donated meals will go through a process of retrieval, inspection, classification, and separate storage to ensure product quality when handed over to VietHarvest. The campaign has donated more than 480,000 dry products, worth 1.137 billion VND (including seed packages, cereals, and dry cakes) after flights, helping 1,800 disadvantaged individuals in need of food as part of the collaboration with VietHarvest (from July 2023 to the end of 2024).

- Vietnam Airlines has successfully organized 03 Dream Trips (from 2022 to 2024) for hundreds of orphaned children and children in difficult circumstances. The trips were organized by Vietnam Airlines in cooperation with SpaceSpeakers Group, Melia Group, and the Vietnam Heartbeat Program. The "Dream Trip" has brought joy and beautiful memories to nearly 300 children across Vietnam, showcasing the commitment of the organizing units in contributing to building a sustainable society where every child has the opportunity to learn, play, and develop comprehensively. This initiative has helped spread positive messages of love and care.
- In 2024: Successfully organized 03 Reunification Flights to bring nearly 600 disadvantaged workers from Southern provinces back to their hometowns in Northern provinces for the Lunar New Year.
- Activities to propagate, disseminate, and raise awareness about the role of women, the Party's policies, and the state's laws on gender equality have been regularly and widely implemented through various forms, such as training, coaching, competitions, articles, and documentaries...
- Participating in the "Ring the Bell for Gender Equality" Campaign: As a listed company with a large number of

female employees, Vietnam Airlines (VNA) participates in RTB as a leading enterprise in the supply chain, making commitments to promote gender equality and enhance economic empowerment for women not only within the company but also in the community and market. VNA hopes to encourage the participation of its supply chain businesses in this campaign, contributing to the promotion of the role of businesses in increasing women's economic empowerment.

- Participating in activities organized by UN Women and the Vietnam Women's Entrepreneurs Council - VCCI to promote gender equality and women's empowerment with the theme "Investing in Women: Accelerating Development Progress.
- Collaborating with the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and the Vietnam Women's Entrepreneurs Council - VCCI to organize a series of events for HeForShe - For the Women Around Us (including organizing the Pink Flight, signing a cooperation agreement between Vietnam Airlines and UN Women for the period 2024 - 2027, including commitments to promote gender equality and enhance women's economic empowerment, as well as holding a discussion on gender equality in the workplace and increasing women's economic empowerment).
- Joining hands with the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) to organize 02 "Orange the Sky" flights in support of National Action Month on Gender Equality and prevention, response to gender-based violence, and the Global Campaign of 16 Days of Activism to End Gender-Based Violence.
- With these activities in 2024, Vietnam Airlines is honored to receive the First Prize in the Gender Equality category for its community participation and partnerships at the Women's Empowerment Principles (WEPs) Awards Ceremony.

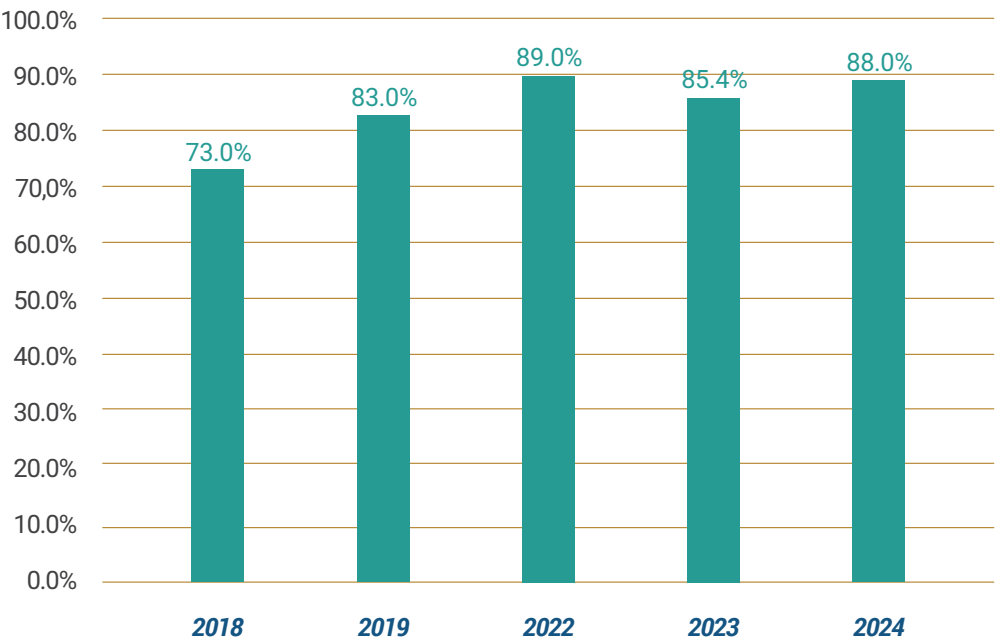
2.3. People

As of December 31, 2024, Vietnam Airlines Group has a total of 5,222 employees, with an average workforce of 5,204 people. Insurance contributions are made in compliance with regulations (employees contribute 10.5% of their salary, and employers contribute 21.5% of the salary).

100% of employees have signed the collective labor agreement to protect workers' rights and ensure transparency in the employer's responsibilities.

Employees are engaged and satisfied with the working environment.

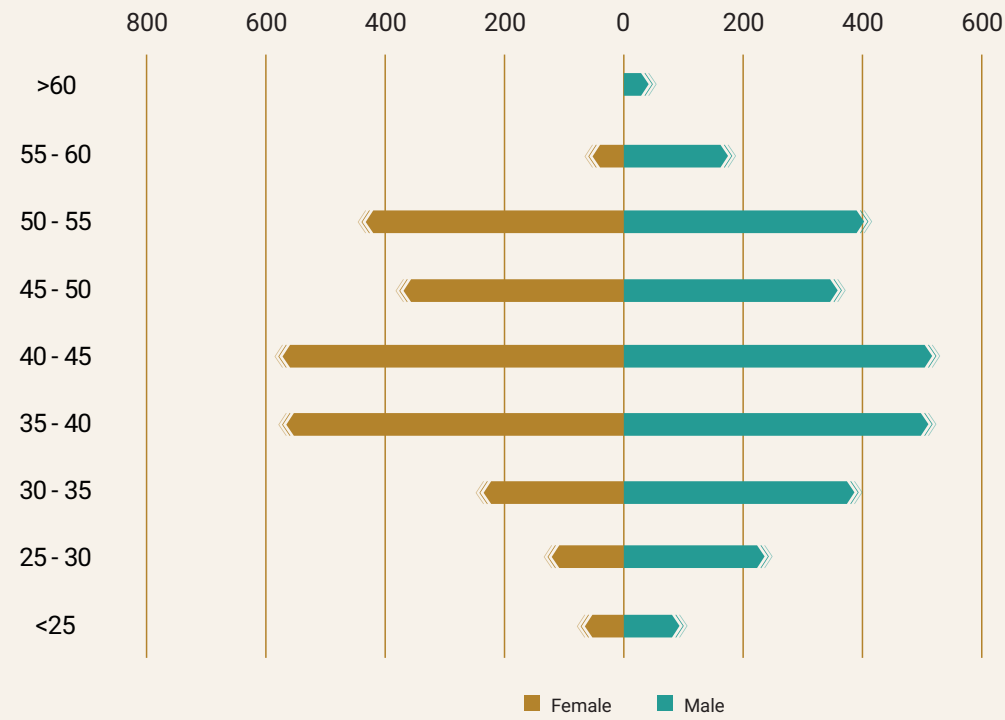
Level of employee satisfaction and engagement



For many years, from the Corporation to the grassroots units, the Party's guidelines and the Government's policies on female workforce issues have been thoroughly implemented.


In the process of building and developing, female workers have been an important labor force in the production and business operations of Vietnam Airlines. With a proportion of 46% of the total workforce, female employees have participated in almost all business areas and make up the majority in frontline positions, such as flight attendants, ticketing staff, and customer service personnel at airports.

Gender ratio of the workforce in 2024



Female leaders at the department level and above are 129 out of 458, accounting for 28% of the total number of leadership staff. The organization and improvement of the Women's Advancement Committee within the Corporation have been implemented to promote gender equality and protect the rights of women and children.





08

Corporate governance

- Corporate governance structure
- Information and activities of the Board of Directors
- Activities of the committees under the Board of Directors
- Report of the Supervisory Board
- Internal transactions, remuneration and benefits
- Activities of the Chief Administrator - Corporate Secretary
- Investor relations

1. Corporate governance structure

VNA's corporate governance complies with the Enterprise Law 2020, Securities Law 2019, Decree No. 155/2020/ND-CP issued by the Government on December 31, 2020, Circular No. 116/2020/TT-BTC issued by the Ministry of Finance on December 31, 2020, and other relevant legal regulations, as well as VNA's Charter, internal regulations and rules, guided by the following principles:

- Establishing a reasonable and effective management structure;
- Ensuring the operational efficiency of the Board of Directors and the Supervisory Board, while enhancing the responsibility of the Board of Directors to VNA and its shareholders;

Evaluation of Corporate Governance Implementation:

Corporate governance regulations have been systematically developed in accordance with current legal provisions and governance best practices. During implementation, these regulations have been continuously improved and effectively integrated into practice, establishing a strong foundation for governance. Their stable application over time has ensured transparency, enhanced management efficiency, and contributed to the sustainable development of the Corporation.



2. Information and activities of the Board of Directors

2.1. Information and activities of the Board of Directors and meetings of the Board of Directors

The Annual General Meeting of Shareholders in 2024 approved the dismissal of Mr. Hiroyuki Kometani from the position of Board member at Vietnam Airlines Corporation and elected Mr. Daisuke Suzuki as a Board member of Vietnam Airlines Corporation for a term of 5 years starting from June 21, 2024.

NO.	Board Member	Position	Date of commence in the Board	Number of meetings attended	Rate of attendance	Reason for Not Attending Meetings
1	Dang Ngoc Hoa	Chairman of the Board	10/08/2020	12/12	100%	
2	Le Hong Ha	Member of the Board cum President & CEO	10/08/2020	12/12	100%	
3	Ta Manh Hung	Member of the Board	01/10/2016	12/12	100%	
4	Le Truong Giang	Member of the Board	01/01/2021	12/12	100%	
5	Dinh Viet Tung	Member of the Board	14/12/2021	12/12	100%	
6	Truong Van Phuoc	Independent Member of the Board	14/12/2021	11/12	92%	Job
7	Hiroyuki Kometani	Member of the Board	28/06/2022	06/06	100%	
8	Daisuke Suzuki	Member of the Board	21/06/2024	06/06	100%	

In 2024, the Board of Directors (BOD) issued 166 Resolutions and 232 Decisions to manage the operations of the Corporation and directed the Board of Management to implement the business tasks assigned by the General Meeting of Shareholders. The Resolutions and Decisions of the BOD were issued in compliance with regulations, meeting the requirements of management and administration.

2.2. Activities of members of the Board of Directors

- Fulfilling the responsibilities and duties of independent members of the Board of Directors.
- Including offering advice on the Board's decisions.
- Providing advice to the Board of Directors on issuing resolutions and decisions concerning various aspects of VNA's operations within the authority delegated to the Board.
- Providing expertise and counsel on financial policies, macroeconomics...

2.3. Training on corporate governance

Vietnam Airlines Corporation has always recognized the importance of continuously organizing training, updating knowledge, and providing workshops for leaders who are members of the Board of Directors, Supervisory Board, Management Board, and other management staff. With this goal, the implementation of management staff training in 2024 was as follows:

- Sent 05 staff members to participate in advanced political theory training and 59 staff members to intermediate political theory training; Sent 13 staff members to attend national defense and security education courses, including: Group 1 - 2 members, Group 2 - 4 members, Group 3 - 7 members.
- Implemented 2 Leadership Development 4.0 courses for 56 department-level staff and equivalent planners, each lasting 2 days, aimed at enhancing skills, knowledge, and strategic thinking.
- Implemented a series of advanced training programs to improve risk management capacity: Balancing safety and service quality policies (7 staff); Risk management of safety related to human factors through HSE (5 staff).

- AI application to enhance safety communication (3 staff); AI application to improve planning, organizing, and event management skills for enterprises (7 staff); Flexible safety culture promoting operational safety (6 staff); Reporting culture, smart data analysis, and handling to provide feedback to HIRA (4 staff); Aviation data analysis to promote data-driven reporting culture (4 staff).
- Sent 2 staff members to participate in leadership training programs organized by the State Capital Investment Corporation (SCIC) in France and China.
- The Vietnam Airlines Corporation leadership and management staff also attended numerous conferences and seminars with industry experts, consultants, and strategic partners, both domestic and international, to implement projects and activities regarding flight network/aircraft strategy, market forecasting methods, expansion strategies, new market cooperation, enhancing risk management capacity, promoting safety culture, and implementing digital transformation initiatives.



3. Activities of committees under the Board of Directors

In 2024, committees under the Board of Directors and the Internal Audit Committee played an active role in advising and supporting the Board of Directors on the following matters:

The Labor and Salary Subcommittee advised the BOD on the human resource, training, and salary policies for 2024; revised the regulations on organizational structure, labor management, and training in accordance with current regulations; contributed to the issuance of the Vietnam Airlines Culture Handbook; provided feedback on the report to government agencies regarding the pilot implementation of labor and salary management under Decree 20; proposed continuing the achievements under Decree 20 and Decree 64 on additional wage funds for Vietnamese pilots to be included in the new salary decree; and revised the salary scale and position-based salary list for all employees.

The Investment Strategy Subcommittee served as a consultant and advisor to the BOD on the following topics:

- VNA Restructuring Project the end of 2025; VNA's development strategy for the 2025 - 2035 period, with a

vision to 2040; Production, business, and investment plan for developing VNA until the end of 2025.

- The investment plan of Vietnam Airlines Corporation and the investment orientation of joint-venture companies. Divestment activities in joint-venture companies.
- Aviation service complex project at Long Thanh International Airport to meet the essential infrastructure needs for VNA Group's operations.
- The investment project for 50 narrow-body aircraft to develop the domestic and regional flight network, enhance competitiveness, improve business efficiency, and ensure the sustainable development goals and strategic vision set forth as the national airline during the recovery and sustainable development phase.
- The investment projects that are truly urgent and directly serve production and business activities, aligned with the capital allocation capacity of Vietnam Airlines Corporation.

Activities of the Internal Audit Department: In 2024, the Internal Audit Department (IAD) implemented internal audit topics according to the IAD plan for 2024 approved by the Board of Directors. Some of the completed internal audit topics in the year include: Auditing the acquisition of shares in Qantas and outstanding financial obligations of Pacific Airlines (PA) before Qantas investment, Auditing the process of developing and implementing cargo transportation rates, and Auditing compliance with VAC's regulations during the procurement process of capital equipment using regular funding within the authority of the CEO in 2023. The Internal Audit Committee has also finalized the Financial Supervision Regulation (FSR) of Vietnam Airlines Corporation. Additionally, the IAD carried out other tasks as requested by the Board of Directors and the Supervisory Board, such as reviewing Board proposals, compiling reports, and evaluating the activities of the regular inspectors monthly/quarterly; supporting the Supervisory Board in auditing the financial statements and reviewing FSR reports; monitoring and reporting on the implementation of recommendations from government agencies; and tracking the progress of the independent audit contracts for 2023 and 2024.

4. Report of the Supervisory Board

Personnel in the Supervisory Board from January 1, 2024 to December 31, 2024.

NO.	Members	Title	Starting date	Educational Qualifications
1	Mrs. Duong Thi Viet Tham	Head of Board	Dedicated supervisor since December 16, 2023	Bachelor of Accounting
2	Ms. Le Truc Quynh	Member of Board	Dedicated supervisor since December 16, 2023	Master of Accounting and Finance
3	Mrs. Nguyen Thi Hong Loan	Member of Board	Concurrent supervisor since December 14, 2021	Master of Business

Current personnel of the Supervisory Board

NO.	Members	Title	Starting date	Educational Qualifications
1	Mrs. Duong Thi Viet Tham	Head of Board	Dedicated supervisor since December 16, 2023	Bachelor of Accounting
2	Ms. Le Truc Quynh	Member of Board	Dedicated supervisor since December 16, 2023	Master of Accounting Finance
3	Mrs. Nguyen Thi Hong Loan	Member of Board	Concurrent supervisor since December 14, 2021	Master of Business

4.1. Meetings of the Supervisory Board

In 2024, the Supervisory Board (SB) held 14 meetings with full attendance. The minutes of the meetings, which include the signatures of all attendees, were prepared and stored in accordance with regulations. The key topics discussed included:

- Reviewing the financial statements (FS) of the Parent Company and the Consolidated FS for the first half of 2023, the full year of 2023, and the first half of 2024. Collaborating with the independent auditing company to review the interim FS of Vietnam Airlines Corporation.
- Monitoring two key projects: (i) the implementation of the passenger service, flight service process, signing contracts, and payment to suppliers, as well as compliance with current financial management regulations for Vietnam Airlines Corporation Japan Branch in 2024; (ii) the implementation of passenger service and flight service processes for Vietnam Airlines Corporation.
- Responding to the request of the major shareholder (state capital management committee) regarding: the divestment plan of vietnam airlines corporation's investment in skypec,

the financial monitoring report for the first half of 2023 and the full year of 2023 for vietnam airlines corporation; the debt repayment extension plan for refinancing loans.

- Reviewing reports and preparing reports for the 2024 Annual General Meeting (AGM) (separate and consolidated financial statements, business performance report, report on the performance of the Board of Directors (BOD), the CEO, self-assessment of the performance of the Supervisory Board (SB) and its members, report on transactions between Vietnam Airlines Corporation and related parties).
- Preparing the proposal for the 2025 Extraordinary General Meeting (EGM) (list of independent auditors for auditing Vietnam Airlines Corporation financial statements for the period 2025 - 2027).
- Evaluating the performance of internal controllers at the affiliated companies (EIES) for 2023.
- Other tasks according to the functions, duties, and powers of the Supervisory Board (SB).

4.2. The report on the performance of the Board of Directors, the General Director, other members of the Board of Management

The Supervisory Board participates fully in the meetings of the Board of Directors (BOD); attends weekly, monthly, quarterly, and annual meetings of the Executive Management; provides recommendations and opinions to the BOD and BDH within its scope of responsibilities and authority; attends the Annual General Meetings (AGM) in 2023 and 2024 as per regulations; and organizes meetings with specialized committees to support regular supervisory activities.

Supervising the operation of business activities, finance, and investment:

- The implementation of the business operation plan for 2024 approved by the Annual General Meeting (AGM); the development and execution of operational management solutions for business activities.
- Financial management to ensure cash flow and continuous operation capability, and resource management within Vietnam Airlines Corporation.
- Investment activities in equity-invested enterprises (EIEs), restructuring efforts, and divestment of capital in EIEs are reported through reports from the Executive

Board, specialized departments, and Supervisors at the respective EIEs.

- The presentation and implementation of resolutions from the National Assembly, the Government, directives from the Prime Minister, and instructions from relevant committees and authorities to overcome challenges caused by the Covid-19 pandemic for Vietnam Airlines Corporation's early recovery and sustainable development: (i) proposal for the extension of debt repayment for refinancing loans; (ii) additional stock offering to existing shareholders to increase the charter capital with a maximum issuance scale of VND 22,000 billion; (iii) Allowing PA to waive late payment penalties and interest on tax debts incurred.
- Investment and procurement activities, as well as tendering for infrastructure projects at Long Thanh International Airport.
- The planning for production and business operations for 2025 of the parent company and its subsidiaries within Vietnam Airlines Corporation.
- The development and issuance of internal regulations, Board resolutions, notifications, and decisions by the CEO.

4.3. The report of cooperation between the Supervisory Board and The Board of Directors, the General Directors, shareholders

The Board of Directors (BOD), Executive Board (EB), affiliated agencies and units of Vietnam airlines corporation, and the supervisors at the subsidiary companies have provided information, documents, and explanations regarding the management and business operations of Vietnam Airlines Corporation. During the meetings, the BOD and EB acknowledged the recommendations of the Supervisory Board.

The coordination between the Supervisory Board, the Board of Directors, and the General Director is carried out in accordance with the legal regulations, the Charter, and the internal regulations of Vietnam Airlines Corporation; it is managed based on the principle of ensuring the legal interests of Vietnam Airlines Corporation, its shareholders, and employees as per the regulations.



5. Internal transactions
remuneration, benefits

5.1. Salary, bonus, remuneration, other benefits, and expenses for each member of the Board of Directors and the Supervisory Board, CEO, Chief Accountant and managers

The salary and remuneration levels for 2024 for members of the Board of Directors, Supervisory Board, and Executive Board will continue to be implemented in accordance with the provisions of Decree No. 20/2020/ND-CP and Decree No. 87/2021/ND-CP of the Government.

5.2. Share transactions of internal persons

NO.	Individual/Organization	Beginning shares owned		Ending shares owned	
		Number of shares	Stake (%)	Number of shares	Stake (%)
1	Dang Ngoc Hoa	21,595	0.000975	21,595	0.000975
2	Le Hong Ha	19,531	0.000882	19,531	0.000882
3	Ta Manh Hung	20,604	0.000930	20,604	0.000930
4	Le Truong Giang	19,030	0.000859	19,030	0.000859
5	Le Duc Canh	9,397	0.0004244	9,397	0.0004244
6	Nguyen Chien Thang	14,340	0.0006476	14,340	0.0006476
7	To Ngoc Giang	7,951	0.000359	7,951	0.000359
8	Nguyen Xuan Tu	11,135	0.0005	11,135	0.0005
9	Dinh Van Tuan	17,425	0.0008	17,425	0.0008
10	Nguyen The Bao	27,068	0.0012	27,068	0.0012
11	Dang Anh Tuan	19,711	0.0009	19,711	0.0009
12	Nguyen Dieu Thuy	2,500	0.00011	2,500	0.00011
13	Duong Thi Viet Tham	13,346	0.0006	13,346	0.0006
14	Nguyen Manh Tuan	17,595	0.00079	17,595	0.00079
15	Nguyen Thi Thu Huong	6,000	0.00027	6,000	0.00027
16	Duong Thi Hong	3,795	0.00017	3,795	0.00017
17	Ho Xuan Dung	4,700	0.00021	4,700	0.00021
18	Kim Thi Thu Huyen	1,306	0.00006	1,306	0.00006

5.3. Contracts or Transactions with Internal Individuals: This section provides information about contracts or transactions that were signed or carried out with VNA and its subsidiaries, as well as companies where VNA staff hold positions as members of their Board of Directors, Supervisory Board, CEO, managers, and individuals related to the staff.

Transactions with related parties are detailed in Section 35. Major transactions with related parties are noted in the audit report of the 2024 financial statements (attached).

6. Activities of
Chief Administrator & Corporate Secretary

In 2024, the person in charge of administration - Secretary of Vietnam Airlines has completed the assigned responsibilities as follows:

- Advising the Board of Directors in organizing BOD meetings and General Meeting of Shareholders; issuing Resolutions/Decisions of the Board of Directors and General Meeting of Shareholders on all fields of operation of Vietnam Airlines to ensure compliance with the law and the Charter of Vietnam Airlines.
- Acting as a communicator between the Board of Directors and the Board of Management.
- Taking charge of shareholder relations of Vietnam Airlines; organizing the conduct of related work between Vietnam Airlines and shareholders.
- Disclosing authorized information to the stock market.

7. Investor
Relations

VNA is committed to establishing open and transparent communication channels with shareholders and organizing safe and efficient business activities to ensure shareholders' benefits while serving the sustainable development of VNA and meeting the country's developmental demands.

Investor Relations Activities

Vietnam Airlines followed strict regulations on information disclosure, thus delivering transparent and timely updates for shareholders and investors.

Vietnam Airlines focused on ensuring the interests of shareholders, regularly updating and posting the company's activities widely on communication channels to facilitate timely information access for shareholders and investors. At the General Meeting of Shareholders, the Board of Directors also directly responded to shareholders' concerns about "Vietnam Airlines" operations.



09

Risk Management

- Risks in the business environment
- Legal risks
- Competitive Risks
- Specific risks of the aviation industry
- Risks of information security
- Other risks

1. Risks
in the business environment

First, macroeconomic risks. In 2025, key input factors such as fuel prices and interest rates are expected to improve compared to 2024 but will remain higher than pre-COVID levels. However, with ongoing global economic and political uncertainties, the risk of escalating conflicts, and potential shifts in policies from major economies following the U.S. presidential election, input costs may still experience unpredictable fluctuations. These unforeseen changes could negatively impact Vietnam Airlines' business operations. Additionally, crucial input costs in the aviation industry have surged compared to pre-COVID levels due to inflation, armed conflicts, supply chain disruptions, and post-pandemic shortages of aviation-related goods and services. The rising cost structure and persistently high input costs, combined with a volatile global macroeconomic environment, may pose unpredictable challenges to VNA's business performance.

Second, risks related to commercial demand and competition on international routes. For European routes, while growth remains strong, competition is intensifying as Middle Eastern, Southeast Asian, and Chinese airlines expand capacity to Europe.

Third, risks associated with Russian routes. This route requires close monitoring in 2025. If conflicts escalate or spread to the Moscow region, VNA will assess the

feasibility of delaying the reopening of the route to avoid rising costs related to insurance, spare parts, and maintenance or consider postponing or suspending operations to Russia in the long term.

Fourth, slot availability for new international routes. Airports in Busan, Bali, Taipei, and Seoul have yet to allocate suitable slots for VNA's commercial needs. Securing these slots will require extensive efforts and further actions in the coming period.

Fifth, revenue challenges for both international and domestic routes. According to IATA assessments, the average ticket price trend is expected to decline in the near future. Combined with increasing competition, VNA will implement all possible commercial strategies to maintain revenue and balance costs.

Sixth, challenges in domestic airport infrastructure. Several domestic airports, particularly major hubs such as Tan Son Nhat, Noi Bai, Phu Quoc, and Nha Trang, continue to face operational difficulties.

Lastly, risks related to Pratt & Whitney engines on A321/320 NEO aircraft and ongoing global supply chain disruptions for spare parts. These challenges have already affected maintenance turnaround times in 2024 and are expected to persist in 2025, posing further uncertainties for VNA.



2. Legal
risks

VNA ensures compliance with all relevant laws pertaining to its business operations. The company has not incurred any significant penalties imposed by domestic or foreign competent authorities.

Regarding disputes and legal proceedings linked to VNA's operations and business activities, to the best of the company's knowledge and belief at the time of issuing this Annual Report, there are no ongoing disputes or lawsuits that could substantially impact the company's business operations and financial position.

Legal risk management measures

Strengthen the legal department's capacity and professional expertise. Conduct regular reviews to ensure compliance of VNA's operations and business activities with the laws of Vietnam, host countries, and international treaties that Vietnam is a signatory.

Foster close coordination with State agencies and authorities in host countries.

Continuously update legal documentation related to VNA's operations and business activities. Seek domestic and international legal consultancy to assist in adhering to the laws of Vietnam, host countries, and international treaties.

Promote legal awareness among all units, departments, and employees.

3. Competition
risks

In 2024, competition risks on international routes are expected to increase. For European routes, while growth is still considered strong, competitive pressure is rising as Middle Eastern, Southeast Asian, and Chinese airlines have implemented plans to increase capacity to Europe.

For the domestic market, competition pressures are expected to increase significantly from June 2025 as both Vietnam Airlines (VNA) and VietJet (VJ) gradually return their A321/320 NEO aircraft, which have had engine issues resolved, to operation.



4. Specific risks
of the aviation industry

Safety risks

In 2023, the Safety Committee directed and strategically oriented the implementation of safety risk management for Safety Action Groups (SAGs), focusing on specific and appropriate safety issues, as well as supervising VNA's safety risk management.

SAGs implemented safety risk management in accordance with the directives and orientations provided by the Safety Committee. They synthesized and reviewed the effectiveness of safety risk management implementation by various agencies and units, while also enhancing the level of safety risk tolerance in their respective areas of responsibility.

Leaders of agencies and units ensured the effective implementation of safety risk management within their domains and provided periodic safety reports to the safety teams. Moreover, agencies and units established internal

processes to adhere to VNA's safety policies and goals, while also maintaining records related to safety risk management.

Risks for Lotusmile program

Assessing risks is essential every time new programs and policies are deployed. It involves checking and evaluating data to quickly detect any newly arising risks, and adjusting policies promptly. Close coordination with partners is crucial to deploying solutions that prevent risks when they are discovered, ensuring timely payments.

Performing account verification in advance is necessary before recognizing Million Miller members or awarding the periodic Bingo program of the Lotusmile program. This ensures the validity of accounts before recognition or awarding.

5. Risks of
information security

These are risks related to the use and operation of IT systems within the enterprise.

The Corporation has been and continues to build and improve digital infrastructure platforms, such as connectivity infrastructure, data infrastructure, and implementing appropriate technical infrastructures, while applying advanced application technologies. This is complemented by a trained workforce following

procedures that help manage operations effectively and minimize risks during operation and exploitation.

In 2024, the Corporation also issued an overall plan for Risk Management in Digital Transformation. At the same time, it continues to build a "risk-awareness" culture within the enterprise, where each individual has an appropriate understanding of risks and can openly discuss them without fear, through classes and exams focused on security, network, and IT risks.

6. Other risks

The audit did not detect any weaknesses in VNA's internal audit system.

Audit procedures failed to detect material misstatements.

The auditor gave an unwarranted opinion about the audited entity.

Risk Management Measures

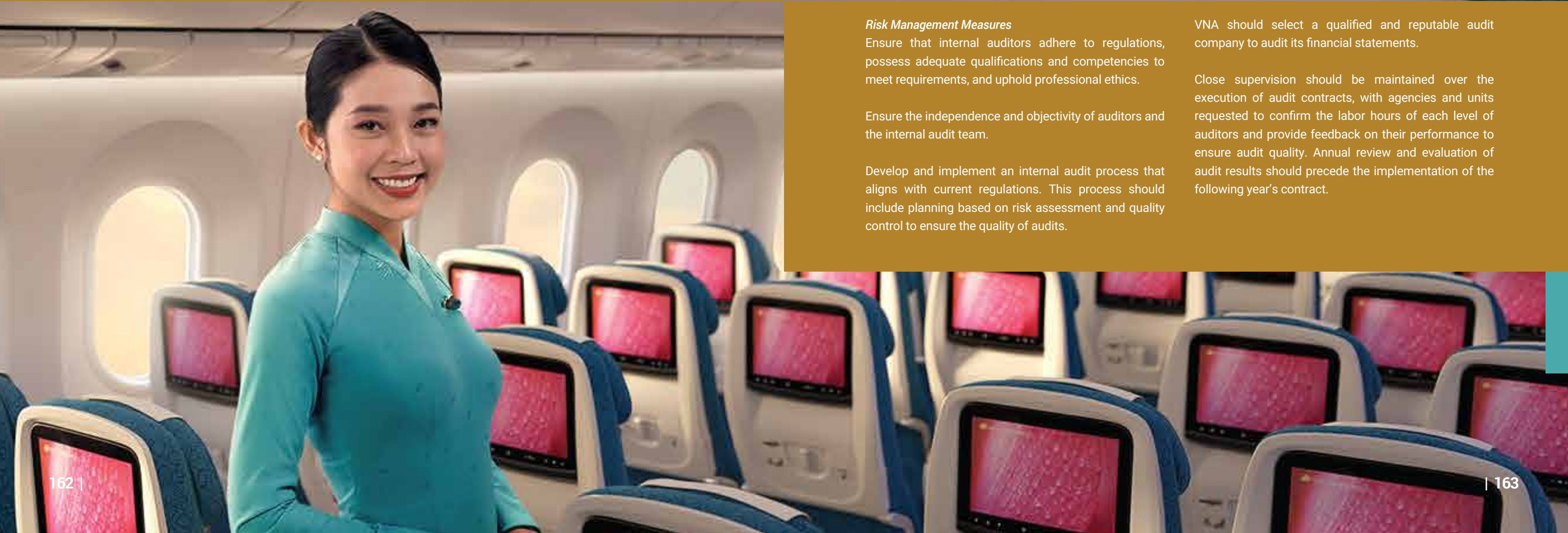
Ensure that internal auditors adhere to regulations, possess adequate qualifications and competencies to meet requirements, and uphold professional ethics.

Ensure the independence and objectivity of auditors and the internal audit team.

Develop and implement an internal audit process that aligns with current regulations. This process should include planning based on risk assessment and quality control to ensure the quality of audits.

VNA should select a qualified and reputable audit company to audit its financial statements.

Close supervision should be maintained over the execution of audit contracts, with agencies and units requested to confirm the labor hours of each level of auditors and provide feedback on their performance to ensure audit quality. Annual review and evaluation of audit results should precede the implementation of the following year's contract.





10

Audited

*Consolidated
Financial Statements*



Vietnam Airlines JSC

Audited Consolidated Financial Statements for
the year ended 31 December 2024



Vietnam Airlines JSC
Corporate Information

Enterprise Registration
Certificate No. 0100107518 30 June 2010

The Enterprise Registration Certificate of Vietnam Airlines has been amended several times, the most recent of which is by the Enterprise Registration Certificate No. 0100107518 dated 8 May 2024. The Enterprise Registration Certificate was issued by Hanoi Department of Planning and Investment.

Board of Directors	Mr. Dang Ngoc Hoa	Chairman
	Mr. Ta Manh Hung	Member
	Mr. Le Hong Ha	Member
	Mr. Le Truong Giang	Member
	Mr. Daisuke Suzuki	Member (appointed on 21/6/2024)
	Mr. Hiroyuki Kometani	Member (resigned on 21/6/2024)
	Mr. Dinh Viet Tung	Member
	Mr. Truong Van Phuoc	Member

Board of Executive Officers	Mr. Le Hong Ha	President & CEO
	Mr. Trinh Hong Quang	Executive Vice President
	Mr. Dang Anh Tuan	Executive Vice President
	Mr. Nguyen Chien Thang	Executive Vice President
	Mr. To Ngoc Giang	Executive Vice President
	Mr. Dinh Van Tuan	Executive Vice President
	Mr. Le Duc Canh	Executive Vice President
	Mr. Nguyen The Bao	Executive Vice President
	Mr. Tran Thanh Hien	Chief Accountant (until 1/5/2024)

Registered Office 200 Nguyen Son Street, Bo De Ward
Long Bien District, Hanoi
Vietnam

Auditor KPMG Limited
Vietnam



Vietnam Airlines JSC Statement of the Board of Executive Officers

Board of Executive Officers' Responsibility

The Board of Executive Officers of Vietnam Airlines is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of Vietnam Airlines and its subsidiaries as at 31 December 2024, and their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to consolidated financial reporting. In preparing these consolidated financial statements, the Board of Executive Officers is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that Vietnam Airlines will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

The Board of Executive Officers is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of Vietnam Airlines and its subsidiaries and that the consolidated financial statements comply with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting. The Board of Executive Officers is also responsible for safeguarding the assets of Vietnam Airlines and its subsidiaries and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Executive Officers confirms that Vietnam Airlines has complied with the above requirements in preparing these consolidated financial statements.

On behalf of the Board of Executive Officers




Le Hong Ha
President & CEO

Hanoi, 31 March 2025



KPMG Limited
46th Floor, Keangnam Landmark 72
E6 Pham Hung Street, Me Tri Ward
South Tu Liem District, Hanoi, Vietnam
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders Vietnam Airlines JSC

We have audited the accompanying consolidated financial statements of Vietnam Airlines JSC ("Vietnam Airlines") and its subsidiaries, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by Vietnam Airlines' Board of Executive Officers on 31 March 2025, as set out on pages 5 to 69.

Management's Responsibility

Vietnam Airlines' Board of Executive Officers is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Executive Officers determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Vietnam Airlines' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Vietnam Airlines' internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Vietnam Airlines' Board of Executive Officers, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Vietnam Airlines JSC and its subsidiaries as at 31 December 2024, of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

Emphasis of Matters

We draw attention to the followings:

- Note 2(c) to these consolidated financial statements which describes that as at 31 December 2024, Vietnam Airlines and its subsidiaries' current liabilities exceeded current assets by VND39,822 billion, overdue payables were VND10,812 billion and equity was (-) VND9,344 billion. Vietnam Airlines and its subsidiaries' ability to continue as a going concern depends mainly on the generation of cash flows from business activities, the possible extension of payment terms of payables to suppliers and lessors, as well as the success of the restructuring project. These conditions, together with other matters as described in Note 2(c), indicate the existence of material uncertainties that may cast doubt on Vietnam Airlines and its subsidiaries' ability to continue as a going concern.
- Note 3 to these consolidated financial statements which describes Vietnam Airlines' adoption of the calculation and recognition method for depreciation expenses and allocated expenses for aircraft and engine maintenance and repair for the fiscal years ended 31 December 2020, 2021 and 2022 in accordance with specific accounting guidelines approved by competent authorities. From 1 January 2023, the accumulated difference in depreciation and amortisation between the straight-line method and the approved method mentioned above will continue to be amortised by Vietnam Airlines according to the guidance of the Ministry of Finance as presented in Note 3. The effect of this matter on the consolidated financial statements of Vietnam Airlines for the year ended 31 December 2024 is described in Notes 12, 13 and 17 to the financial statements.

Our audit opinion is not modified in respect of the above emphasis of matters.

KPMG Limited

Vietnam
Audit Report No. 23-02-00231-25-2



Phan My Linh
Practicing Auditor Registration
Certificate No. 3064-2024-007-1
Deputy General Director
Hanoi, 31 March 2025

Doan Thanh Toan
Practicing Auditor Registration
Certificate No. 3073-2024-007-1

Vietnam Airlines JSC Consolidated balance sheet as at 31 December 2024

Form B 01 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		17,337,695,278,340	14,884,282,536,124
Cash and cash equivalents	110	5	4,626,738,463,941	2,551,042,006,378
Cash	111		2,861,943,009,889	1,964,242,006,378
Cash equivalents	112		1,764,795,454,052	586,800,000,000
Short-term financial investments	120		1,015,203,600,683	920,438,534,909
Held-to-maturity investments	123	6(a)	1,015,203,600,683	920,438,534,909
Accounts receivable – short-term	130		7,322,324,469,422	6,121,737,465,734
Accounts receivable from customers	131	7	4,656,848,501,751	4,474,693,862,337
Prepayments to suppliers	132	8	536,076,663,828	220,120,316,380
Other receivables	136	9(a)	2,453,682,230,335	1,758,027,426,614
Provision for doubtful debts	137	10	(324,282,926,492)	(331,104,139,597)
Inventories	140	11	3,369,443,518,711	3,430,699,464,456
Inventories	141		3,619,259,484,775	3,659,335,181,051
Provision for inventories	149		(249,815,966,064)	(228,635,716,595)
Other current assets	150		1,003,985,225,583	1,860,365,064,647
Short-term prepayments	151	17(a)	631,414,414,554	605,280,039,079
Deductible value added tax	152		371,652,202,153	1,247,838,608,693
Taxes receivable from State Treasury	153	19	918,608,876	7,246,416,875

The accompanying notes are an integral part of these consolidated financial statements



Vietnam Airlines JSC
Consolidated balance sheet as at 31 December 2024 (continued)

Form B 01 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		40,848,918,584,426	42,832,648,184,069
Accounts receivable – long-term	210		1,867,877,653,419	1,632,231,467,885
Accounts receivable from customers – long-term	211	7	1,895,654,945	2,015,745,888
Other long-term receivables	216	9(b)	1,870,610,685,816	1,632,369,722,189
Allowance for doubtful long-term debts	219	10	(4,628,687,342)	(2,154,000,192)
Fixed assets	220		29,591,005,075,890	34,358,558,415,730
Tangible fixed assets	221	12	12,887,467,684,898	13,706,433,076,192
Cost	222		46,821,940,493,280	43,453,041,747,996
Accumulated depreciation	223		(33,934,472,808,382)	(29,746,608,671,804)
Finance lease tangible fixed assets	224	13	16,464,198,176,347	20,503,753,861,143
Cost	225		33,114,627,353,590	39,060,643,420,829
Accumulated depreciation	226		(16,650,429,177,243)	(18,556,889,559,686)
Intangible fixed assets	227	14	239,339,214,645	148,371,478,395
Cost	228		958,829,468,136	826,771,700,583
Accumulated amortisation	229		(719,490,253,491)	(678,400,222,188)
Long-term work in progress	240		109,159,553,411	132,650,060,151
Construction in progress	242	15	109,159,553,411	132,650,060,151
Long-term financial investments	250		1,795,287,517,500	1,672,501,502,444
Investments in associates, joint-ventures	252	16	1,421,385,347,451	1,298,599,332,395
Equity investments in other entities	253	6(b)	463,902,170,049	463,902,170,049
Provision for diminution in the value of long-term financial investments	254	6(b)	(90,000,000,000)	(90,000,000,000)
Other long-term assets	260		7,485,588,784,206	5,036,706,737,859
Long-term prepaid expenses	261	17(b)	7,229,292,922,164	4,844,972,224,674
Deferred tax assets	262		1,530,954,531	1,274,128,504
Long-term tools, supplies and spare parts	263		254,764,907,511	190,460,384,681
TOTAL ASSETS (270 = 100 + 200)	270		58,186,613,862,766	57,716,930,720,193

The accompanying notes are an integral part of these consolidated financial statements

Vietnam Airlines JSC
Consolidated balance sheet as at 31 December 2024 (continued)

Form B 01 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		67,530,856,737,926	74,742,856,598,931
Current liabilities	310		57,159,224,873,616	61,171,298,216,881
Short-term accounts payable to suppliers	311	18(a)	30,504,307,084,497	30,797,349,212,237
Short-term advances from customers	312		216,644,290,187	211,266,356,339
Taxes and others payable to State Treasury	313	19	365,665,940,716	321,376,695,991
Payables to employees	314		1,764,494,986,099	1,214,047,937,665
Short-term accrued expenses	315	20(a)	7,038,029,177,147	7,869,932,904,480
Short-term unearned revenue	318	21	1,666,062,183,423	1,215,909,234,339
Short-term other payables	319	22(a)	684,734,425,851	1,300,450,902,586
Short-term borrowings and finance lease liabilities	320	23(a)	14,311,199,722,938	17,561,780,915,106
Short-term provisions	321		9,151,328,433	8,684,511,123
Bonus and welfare funds	322	24	598,935,734,325	670,499,547,015
Long-term liabilities	330		10,371,631,864,310	13,571,558,382,050
Long-term accounts payable to suppliers	331	18(b)	268,737,939,234	763,215,038,360
Long-term accrued expenses	333	20(b)	2,326,103,000,106	1,528,272,034,954
Long-term unearned revenue	336		3,114,033,549	1,379,102,100
Long-term other payables	337	22(b)	1,377,452,097,698	1,315,649,049,543
Long-term borrowings and finance lease liabilities	338	23(b)	6,171,600,219,919	9,806,279,127,540
Deferred tax liabilities	341		224,624,573,804	156,764,029,553

The accompanying notes are an integral part of these consolidated financial statements

Vietnam Airlines JSC
Consolidated balance sheet as at 31 December 2024 (continued)Form B 01 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
EQUITY (400 = 410)	400		(9,344,242,875,160)	(17,025,925,878,738)
Owners' equity	410	25	(9,344,242,875,160)	(17,025,925,878,738)
Share capital	411	26	22,143,941,740,000	22,143,941,740,000
- Ordinary shares with voting rights	411a		22,143,941,740,000	22,143,941,740,000
Share premium	412		1,220,498,156,541	1,220,498,156,541
Other capital	414		241,355,237,827	241,355,237,827
Assets revaluation reserve	416		(1,153,004,222,954)	(1,153,004,222,954)
Foreign exchange reserve	417		209,549,694,460	154,285,019,292
Investment and development fund	418		933,114,412,332	933,114,412,332
Other equity funds	420		2,024,298,861	2,024,298,861
Accumulated losses	421		(33,614,194,469,572)	(41,057,410,026,425)
- Accumulated losses brought forward	421a		(41,181,864,665,847)	(35,134,005,719,826)
- Retained profit/(loss) for the current year	421b		7,567,670,196,275	(5,923,404,306,599)
Non-controlling interest	429	27	672,472,277,345	489,269,505,788
TOTAL RESOURCES (440 = 300 + 400)	440		58,186,613,862,766	57,716,930,720,193

31 March 2025

Prepared by:

Ho Xuan Tam

Department of Finance and Accounting

Approved by:

Tran Van Huu

Accountant In-charge



Le Hong Ha

President & CEO

The accompanying notes are an integral part of these consolidated financial statements

Vietnam Airlines JSC
Consolidated statement of income for the year ended 31 December 2024Form B 02 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2024 VND	2023 VND
Revenue from sales of goods and provision of services	01	29	106,911,815,323,587	92,231,210,227,412
Revenue deductions	02	29	969,843,018,400	691,345,042,213
Net revenue (10 = 01 - 02)	10	29	105,941,972,305,187	91,539,865,185,199
Cost of sales	11		92,039,578,339,052	87,654,421,187,647
Gross profit (20 = 10 - 11)	20		13,902,393,966,135	3,885,443,997,552
Financial income	21	30	1,266,077,129,286	926,348,652,367
Financial expenses	22	31	4,951,175,853,159	4,404,977,636,713
In which: Interest expense	23		1,281,733,876,235	1,554,935,763,903
Share of profit in associates	24		70,287,711,026	88,210,560,520
Selling expenses	25	32	4,898,348,417,242	4,376,668,981,713
General and administration expenses	26	33	2,190,720,659,597	2,096,092,630,937
Net operating profit/(loss) {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		3,198,513,876,449	(5,977,736,038,924)
Other income	31	34	5,498,181,312,668	710,169,511,600
Other expenses	32	35	281,052,844,988	95,042,794,407
Profit from other activities (40 = 31 - 32)	40		5,217,128,467,680	615,126,717,193
Accounting profit/(loss) before tax (50 = 30 + 40)	50		8,415,642,344,129	(5,362,609,321,731)
Current corporate income tax expense	51	37	390,475,867,479	273,448,689,289
Deferred corporate income tax expense/(benefit)	52	37	67,603,718,224	(4,309,540,329)
Net profit/(loss) after corporate income (60 = 50 - 51 - 52) (carried forward to next page)	60		7,957,562,758,426	(5,631,748,470,691)

The accompanying notes are an integral part of these consolidated financial statements

Vietnam Airlines JSC
Consolidated statement of income for the year ended 31 December 2024 (continued)

Form B 02 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2024 VND	2023 VND
Net profit/(loss) after corporate income (60 = 50 - 51 - 52) (brought forward from previous page)	60		7,957,562,758,426	(5,631,748,470,691)
Attributable to:				
Shareholders of the Company	61		7,564,092,019,695	(5,930,301,562,765)
Non-controlling interest	62		393,470,738,731	298,553,092,074
Earnings/(losses) per share				
Basic earnings/(losses) per share	70	38	3,416	(2,678)

Prepared by: 
Ho Xuan Tam
Department of Finance and Accounting

31 March 2025

Approved by: 
Tran Van Huu
Accountant In-charge


TỔNG CÔNG TY
HÀNG KHÔNG VIỆT NAM
CTCP
Le Hong Ha
President & CEO

The accompanying notes are an integral part of these consolidated financial statements

Vietnam Airlines JSC
Consolidated statement of cash flows for the year ended 31 December 2024
(Indirect method)

Form B 03 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2024 VND	2023 VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(loss) before tax	01		8,415,642,344,129	(5,362,609,321,731)
Adjustments for:				
Depreciation	02		5,094,513,262,248	5,986,079,114,730
Allowances and provisions	03		17,300,540,824	149,926,589,940
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		589,206,713,703	514,351,528,068
Gain from investing activities	05		(864,437,537,034)	(467,634,463,424)
Interest expense	06		1,281,733,876,235	1,554,935,763,903
Operating profit before changes in working capital	08		14,533,959,200,105	2,375,049,211,486
Change in receivables	09		(310,626,269,889)	(1,729,033,423,779)
Change in inventories	10		(23,515,411,815)	(572,824,066,761)
Change in payables and other liabilities	11		(601,103,870,928)	3,901,121,166,075
Change in prepayments	12		(2,411,168,487,704)	(1,002,615,415,057)
			11,187,545,159,769	2,971,697,471,964
Interest paid	14		(1,238,280,158,723)	(1,568,129,924,439)
Corporate income tax paid	15		(325,153,084,531)	(231,390,906,825)
Other receipts from operating activities	16		5,925,918	-
Other payments for operating activities	17		(183,546,931,918)	(168,487,031,146)
Net cash flows from operating activities	20		9,440,570,910,515	1,003,689,609,554
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(320,431,480,172)	(317,900,923,776)
Proceeds from disposals of fixed assets and other long-term assets	22		568,249,884,857	641,993,313,127
Payments for granting loans, purchase of debt instruments of other entities	23		(1,586,295,898,011)	(1,260,818,548,290)
Receipts from collecting loans, sales of debt instruments of other entities	24		1,491,530,832,237	1,246,160,705,077
Collections on investments in other entities	26		-	191,972,142,445
Receipts of interests and dividends	27		96,900,399,121	165,687,633,381
Net cash flows from investing activities	30		249,953,738,032	667,094,321,964

The accompanying notes are an integral part of these consolidated financial statements

Vietnam Airlines JSC
Consolidated statement of cash flows for the year ended 31 December 2024
(Indirect method - continued)

Form B 03 – DN/HN
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	Code	Note	2024 VND	2023 VND
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings	33		33,285,556,859,044	38,150,404,534,128
Payments to settle loan principals	34		(36,710,491,203,782)	(36,529,783,059,443)
Payments to settle finance lease liabilities	35		(3,963,889,103,635)	(2,928,257,233,074)
Payments of dividends	36		(220,153,054,883)	(305,517,256,815)
Net cash flows from financing activities	40		(7,608,976,503,256)	(1,613,153,015,204)
Net cash flows during the year (50 = 20 + 30 + 40)	50		2,081,548,145,291	57,630,916,314
Cash and cash equivalents at the beginning of the year	60		2,551,042,006,378	2,490,276,442,806
Effect of change in foreign exchange rates	61		(5,851,687,728)	3,134,647,258
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)	70	5	4,626,738,463,941	2,551,042,006,378

Prepared by: 
Ho Xuan Tam
Department of Finance and Accounting

31 March 2025

Approved by: 
Tran Van Huu
Accountant In-charge


Le Hong Ha
President & CEO

The accompanying notes are an integral part of these consolidated financial statements

Vietnam Airlines JSC
Notes to the consolidated financial statements for the year ended 31 December 2024

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These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

1. Reporting entity

(a) Ownership structure

Vietnam Airlines JSC ("Vietnam Airlines"), formerly a State-owned enterprise, was established under Decision No. 259/2006/QĐ-TTg dated 13 November 2006 by the Prime Minister, including its member entities with dependent accounting ("dependent entities").

Based on Decision No. 952/QĐ-TTg dated 23 June 2010 on conversion of the Parent Company - Vietnam Airlines Corporation into a State-owned One Member Limited Liability Company from 1 July 2010, the Parent Company - Vietnam Airlines Corporation, operating as a State-owned enterprise, was converted into Vietnam Airlines Corporation, operating as a one member limited liability company.

According to the Enterprise Registration Certificate for One Member Limited Liability Company No. 0100107518 initially issued by the Hanoi Department of Planning and Investment on 30 June 2010 and the third amendment dated 1 April 2015, the Parent Company - Vietnam Airlines Corporation was converted into a joint stock company under the name of Vietnam Airlines Joint Stock Company from 1 April 2015. The most recent Enterprise Registration Certificate of Vietnam Airlines is the 10th amendment dated 8 May 2024.

The consolidated financial statements of Vietnam Airlines for the year ended 31 December 2024 comprise Vietnam Airlines and its subsidiaries and Vietnam Airlines and its subsidiaries' interest in their associates.

(b) Principal activities

The principal activities of Vietnam Airlines and its subsidiaries include:

- Air transportation of passengers;
- Investment, management of investment capital, operating capital; overseas investments; purchase and sale of businesses; capital contribution or purchase of shares or share transfer, sale of shares;
- Air transportation of luggage, cargos, parcels, postal items and mails;
- Activities of general aviation (aerial photography of the terrain, geological surveys, lead flight calibration of air stations, repair and maintenance of high voltage lines, serving oil and gas, afforestation, environmental testing, search and rescue, medical emergency, providing flights for political, economic, social and national defence tasks);
- Provision of commercial, tourist, hotel, duty-free shop services offered at airports and in other provinces and cities; other aviation services;
- Provision of technical services for commercial ground; other services at passenger terminals and cargo terminals and parking services at airports, airfields;
- Repair and maintenance of motor vehicles (except automobiles, motors, motorbikes and other motorised vehicles); maintenance of aircraft, engines, spare parts, aviation equipment and other technical equipment;



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- Production of components, spare parts, materials for aircraft, technical equipment and others in aviation industry;
- Provision of technical services, materials and spare parts for local and international airlines;
- Provision of forwarding services, investment and exploitation of technical infrastructure at airports: passenger and cargo terminals, technical infrastructure and synchronous services in respect of air transport line;
- Multimodal transport;
- Export, import of aircraft, engines, spare parts, aviation equipment (rent, lease, hire purchase, purchase and sale) and other goods as per the State regulations;
- Manufacturing, import and export of tools, instruments and equipment serving the air transportation line;
- Manufacturing, processing, import and export of food to serve on plane;
- Export and import of oil, gasoline aviation grease (including fuels, lubricants and dedicated liquids) and other kinds of fuel;
- Supply of oil, gasoline, aviation grease (including fuels, lubricants and dedicated liquids) and other kinds of fuel at airports;
- Gasoline retail agents;
- Provision of agent services to air carriers, aircraft engine, equipment and spare parts manufacturers, domestic and foreign travel and transportation companies;
- Printing (except as prohibited by the State);
- Construction and construction consultancy service (not including construction design);
- Supply labor (excluding brokerage and referral, employment and labor supply for enterprises which have functions in respect of labor export and supply of labor, management of labor working abroad);
- Science and technology;
- Trade in real estate;
- Trade in e-commerce services;
- Training and vocational training: foreign languages, information technology, aviation operations and technicians; and
- Finance and banking: finance leasing (the enterprise operates only when permitted by the State's competent authorities).

For business lines that the laws require certain conditions, Vietnam Airlines operates only when meeting such business conditions.

(c) Normal operating cycle

The normal operating cycle of Vietnam Airlines and its subsidiaries is generally within 12 months.

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(d) Corporate structure

Vietnam Airlines is operating under the parent-subsidiary model. The Vietnam Airlines' structure comprises dependent entities (including domestic and overseas branches), subsidiaries and associates.

As at 31 December 2024, Vietnam Airlines had 27 dependent entities, 17 subsidiaries and 8 associates. As at 1 January 2024, Vietnam Airlines had 27 dependent entities, 17 subsidiaries and 8 associates.

Dependent entities of Vietnam Airlines include:

- Heritage Magazine
- Flight Crew 919
- Cabin Crew
- Branch of Vietnam Airlines JSC – Airport Services and Operation Center
- Branch of Vietnam Airlines JSC – Flight Training Center
- Branch of Vietnam Airlines JSC – LotuSmiles
- Branch of Vietnam Airlines JSC – Vietnam Air Service Company (VASCO)
- Vietnamese Branch of Vietnam Airlines JSC
- Branch of Vietnam Airlines JSC in Thailand
- Branch of Vietnam Airlines JSC in Singapore
- Branch of Vietnam Airlines JSC in Malaysia
- Branch of Vietnam Airlines JSC in Laos
- Branch of Vietnam Airlines JSC in Cambodia
- Branch of Vietnam Airlines JSC in Japan
- Branch of Vietnam Airlines JSC in Republic of Korea
- Branch of Vietnam Airlines JSC in Hong Kong
- Branch of Vietnam Airlines JSC in Taiwan
- Branch of Vietnam Airlines JSC in Russia
- Branch of Vietnam Airlines JSC in Australia
- Branch of Vietnam Airlines JSC in Germany
- Branch of Vietnam Airlines JSC in France and West Europe
- Branch of Vietnam Airlines JSC in China
- Branch of Vietnam Airlines JSC in USA
- Branch of Vietnam Airlines JSC in UK
- Branch of Vietnam Airlines JSC in Myanmar
- Branch of Vietnam Airlines JSC in Indonesia
- Branch of Vietnam Airlines JSC in India

Vietnam Airlines JSC

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Details of Vietnam Airlines' subsidiaries and associates are as follows:

	31/12/2024			1/1/2024			Principal activities
	Address	Number of shares	% of equity owned	% of voting rights	Number of shares	% of equity owned	
Subsidiaries							
Pacific Airlines Aviation Joint Stock Company	Vietnam	31,648,701	98.84%	98.84%	31,648,701	98.84%	Aviation transportation business
Vietnam Airlines Engineering Company Limited	Vietnam		100.00%	100.00%		100.00%	Repair and maintenance of aircraft
Vietnam Air Petrol One Member Company Limited	Vietnam	17,027,005	100.00%	100.00%	17,027,005	100.00%	Jet fuel business
Noi Bai Cargo Terminal Services Joint Stock Company	Vietnam		60.62%	65.07%		60.62%	Providing cargo services for flights
Noi Bai Catering Services Joint Stock Company	Vietnam	11,106,622	61.87%	61.87%	11,106,622	61.87%	Providing catering on plane
Vietnam Airlines Caterers Limited	Vietnam		100.00%	100.00%		100.00%	Providing catering on plane
Viet Flight Training Joint Stock Company	Vietnam	3,400,000	51.52%	51.52%	3,400,000	51.52%	Pilot training
Aviation Information and Telecommunication Joint Stock Company	Vietnam	3,060,000	52.73%	52.73%	3,060,000	52.73%	Information and telecommunication
Tan Son Nhat Cargo Services Joint Stock Company	Vietnam	5,154,930	55.00%	55.00%	5,154,930	55.00%	Cargo services for flights
Tan Son Nhat Cargo Services and Forwarding Company Limited	Vietnam		51.00%	51.00%		51.00%	Transportation, cargo forwarding, warehousing
Noi Bai Airport Services Joint Stock Company	Vietnam	4,241,160	51.00%	51.00%	4,241,160	51.00%	Aviation transportation services
Vinako Forwarding Company Limited	Vietnam		65.05%	65.05%		65.05%	Forwarding cargo, ground transportation, warehousing
Aviation Labor Supply Joint Stock Company	Vietnam	510,000	51.00%	51.00%	510,000	51.00%	Supply of labour
Sabre Vietnam Joint Stock Company	Vietnam	268,800	51.69%	51.69%	268,800	51.69%	Automatic booking
Vietnam Airport Ground Services Company Limited	Vietnam		100.00%	100.00%		100.00%	Ground services
Vietnam Singapore Technologies Engineering Aerospace Co. Ltd (i)	Vietnam		51.00%	51.00%		51.00%	Repair and maintenance of aircraft
Nasco Logistics Joint Stock Company (i)	Vietnam	6,222,000	25.05%	51.00%	6,222,000	25.05%	Transportation, cargo forwarding

Vietnam Airlines JSC

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	31/12/2024			1/1/2024			Principal activities
	Address	Number of shares	% of equity owned	% of voting rights	Number of shares	% of equity owned	
Associates							
Vietnam Aircraft Leasing Joint Stock Company	Vietnam	42,835,200	32.48%	32.48%	42,835,200	32.48%	Aircraft leasing
General Aviation Import-Export Joint Stock Company	Vietnam	1,285,200	41.31%	41.31%	1,285,200	41.31%	Trustee services for export and import
Related parties							
Danang Airport Services Joint Stock Company	Vietnam	1,541,265	36.11%	36.11%	1,541,265	36.11%	Aviation services
Aviation High-Grade Plastic Joint Stock Company	Vietnam	1,359,359	30.41%	30.41%	1,359,359	30.41%	Making plastic products
Tan Son Nhat Petrol Commercial Joint Stock Company (i)	Vietnam	11,968,642	30.47%	30.47%	11,968,642	30.47%	Fuel refill service
Noi Bai Aviation Fuel Service Joint Stock Company (i)	Vietnam	3,000,000	30.00%	30.00%	3,000,000	30.00%	Fuel refill service
Aviation Ground Services Company Limited (i)	Vietnam		25.00%	25.00%		25.00%	Ground services
Vietnam Sky Services Investment Joint Stock Company (i)	Vietnam	378,000	8.16%	36.00%	378,000	8.16%	Road passenger transport service

(i) Enterprises in which Vietnam Airlines' subsidiaries contribute capital and hold voting rights directly. Accordingly, the proportion of Vietnam Airlines' ownership in these enterprises is determined by the proportion of indirect ownership through Vietnam Airlines' direct subsidiaries; the proportion of voting rights held by Vietnam Airlines in these enterprises is determined by the proportion of voting rights of Vietnam Airlines' direct subsidiaries in these enterprises.

As at 31 December 2024, Vietnam Airlines and its subsidiaries had 23,033 employees (31/12/2023: 21,130 employees).



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2. Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, the regulations on consolidated financial statements applicable to Vietnam Airlines issued in conjunction with Decision No. 1913/QĐ-TCHT-TCKT (“Decision No. 1913”) dated 18 December 2015 of Vietnam Airlines, and the relevant statutory requirements applicable to financial reporting.

Decision No. 1913 is developed based on Decision No. 2581/TCHT-TCKT dated 30 December 2011 of Vietnam Airlines approved by the Ministry of Finance in its Official Letter No. 17011/BTC-CDKT dated 14 December 2011. Accordingly, the consolidated financial reporting regime applicable to Vietnam Airlines contains some differences from Vietnamese Accounting Standard (“VAS”) No. 7 “Accounting for investments in associates” and VAS No. 25 “Consolidated financial statements and accounting for investments in subsidiaries” issued in conjunction with Decision No. 234/2003/QĐ-BTC dated 30 December 2003 and related implementation guidance in Circular No. 161/2007/TT-BTC dated 31 December 2007 and Circular No. 202/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance. Details are as follows:

- Intra-group balances and transactions between Vietnam Airlines and its subsidiaries or among subsidiaries including receivables and payables, loans and borrowings, revenue and expenses are eliminated using the lower amounts in case of differences upon reconciliation and verification between Vietnam Airlines and its subsidiaries or among subsidiaries. Where Vietnam Airlines provides transportation services to subsidiaries, the subsidiaries’ figures related to such transactions will be used for elimination; and
- For intra-group purchases and sales of inventories, it is assumed that the previous year’s inventory volume has been sold out in the current year.

(b) Basis of measurement

The consolidated financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the indirect method.

(c) Going concern assumption

The consolidated financial statements have been prepared on a going concern basis. As at 31 December 2024, current liabilities exceeded current assets by VND39,822 billion (1/1/2024: VND46,287 billion), overdue payables were VND10,812 billion (1/1/2024: VND13,743 billion), and equity was (-) VND9,344 billion (1/1/2024: (-) VND17,026 billion).

The Board of Directors and the Board of Executive Officers have regularly assessed the impact and have implemented measures to deal with the financial difficulties so that Vietnam Airlines and its subsidiaries can maintain its ability to continue as a going concern. The measures that have been being implemented include the following:

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(i) Operation management

With the positive developments of the aviation industry, Vietnam Airlines transported about 16.33 million domestic passengers and 7.21 million international passengers in the year ended 31 December 2024, equivalent to 93% and 109%, respectively compared to 2023 (2023: 17.62 million domestic passengers and 6.62 million international passengers).

Vietnam Airlines has adjusted its aircraft crew utilization plan, flight schedules and routes to match market demand in the peak period and post-COVID-19 travel and tourism demand in order to optimize operating costs and aircraft crews, continue to maintain market share of domestic passenger transport. Vietnam Airlines also manages and develops services and customers on routes with high revenue and profit in order to improve asset utilization efficiency and corporate cash flow.

In addition, Vietnam Airlines continues to maintain cargo transportation activities in order to effectively utilize fleet capacity, improve production and business efficiency and operating cash flow.

For operating expenses, Vietnam Airlines continues to implement a cost optimization policy, improve the efficiency of fleet and deploy solutions to negotiate discounts and save costs. In addition, Vietnam Airlines continuously considers optimizing the process of front-end service, in-flight service as well as the repair and maintenance of engines and aircraft, in order to improve service quality and ensure economic efficiency.

(ii) Working capital

Vietnam Airlines and its subsidiaries has been negotiating with commercial banks to have more credit lines for operating activities. As at 31 December 2024, Vietnam Airlines and its subsidiaries has signed credit contracts with commercial banks with a total credit limit of short-term borrowings VND44,300 billion (1/1/2024: VND25,400 billion). In addition, Vietnam Airlines also obtained refinancing loan capital of VND4,000 billion from Southeast Asia Commercial Joint Stock Bank, Vietnam Maritime Commercial Joint Stock Bank and Saigon - Hanoi Commercial Joint Stock Bank according to Circular No. 04/2021/TT-NHNN dated 5 April 2021.

During the year, banks have agreed to continue to grant credit in the form of short-term loans that Vietnam Airlines and its subsidiaries has paid on time as per the conditions and regulations of the State Bank of Vietnam. Vietnam Airlines believes that it will continue to maintain current credit limits of short-term loans in the next year and will ensure payment of due principal.

For long-term loans and obligations under finance leases, Vietnam Airlines has successfully negotiated with creditors to restructure the payment schedule of the current portion of long-term loans and obligations under finance leases.

Vietnam Airlines and its subsidiaries has been negotiating discount offers and arranging delayed/extended payment schedules with partners, many of whom have agreed to offer discounts (for aircraft lease expenses and maintenance services costs, etc.) or to delay/extend payment schedules (for aircraft lease expenses, flight management expenses, flight services costs, etc.).

In addition, Vietnam Airlines and its subsidiaries is actively seeking financial sources to pay overdue debts to suppliers in the amount of VND10,812 billion as at 31 December 2024 (Note 18). Vietnam Airlines and its subsidiaries is also continuing to negotiate and call for the support of partners in delaying, reducing and extending payment terms for overdue debts. Vietnam Airlines assessed and believed that its partners have been actively supporting Vietnam Airlines and its subsidiaries in the past years and that this support will continue in the future.



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(iii) Project on restructuring Vietnam Airlines

Vietnam Airlines has completed and reported to relevant authorities on its overall project of solutions to overcome difficulties caused by the impact of the Covid-19 pandemic to facilitate the Corporation's early recovery and sustainable development in the period 2021-2035, and its restructuring project for the period until the end of 2025 (the "Project"). The solutions in the Project have been reviewed and approved by the National Assembly and competent authorities. Under the Project, Vietnam Airlines will simultaneously implement three (3) groups of solutions to overcome the current financial situation including:

- Improve air transport business results, in which it will implement solutions to enhance adaptation, quick recovery and efficient use of its operating capacity;
- Implement asset restructuring and divest from subsidiaries and associates to increase income and cash flow; and;
- Prepare necessary conditions to implement the plan to issue shares to increase equity upon approval by the National Assembly under Resolution No. 174/2024/QH15.

The Board of Executive Officers has carefully assessed the business and cash flow plans, as well as the ability to balance cash flows to pay off due debts and financial obligations as well as the loans and capital support from the Government and the ability to implement the Project. The Board of Executive Officers believes that it is appropriate to have the accompanying consolidated financial statements prepared on a going concern basis.

Vietnam Airlines and its subsidiaries' ability to continue as a going concern depends mainly on the generation of cash flows from production and business activities, the possible extension of payment terms of payables to suppliers and lessors, as well as some other solutions in the restructuring project. In these plans, there exist material uncertainties that may cast doubt on Vietnam Airlines and its subsidiaries' ability to continue as a going concern.

(d) Annual accounting period

The annual accounting period of Vietnam Airlines and its subsidiaries is from 1 January to 31 December.

(e) Accounting and presentation currency

Vietnam Airlines and its subsidiaries' accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose.

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3. Separate guidance applicable for the period from 2020 to 2022

Vietnam Airlines calculated and recognised depreciation expenses and allocation of repair and maintenance expenses for aircraft and engines for the years ended 31 December 2020, 2021 and 2022 in accordance with the separate guidance approved by the relevant authorities. Accordingly, depreciation expense and monthly repair and maintenance expenses for each type of aircraft charged to the separate statement of income for the years ended 31 December 2020, 2021 and 2022 were determined based on the monthly total actual hours in operation of each aircraft type and monthly total planned hours in operation of each aircraft type, as follows:

Monthly recorded depreciation or monthly repair and maintenance of each aircraft type	=	Monthly depreciation value of each aircraft type or repair and maintenance expense of each aircraft type in normal working condition	X	Total monthly actual hours in operation of each aircraft type
				Total monthly planned hours of operation of each aircraft type in 2020 (the time of normal operations before the COVID-19 pandemic)

For the standby engines and aircraft landing gears, Vietnam Airlines recorded depreciation and allocation of repair and maintenance expenses for the year consistently with the accounting policies for tangible fixed assets as presented in Note 4(g).

From 1 January 2023 the accumulated difference in depreciation and amortisation between the straight-line method and the approved method mentioned above will continue to be amortised by Vietnam Airlines according to the guidance of the Ministry of Finance as follows:

- For aircraft depreciation expenses, the accumulated difference in depreciation between the straight-line depreciation method and the separately approved depreciation method mentioned above as of 1 January 2023 continues to be amortised on a straight-line basis over the remaining estimated useful lives of tangible fixed assets.
- For repair and maintenance expenses, the accumulated difference in amortisation between the straight-line amortisation method and the separately approved amortisation method mentioned above is amortised to the statement of income of the period with a total time from the start of initial amortisation not exceeding 3 years.

4. Summary of significant accounting policies

The following significant accounting policies have been adopted by Vietnam Airlines and its subsidiaries in the preparation of these consolidated financial statements.



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(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by Vietnam Airlines. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Non-controlling interests

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Changes in Vietnam Airlines' interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in Vietnam Airlines' share of net assets of the subsidiary and any consideration paid or received is recorded directly in retained profits under equity.

(iii) Associates

Associates are those entities in which Vietnam Airlines has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method (equity accounted investees). The consolidated financial statements include Vietnam Airlines' share of the income and expenses of the equity accounted investees, after adjustments to align the accounting policies with those of Vietnam Airlines, from the date that significant influence commences until the date that significant influence ceases. When Vietnam Airlines' share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that Vietnam Airlines has an obligation or has made payments on behalf of the investee.

(iv) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of Vietnam Airlines' interest in the investee.

As described in Note 2(a) Vietnam Airlines eliminates the balances of receivables and payables, loans and borrowings, revenue and expense transactions among Vietnam Airlines and its subsidiaries or among subsidiaries using the lower amounts in case of differences in these figures reconciled and verified among Vietnam Airlines and its subsidiaries or among subsidiaries. Where Vietnam Airlines provides transportation services to subsidiaries, the subsidiaries' figures related to such transactions will be used to eliminate on consolidation. Besides, for internal purchases and sales of inventories, it is assumed that the previous year's inventory volume has been used up in the current year.

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(b) Foreign currency

(i) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the average of the account transfer buying rates and selling rates at the end of the annual accounting period quoted by the commercial bank where Vietnam Airlines or its subsidiaries most frequently conducts transactions or at rates approximating commercial bank rates.

All foreign exchange differences are recorded in the consolidated statement of income. Unrealised foreign exchange gains at the end of the annual accounting period are not treated as part of distributable dividends to shareholders.

(ii) Translation of financial statements from the accounting currency to the presentation currency

For the purpose of presenting the consolidated financial statements in VND, the financial statements of associates with accounting currencies other than VND are translated to VND. Capital and related items (such as share premium) are translated at historical exchange rates. Retained profits, funds and reserves are derived from the translated net profits from which they were appropriated. Revenues, income, expenses and cash flows during the year are translated at the exchange rates which approximate actual exchange rates ruling on the date of transactions.

Foreign exchange differences arising from the translation of financial statements from accounting currency to the presentation currency are included in "Foreign exchange reserve" under equity (Code 417).

(c) Cash and cash equivalents

Cash comprises cash balances, call deposits and cash in transit. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(d) Investments

(i) Held-to-maturity investments

Held-to-maturity investments are those that Vietnam Airlines and its subsidiaries' management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank. These investments are stated at costs less allowance for doubtful debts.

(ii) Equity investments in other entities

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, the investment in other entities are stated at cost less allowance for diminution in value.



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An allowance is made for diminution in investment value if the investee has suffered a loss which may cause Vietnam Airlines or its subsidiaries to lose their invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(e) Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

(f) Inventories

Inventories are stated at cost. Where net realisable value is lower than cost, inventories are stated at net realisable value. Cost includes all costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and direct costs to sell.

The cost of spare parts and supplies received is calculated based on prices stated in suppliers' commercial invoices and all related expenses (such as import duty, commission fees, transportation costs).

Unit price of aircraft spare parts and supplies for consumption is calculated using the specific identification method.

The following principles are applied in allocating the costs of spare parts and supplies issued for consumption:

- For spare parts and supplies which are consumable, issued for one-time consumption (unrepairable), issued price is charged to production and business costs during the year equalling the total value of such items.
- For repairable and rotational spare parts whose unit price ranges from USD1,500 to USD50,000 issued for consumption, cost is recognised as long-term prepayments in the consolidated balance sheet and amortised to the consolidated statement of income on a straight-line basis over 3 years from the first issuance.
- For repairable and rotational spare parts whose unit price is more than USD50,000 issued for consumption, cost is recognised as long-term prepayments on the consolidated balance sheet and amortised to the consolidated statement of income on a straight-line basis over 5 years from the first issuance.

Vietnam Airlines and its subsidiaries applies the perpetual method of accounting for inventories.

Allowance for inventory is calculated in accordance with the prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those with costs higher than net realisable values at the end of the annual accounting period.

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(g) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. In cases of tangible fixed assets being aircrafts, credits granted under aircraft purchase contracts are recognised in accordance with the following principles:

- Credit granted under aircraft purchase contracts being services is not recognised separately from cost of the aircraft but as a decrease in cost of sales upon actual receipt;
- Credit granted under aircraft purchase contracts being spare parts or equipment which Vietnam Airlines is not likely to receive is not recognised separately from cost of the aircraft but as a decrease in cost of sales upon actual receipt;
- Credit granted under aircraft purchase contracts being equipment which Vietnam Airlines is likely to receive with a detailed list for handover is recognised separately from cost of the aircraft.

Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the consolidated statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ Aircraft	16 – 20 years
▪ Aircraft engines	10 years
▪ Buildings, structures	5 – 50 years
▪ Machinery and equipment	3 – 20 years
▪ Motor vehicles	3 – 10 years
▪ Office equipment	3 – 10 years
▪ Others	3 – 7 years

As described in Note 3, Vietnam Airlines calculated and recognised depreciation expenses of aircraft and engines for the years 2020, 2021 and 2022 in accordance with the separate guidance approved by the relevant authorities. From 1 January 2023, the accumulated difference in depreciation between the straight-line depreciation method and the depreciation method described in Note 3 as of 1 January 2023 continues to be amortised on a straight-line basis over the remaining estimated useful lives of tangible fixed assets, according to the guidance of the Ministry of Finance.



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(h) Finance lease tangible fixed assets

Leases in terms of which Vietnam Airlines and its subsidiaries assume substantially all the risks and rewards of ownership are classified as finance leases. Tangible fixed assets acquired by way of finance leases are stated at an amount equal to the lower of fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation.

Depreciation on finance lease tangible fixed assets is computed on a straight-line basis over the estimated useful lives of items of the finance lease tangible fixed assets. The estimated useful lives of finance lease tangible fixed assets are consistent with the useful lives of tangible fixed assets as described in accounting policy 4(g).

As described in Note 3, Vietnam Airlines calculated and recognised depreciation expenses of aircraft and engines for the years 2020, 2021 and 2022 in accordance with the separate guidance approved by the relevant authorities. From 1 January 2023, the accumulated difference in depreciation between the straight-line depreciation method and the depreciation method described in Note 3 as of 1 January 2023 continues to be amortised on a straight-line basis over the remaining estimated useful lives of finance lease tangible fixed assets, according to the guidance of the Ministry of Finance.

(i) Intangible fixed assets

(i) Land use rights

The initial cost of land use rights acquired in a legitimate transfer comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over a period ranging from 20 to 30 years. Land use rights with indefinite term are not amortised.

(ii) Software

Software comprises passenger/cargo revenue management software, cargo management software and accounting software. Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 2 to 7 years.

(j) Construction in progress

Construction in progress represents the costs of construction and machinery which have not been fully completed or installed. Construction in progress will be transferred to fixed assets at estimated costs (if such costs have not been approved) when they are ready for use.

According to the State's regulations on investment and construction management, the finalised costs of completed construction projects are subject to approval by appropriate level of competent authorities. Therefore, the final costs of these completed construction projects may change depending on the final approval by competent authorities.

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(k) Long-term prepaid expenses

(i) Repair and maintenance expenses for aircraft engines and airframe

Repair and maintenance expenses for aircraft engines and airframe are allocated to the statement of income when the overhaul is completed. For leased aircraft engines, the repair and maintenance expenses excludes the amount from maintenance reserve paid by the lessor. Periodic repair and maintenance expenses of airframe, main engines, auxiliary power unit and aircraft landing gears incurred at USD300,000 or more are allocated to the statement of income over 3 years on a straight-line basis. Repair and maintenance expenses are fully recognized into the statement of income during the year if incurred below USD300,000.

As described in Note 3, Vietnam Airlines calculated and recognised allocation of repair and maintenance expenses for aircraft and engines for the years 2020, 2021 and 2022 in accordance with the separate guidance approved by the relevant authorities. For the year ended 31 December 2024, the accumulated difference in allocation between the straight-line method and the separately approved method described in Note 3 is amortised to the statement of income with a total time from the start of initial amortisation not exceeding 3 years.

In addition to the repair and maintenance expenses for aircraft engines and airframe mentioned above, repair and maintenance expenses for aircraft engines provided under maintenance cost per hour contracts are accrued and charged to the statement of income based on flight hours.

(ii) Export credit guarantee fee

Export credit guarantee fee in respect of financing contracts for aircraft purchase under finance lease and other expenses relating to financing contracts are allocated to the statement of income on a straight-line basis over the duration of the finance lease contract.

(iii) Tools and instruments

Tools and instruments include:

- Assets held for use by Vietnam Airlines and its subsidiaries in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Cost of tools and instruments are amortised over a period of 2 - 3 years;
- Rotational spare parts allocated (Note 4(f)).

(l) Trade and other payables

Trade and other payables are stated at their cost.



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(m) Provisions

A provision is recognised if, as a result of a past event, Vietnam Airlines or its subsidiaries have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Aircraft return obligation

Under the terms of aircraft operating lease contracts between Vietnam Airlines or its subsidiaries and lessors, Vietnam Airlines and its subsidiaries has an obligation to return the aircraft to the same working order and conditions as at delivery (except for normal wear and tear) upon returning the aircraft to lessors at the end of the lease period. In accordance with Official Letter No. 11876/BTC-CDKT dated 25 August 2016 of the Ministry of Finance, Vietnam Airlines can recognise costs for operating lease aircraft return when incurred or make provision for aircraft return obligation over the lease period. Vietnam Airlines currently recognises costs for operating lease aircraft return when incurred and does not make allowance for this obligation in the financial statements.

(n) Unearned revenue from frequent flyer programs

Vietnam Airlines implements its frequent flyer programs, namely the Golden Lotus Program for frequent customers and the Corporate Customer Program, under which such customers can accumulate points when purchasing goods or services provided by Vietnam Airlines or specific participating vendors. The portion of revenue derived from the accumulated reward points for which customers are expected to redeem shall be determined at fair value and recognized as unearned. Unearned revenue is recognized in the statement of income in the year when customers redeem the points or upon expiry of the points.

(o) Share capital

Ordinary shares

Ordinary shares are recognized at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects. Such costs are recognized as a deduction from share premium.

(p) Taxation

Income tax on the consolidated profit or loss for the year comprises current and deferred tax. Income tax is recognised in the consolidated statement of income except to the extent that it relates to items recognised directly to an account in equity, in which case it is recognised in corresponding account in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

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Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities in the balance sheet for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

(q) Revenue and other incomes

(i) Aviation transportation revenue

Sales of transportation documents (which comprise air tickets and vouchers) are presented as trade accounts payable on the balance sheet, which is recognised as revenue in the consolidated statement of income when the actual carriage service is performed.

Revenue from aircraft charter and charter flights is recognised in the consolidated statement of income upon completion of services. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(ii) Auxiliary services for transportation

Revenue from auxiliary services rendered, which are completed within a short time, is recognised in the consolidated statement of income upon completion of services. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iii) Goods sold

Revenue from the sale of goods is recognised in the consolidated statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

(iv) Rental income

Rental income from leased property is recognised in the consolidated statement of income on a straight-line basis over the term of the lease.

(v) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.



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(vi) Dividend income

Dividend income is recognised when the right to receive dividend is established. Share dividends are not recognised as income. Dividends and profit received which are attributable to the period before investment acquisition date or before equitisation date are deducted from the carrying amount of the investment.

(r) Operating lease payments

Payments made under operating leases are recognised in the consolidated statement of income on a straight-line basis over the term of the lease.

(s) Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

(t) Earnings per share

Vietnam Airlines presents basic earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders (after deducting any amounts appropriated to bonus and welfare funds for the accounting period) of Vietnam Airlines by the weighted average number of ordinary shares outstanding during the year.

During the year, Vietnam Airlines does not have potential ordinary shares and therefore does not present diluted EPS.

(u) Segment reporting

A segment is a distinguishable component of Vietnam Airlines and its subsidiaries that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Board of Executive Officers is of the opinion that Vietnam Airlines and its subsidiaries operates in one single business segment, which is airlines and auxiliary operations.

Vietnam Airlines and its subsidiaries' geographical segments are defined by countries where sales incur. For the year ended 31 December 2024, the Board of Executive Officers assessed that Vietnam is the only country with revenue of more than 10% of total revenue, and thus being a reportable segment. Assets and related costs and liabilities are unallocated due to nature of airlines business, i.e. assets are mainly registered and managed in Vietnam while operated across its worldwide route network. Accordingly, Vietnam Airlines does not present segment reports by geographical area.

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(v) Related parties

Parties are considered to be related to Vietnam Airlines if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where Vietnam Airlines and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

(w) Comparative information

Comparative information in these consolidated financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year's consolidated financial statements and is intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these consolidated financial statements is not intended to present Vietnam Airlines' consolidated financial position, results of operation or cash flows for the prior year.



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5. Cash and cash equivalents

	31/12/2024 VND	1/1/2024 VND
Cash on hand	13,172,598,115	10,194,150,961
Cash in banks	2,741,296,394,832	1,863,228,591,781
Cash in transit	107,474,016,942	90,819,263,636
Cash equivalents	1,764,795,454,052	586,800,000,000
	<u>4,626,738,463,941</u>	<u>2,551,042,006,378</u>

As at 31 December 2024, Vietnam Airlines and its subsidiaries had a demand deposit at a bank which is restricted from use amounting to VND7 billion (1/1/2024: VND110 billion).

6. Investments

(a) Held-to-maturity investments

	31/12/2024		1/1/2024	
	Cost VND	Carrying amount VND	Cost VND	Carrying amount VND
Term deposits	1,015,203,600,683	1,015,203,600,683	920,438,534,909	920,438,534,909

Short-term held-to-maturity investments represent deposits with original terms of over 3 months and remaining terms not exceeding 12 months at the balance sheet date at commercial banks with annual interest rate ranging from 1.1% to 10.5% per annum (1/1/2024: 0.86% to 9.5% per annum).

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(b) Equity investments in other entities

	31/12/2024		1/1/2024	
	Carrying amount VND	Allowance VND	Carrying amount VND	Allowance VND
Cambodia Angkor Air	248,141,431,740	-	248,141,431,740	-
Cam Ranh International Aviation Services Joint Stock Company	90,000,000,000	(90,000,000,000)	90,000,000,000	(90,000,000,000)
Aviation Logistics Corporation	65,049,600,000	-	65,049,600,000	-
Southern Aviation Construction Port Joint Stock Company	52,000,000,000	-	52,000,000,000	-
Saigon Postal Corporation	6,161,138,309	-	6,161,138,309	-
Thang Long Investment and Services Joint Stock Company	2,550,000,000	-	2,550,000,000	-
	<u>463,902,170,049</u>	<u>(90,000,000,000)</u>	<u>463,902,170,049</u>	<u>(90,000,000,000)</u>

As at 31 December 2024, Vietnam Airlines pledged a number of shares that Vietnam Airlines holds in its subsidiaries/affiliates listed on the HOSE, HNX and UPCOM stock exchanges as security for a number of short-term loans (Note 23(a)).

The fair value of investments as at 31 December 2024 has not been disclosed in the consolidated financial statements because:

- For investments in listed entities, the volume of share transactions during the year was low and therefore share prices may not accurately reflect fair values of the investments; and
- For the remaining investments that had no quoted market values, there is currently no guidance on determination of fair value using valuation techniques under prevailing regulations. The fair values of these investments may differ from their costs.



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7. Accounts receivable from customers

(a) Accounts receivable from customers in detail

	31/12/2024 VND	1/1/2024 VND
Agents selling passenger transportation products	1,659,782,833,368	1,952,145,989,033
Other airlines	1,230,495,876,704	1,283,309,215,432
Passengers and cargo agents	329,922,409,858	297,874,336,285
Receivables from aircraft leasing	353,651,406,687	263,052,479,775
Others	1,084,891,630,079	680,327,587,700
	<u>4,658,744,156,696</u>	<u>4,476,709,608,225</u>

(b) Accounts receivable from customers classified by payment term

	31/12/2024 VND	1/1/2024 VND
Short-term	4,656,848,501,751	4,474,693,862,337
Long-term	1,895,654,945	2,015,745,888
	<u>4,658,744,156,696</u>	<u>4,476,709,608,225</u>

(c) Accounts receivable from customers who are related parties

	31/12/2024 VND	1/1/2024 VND
Aviation Ground Services Company Limited	2,384,585,680	4,850,421,719
Danang Airport Services Joint Stock Company	60,497,212	98,295,964
General Aviation Import-Export Joint Stock Company	45,293,138	122,408,331
Vietnam Aviation Services Investment Joint Stock Company	13,541,686	52,501,128
	<u>2,503,917,716</u>	<u>5,123,627,142</u>

The trade related amounts due from related parties were unsecured, interest free and are receivable as agreed.

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8. Prepayments to suppliers – short-term

	31/12/2024 VND	1/1/2024 VND
Prepayment for construction in progress	92,846,568,131	93,350,632,911
Prepayments for aircraft leasing	1,727,544,001	9,592,533,931
Prepayments to other suppliers	441,502,551,696	117,177,149,538
	<u>536,076,663,828</u>	<u>220,120,316,380</u>

9. Other receivables

(a) Other short-term receivables

	31/12/2024 VND	1/1/2024 VND
Prepayments for overhaul costs to be offset against maintenance reserve (i)	1,946,242,159,542	1,087,847,023,048
Insurance indemnity receivables	156,398,991,156	244,426,439,455
Receivable from sublease contracts	51,544,033,193	31,496,723,577
Short-term deposits for leasing aircraft and aircraft engines	47,930,467,142	185,605,090,791
Supplies and spare parts issued to repair partners	13,141,017,432	19,452,762,526
Debt offsetting for credit supports	-	60,438,013,291
Receivables on profit from business cooperation contracts	-	1,211,178,344
Others	238,425,561,870	127,550,195,582
	<u>2,453,682,230,335</u>	<u>1,758,027,426,614</u>

(i) Prepayments for overhaul costs to be offset against maintenance reserve represent the actual repair expense that Vietnam Airlines and its subsidiaries expects to recover from aircraft lessors. When the settlement of repair expense is made between Vietnam Airlines and its subsidiaries and aircraft lessors, the unclaimed balance from the lessors will be recorded as expenses during the year or as long-term prepaid expenses and amortised for a period not exceeding 3 years in accordance with the accounting policy presented in Note 4(k).



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(b) Other long-term receivables:

	31/12/2024 VND	1/1/2024 VND
Long-term deposits for leasing aircrafts, aircraft engines (ii)	1,656,216,255,802	1,418,242,292,011
Other long-term collateral, deposits	209,381,373,205	208,946,640,562
Other long-term receivables	5,013,056,809	5,180,789,616
	<u>1,870,610,685,816</u>	<u>1,632,369,722,189</u>

(ii) Deposits made by Vietnam Airlines and its subsidiaries for leasing aircraft and aircraft engines will be refunded at the end of the lease term.

(c) Other receivables from related parties

	31/12/2024 VND	1/1/2024 VND
Vietnam Aircraft Leasing Joint Stock Company	1,647,735,799,761	402,363,651,223
Tan Son Nhat Petrol Commercial Joint Stock Company	35,905,926,000	-
Danang Airport Services Joint Stock Company	9,272,433,841	10,000,000,000
	<u>1,692,914,159,602</u>	<u>412,363,651,223</u>

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10. Bad debts

	31/12/2024			1/1/2024		
	Overdue period	Cost VND	Allowance VND	Recoverable amount VND	Overdue period	Cost VND
Overdue debts						
Cambodia Angkor Air	From 1 month to over 3 years	319,373,610,000	(219,802,090,000)	99,571,520,000	From 1 month to over 3 years	263,052,480,000
Air Fast Ticket Group	Over 3 years	2,965,486,018	(2,965,486,018)	-	Over 3 years	5,429,413,506
Others	1 - 20 years	112,129,831,856	(106,144,037,816)	5,985,794,040	1 - 20 years	239,643,189,526
		<u>434,468,927,874</u>	<u>(328,911,613,834)</u>	<u>105,557,314,040</u>		<u>508,125,083,032</u>
In which:						
Allowance for doubtful debts – short-term			(324,282,926,492)			
Allowance for doubtful debts – long-term			(4,628,687,342)			
			<u>(328,911,613,834)</u>			<u>(333,258,139,789)</u>
						<u>174,866,943,243</u>

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	31/12/2024	1/1/2024
	Cost VND	Cost VND
	Allowance VND	Allowance VND
Goods in transit	272,016,956,794	96,492,034,376
Raw materials	1,240,322,904,082	1,181,552,803,972
Tools and supplies	78,850,686,143	73,189,787,053
Work in progress	37,777,177,690	93,127,872,417
Finished goods	966,923,479	889,936,203
Merchandise inventories (*)	1,964,202,614,862	2,180,761,051,738
Goods in bonded warehouse	24,799,904,021	32,915,903,381
Goods on consignment	322,317,704	405,791,911
	3,619,259,484,775	3,659,335,181,051
	(249,815,966,064)	(228,635,716,595)

included in inventories at 31 December 2024 was VND334,574 million raw material (1/1/2024; VND268,333 million) carried at net realisable value.

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	VND	VND	VND	VND	VND	VND	VND
Cost							
Opening balance	32,722,383,558,947	2,979,614,178,924	4,304,783,412,198	2,006,176,297,101	1,096,276,256,360	343,808,044,466	43,453,041,747,996
Additions	-	4,670,588,594	51,969,932,561	32,318,357,122	15,837,345,833	2,700,150,000	107,496,374,110
Transfer from construction in progress	-	5,554,200,857	10,847,857,096	60,789,444,747	8,064,261,245	732,500,000	85,988,263,945
Transfer from finance lease tangible fixed assets	5,942,303,623,239	-	-	-	3,712,444,000	-	5,946,016,067,239
Disposals	(2,707,275,343,025)	(2,387,391,764)	(27,386,632,361)	(15,472,256,807)	(11,937,195,097)	(5,346,097,190)	(2,769,804,916,244)
Other movements	-	(555,334,634)	719,545,454	(654,545,455)	(176,112,327)	(130,596,804)	(797,043,766)
Closing balance	35,957,411,839,161	2,986,896,241,977	4,340,934,114,948	2,083,157,296,708	1,111,777,000,014	341,764,000,472	46,821,940,493,280
Accumulated depreciation							
Opening balance	21,885,364,779,131	1,617,107,055,405	3,592,618,479,841	1,459,825,391,095	954,741,954,007	236,951,012,325	29,746,608,671,804
Charge for the year	2,014,748,059,087	100,917,262,652	185,392,336,639	124,744,326,677	63,493,338,123	13,974,245,302	2,503,271,568,480
Transfer from finance lease tangible fixed assets	4,452,020,579,117	-	-	-	2,969,955,196	-	4,454,990,534,313
Disposals	(2,707,275,343,025)	(2,387,391,764)	(27,386,632,361)	(15,472,256,807)	(11,937,195,097)	(5,346,097,190)	(2,769,804,916,244)
Other movements	-	(389,576,711)	222,296,198	(203,005,869)	(130,402,644)	(92,360,945)	(593,049,971)
Closing balance	25,644,858,074,310	1,715,247,349,582	3,750,846,480,317	1,568,894,455,096	1,009,139,649,585	245,486,799,492	33,934,472,808,382
Net book value							
Opening balance	10,837,018,779,816	1,362,507,123,519	712,164,932,357	546,350,906,006	141,534,302,353	106,857,032,141	13,706,433,076,192
Closing balance	10,312,553,764,851	1,271,648,892,395	590,087,634,631	514,262,841,612	102,637,350,429	96,277,200,980	12,887,467,684,898

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Included in tangible fixed assets were assets costing VND12,056 billion which were fully depreciated as of 31 December 2024 (1/1/2024: VND11,048 billion), which are still in use.

At 31 December 2024 tangible fixed assets with a net book value of VND9,193 billion (1/1/2024: VND9,159 billion) were pledged with banks as security for loans granted to Vietnam Airlines and its subsidiaries (Note 23).

For financial years 2020, 2021 and 2022, Vietnam Airlines depreciated its aircraft and aircraft engines in accordance with the separate guidance as stated in Note 3. The accumulated difference in depreciation between the straight-line depreciation method and the depreciation method described in Note 3 as of 1 January 2023 continues to be depreciated on a straight-line basis over the remaining estimated useful lives of tangible fixed assets.

Had Vietnam Airlines had applied its accounting policy using the straight-line method for the years 2020, 2021 and 2022, the accumulated depreciation of tangible fixed assets and accumulated losses as at 31 December 2024 in the consolidated balance sheet would have increased by VND1,609 billion (1/1/2024: increased by VND1,669 billion); and cost of sales in the consolidated statement of income for the year ended 31 December 2024 would have decreased by VND422 billion (2023: decreased by VND925 billion).

13. Finance lease tangible fixed assets

	Aircrafts and aircraft engines VND	Office machinery and equipment VND	Total VND
Cost			
Opening balance	39,056,930,976,829	3,712,444,000	39,060,643,420,829
Transfer to tangible fixed assets	(5,942,303,623,239)	(3,712,444,000)	(5,946,016,067,239)
Closing balance	33,114,627,353,590	-	33,114,627,353,590
Accumulated depreciation			
Opening balance	18,553,919,604,490	2,969,955,196	18,556,889,559,686
Charge for the year	2,548,530,151,870	-	2,548,530,151,870
Transfer to tangible fixed assets	(4,452,020,579,117)	(2,969,955,196)	(4,454,990,534,313)
Closing balance	16,650,429,177,243	-	16,650,429,177,243
Net book value			
Opening balance	20,503,011,372,339	742,488,804	20,503,753,861,143
Closing balance	16,464,198,176,347	-	16,464,198,176,347

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As at 31 December 2024, Vietnam Airlines was leasing 16 aircraft including A321 and B787. At the end of each lease period, Vietnam Airlines has the option to purchase these aircraft under the lease contracts' terms and conditions.

For fiscal years 2020, 2021 and 2022, Vietnam Airlines depreciated its aircraft and engines according to separate accounting guidance presented in Note 3. The accumulated difference between the straight-line depreciation method and the depreciation method presented in Note 3 up to 1 January 2023 continued to be depreciated using the straight-line basis over the remaining estimated useful life of the finance lease tangible fixed assets.

Had Vietnam Airlines applied the straight-line depreciation policy in 2020, 2021 and 2022, the accumulated depreciation of finance lease tangible fixed assets and accumulated losses in the consolidated balance sheet as at 31 December 2024 would have increased by VND2,204 billion (1/1/2024: increased by VND2,987 billion); cost of sales in the consolidated statement of income for the year ended 31 December 2024 would have decreased by VND421 billion (2023: decreased by VND526 billion).

As at 31 December 2024, finance lease tangible fixed assets with a net book value of VND1,992 billion are pledged as security for the financial lease liabilities that have been fully settled. The Corporation is currently in the process of completing the procedures for de-mortgaging to transfer ownership.

14. Intangible fixed assets

	Land use rights VND	Software VND	Others VND	Total VND
Cost				
Opening balance	73,846,177,206	727,040,291,997	25,885,231,380	826,771,700,583
Additions	-	4,053,500,000	-	4,053,500,000
Transfer from construction in progress	-	130,159,936,518	-	130,159,936,518
Other movements	-	(2,155,668,965)	-	(2,155,668,965)
Closing balance	73,846,177,206	859,098,059,550	25,885,231,380	958,829,468,136
Accumulated amortisation				
Opening balance	4,381,680,549	673,333,310,259	685,231,380	678,400,222,188
Charge for the year	113,859,656	42,930,355,284	-	43,044,214,940
Other movements	-	(1,954,183,637)	-	(1,954,183,637)
Closing balance	4,495,540,205	714,309,481,906	685,231,380	719,490,253,491
Net book value				
Opening balance	69,464,496,657	53,706,981,738	25,200,000,000	148,371,478,395
Closing balance	69,350,637,001	144,788,577,644	25,200,000,000	239,339,214,645

Included in intangible fixed assets were assets costing VND654 billion which were fully amortised as at 31 December 2024 (1/1/2024: VND546 billion), which are still in use.



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15. Construction in progress

	2024 VND	2023 VND
Opening balance	132,650,060,151	94,019,231,444
Additions during the year	288,773,855,046	160,240,330,517
Capitalised interest expenses	1,612,286,723	4,267,472,385
Transfer from intangible fixed assets	-	428,087,833
Transfer to tangible fixed assets	(85,988,263,945)	(50,892,300,532)
Transfer to finance lease tangible fixed assets	-	(1,238,695,182)
Transfer to intangible fixed assets	(130,159,936,518)	(6,121,017,593)
Transfer to inventories	(25,752,087)	-
Transfer to short-term prepaid expenses	-	(96,211,820)
Transfer to long-term prepaid expenses	(85,826,412,743)	(49,121,327,852)
Finalisation of fixed asset repair projects	(11,876,283,216)	(18,835,509,049)
Closing balance	109,159,553,411	132,650,060,151

Major constructions in progress were as follows:

	31/12/2024 VND	1/1/2024 VND
Petroleum warehouse for Phu Bai airport	51,311,528,216	11,495,867,327
Funding for relocation and ground clearance for the cooperation area in phase 2, area of 1,045 ha (phase 2)	17,837,109,000	17,837,109,000
MRO software under installation	-	86,141,813,552
Others	40,010,916,195	17,175,270,272
	109,159,553,411	132,650,060,151

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16. Investments in associates

	Address	31/12/2024	1/1/2024
		Cost VND	Value under equity method VND
Associates			
Vietnam Aircraft Leasing Joint Stock Company	Vietnam	439,335,275,853	1,070,125,339,375
Tan Son Nhat Petrol Commercial Joint Stock Company	Vietnam	119,686,420,000	147,950,025,874
Danang Airport Services Joint Stock Company	Vietnam	86,652,841,772	11,024,432,707
Noi Bai Aviation Fuel Service Joint Stock Company	Vietnam	30,000,000,000	39,961,863,164
General Aviation Import-Export Joint Stock Company	Vietnam	22,812,300,000	15,455,358,860
Aviation Ground Services Company Limited	Vietnam	17,000,000,000	-
Aviation High-Grade Plastic Joint Stock Company	Vietnam	14,266,335,863	13,354,000,000
Vietnam Sky Services Investment Joint Stock Company	Vietnam	1,280,000,000	728,312,415
		731,033,173,488	1,421,385,347,451
		731,033,173,488	1,298,599,332,395



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The movements of equity investments in associates under the equity method during the period are as follows:

	2024 VND	2023 VND
Opening balance	1,298,599,332,395	1,182,959,007,769
Share of profit in associates incurred during the year	70,287,711,026	88,210,560,520
Foreign exchange differences	55,264,675,168	31,843,046,506
Other movements	(2,766,371,138)	(4,413,282,400)
Closing balance	1,421,385,347,451	1,298,599,332,395

17. Prepayments

(a) Short-term prepayments

	31/12/2024 VND	1/1/2024 VND
Rentals of aircraft and aircraft engines and other assets	545,708,100,892	519,780,557,186
Commission from sales of transportation documents (*)	9,597,444,598	16,714,433,506
Other short-term prepaid expenses	76,108,869,064	68,785,048,387
	631,414,414,554	605,280,039,079

(*) These represents commission fees paid to agents for transportation documents sold but the transportation services has not been rendered. These prepaid expenses are transferred to the consolidated statement of income when transportation service is carried out or transportation documents expire.

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(b) Long-term prepayments

	Overhaul expenses for aircraft airframe and engines VND	Export credit guarantee fee in respect of financing contracts for aircraft purchasing VND	Rotational spare parts, tools and supplies VND	Others VND	Total VND
Opening balance	3,685,278,308,552	471,767,022,865	457,894,712,773	230,032,180,484	4,844,972,224,674
Additions	4,429,986,534,291	-	511,058,988,707	266,216,563,525	5,207,262,086,523
Transfer to inventories	-	-	(713,414,739)	-	(713,414,739)
Transfer from construction in progress	-	-	530,627,329	85,295,785,414	85,826,412,743
Amortisation for the year	(2,241,431,833,883)	(161,642,728,112)	(267,283,017,606)	(237,696,807,436)	(2,908,054,387,037)
Closing balance	5,873,833,008,960	310,124,294,753	701,487,896,464	343,847,721,987	7,229,292,922,164

For fiscal years 2020, 2021 and 2022, Vietnam Airlines amortised the overhaul expenses for aircraft airframe and engines according to separate accounting instructions presented in Note 3. The accumulated difference between the straight-line amortisation method and the amortisation method presented in Note 3 up to 1 January 2023 is being amortised to results of operations for the period with the total time from the initial amortisation starting date not exceeding 3 years.

Had Vietnam Airlines applied the straight-line amortisation policy for overhaul expenses for aircraft airframe and engines in 2020, 2021 and 2022, long-term prepayments and accumulated losses in the consolidated balance sheet as at 31 December 2024 would have decreased and increased by VND4 billion (1/1/2024: decreased and increased by VND48 billion), cost of goods sold and services provided in the consolidated statement of income for the year ended 31 December 2024 would have decreased by VND44 billion (2023: decreased by VND1,519 billion).



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18. Accounts payable to suppliers

(a) Short-term accounts payable to suppliers

	Cost and amount within payment capacity	
	31/12/2024 VND	1/1/2024 VND
Accounts payable to major suppliers	14,991,952,401,613	18,251,179,961,779
Payables from sale of passenger, baggage, MCO transportation documents (i)	13,229,770,717,560	10,518,729,323,348
Payables relating to tax included in air ticket prices (ii)	2,235,215,228,154	1,685,118,016,356
Interlines payables	23,500,200,033	333,087,597,109
Payables from sale of cargo transportation documents	23,868,537,137	9,234,313,645
	<u>30,504,307,084,497</u>	<u>30,797,349,212,237</u>

- (i) Payables from sale of passenger, baggage, MCO transportation documents represent the service value paid by customers but not yet used as at the end of the annual accounting period.
- (ii) Payables relating to tax included in air ticket prices represent the tax amount that Vietnam Airlines and its subsidiaries has to pay to the tax authorities or the airport administration agencies, including taxes that will incur when prices are sold to passengers and when the transport service is performed.

(b) Long-term accounts payable to suppliers

	Cost and amount within payment capacity	
	31/12/2024 VND	1/1/2024 VND
Long-term aircraft lease liabilities	268,737,939,234	763,215,038,360

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(c) Accounts payable to suppliers who are related parties

	Cost and amount within payment capacity	
	31/12/2024 VND	1/1/2024 VND
Vietnam Aircraft Leasing Joint Stock Company	627,739,256,135	1,252,858,581,370
General Aviation Import Export Joint Stock Company	31,953,045,711	42,398,669,111
Tan Son Nhat Petrol Commercial Joint Stock Company	23,465,653,365	20,666,653,090
Danang Airports Services Joint Stock Company	3,067,173,500	6,371,022,881
Vietnam Sky Services Investment Joint Stock Company	-	502,713,241
	<u>686,225,128,711</u>	<u>1,322,797,639,693</u>

The amounts payable to suppliers who are related parties were unsecured, and are payable as agreed.

As of 31 December 2024, Vietnam Airlines and its subsidiaries' outstanding overdue debt is VND10,812 billion (1/1/2024: VND13,743 billion). In addition, Vietnam Airlines and its subsidiaries have also agreed to offset part of the liability with the maintenance reserve paid to the lessor.

Vietnam Airlines and its subsidiaries' repayment capacity depends on the generation of cash flows from business and production activities and the possible extension of payment terms of accounts payable to suppliers and leases (Note 2(c)).



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19. Taxes and others receivable from and payable to State Treasury

	1/1/2024		Incurred after netting off		31/12/2024	
	Receivable VND	Payable VND			Receivable VND	Payable VND
Taxes						
Value added tax	140,318,236	77,848,859,221	1,026,903,393,682	(1,064,229,408,626)	381,373,896	40,763,899,937
Import-export tax	44,799,179	-	17,035,311,615	(17,077,994,934)	87,482,498	-
Corporate income tax	1,845,380,631	126,014,675,847	390,656,861,893	(325,153,084,531)	134,314,643	189,807,387,221
Personal income tax	4,797,642,886	52,542,652,644	691,862,021,881	(669,126,601,802)	136,278,399	70,616,708,236
Natural resource taxes	177,158,240	-	-	-	177,158,240	-
Land and housing taxes and land rental	239,099,703	-	95,522,129,171	(86,779,959,490)	-	8,503,069,978
Environment protection tax	18,000	53,590,466,000	688,431,519,995	(687,774,380,195)	1,200	54,247,589,000
Contractor tax	-	8,427,280,200	145,230,734,724	(151,935,266,506)	-	1,722,748,418
Others	2,000,000	2,952,762,079	10,599,157,648	(13,547,381,801)	2,000,000	4,537,926
Other obligations						
Fees and duties	-	-	117,527,612,714	(117,527,612,714)	-	-
	7,246,416,875	321,376,695,991	3,183,768,743,323	(3,133,151,690,599)	918,608,876	365,665,940,716

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According to Decision 1577/QĐ-CT-KT1 dated 28 April 2011, Pacific Airlines Joint Stock Aviation Company ("PA"), a subsidiary of Vietnam Airlines, has an obligation to pay an additional amount of VND304.2 billion to State Treasury for the period from 1 January 2004 to 30 June 2009, in which tax and penalties are VND186.9 billion and VND117.3 billion, respectively. From August 2012 to February 2013, PA had paid a part of the above mentioned tax liability with an amount of VND59.1 billion, which is tax payable incurred for the period after Qantas Asia Investment Company (Singapore) Pte., Ltd. invested in PA (after 31 July 2007).

According to Official Letter No. 3106/TCT-QLN dated 29 August 2012 issued by the General Department of Taxation, the General Department of Taxation has agreed to temporarily not enforce the fine of VND117.3 billion for administrative violations of PA until there is a direction from the superior agency. On 4 February 2013, the Ministry of Finance sent the Tax Department of Ho Chi Minh City Official Letter No. 1894/BTC-TCT requesting the Tax Department of Ho Chi Minh City to delay the collection of PA's tax liabilities of VND 127.8 billion incurred prior to 31 July 2007 until there is an official conclusion of a competent State agency.

In 2024, PA received Decisions numbered from No. 3530 to No. 3537 and from No. 3567 to No. 3575/QĐ-CTTPHCM-KDT of Ho Chi Minh City Tax Department regarding the enforcement of administrative decisions on tax administration by deducting funds from the account of the enforced company held at the State Treasury and credit institutions recover the outstanding tax liability. According to Notification No. 181497/TB-CTTPHCM-KDT dated 8 July 2024 about PA's tax liabilities, the total amount of unpaid tax to the State Budget is VND772.3 billion, of which the tax and other receivables are VND219.6 billion, and the late payment amount is VND552.7 billion.

According to the Resolution of the National Assembly at its 8th session of the 15th National Assembly dated 30 November 2024, the National Assembly approved measures to continue alleviating difficulties caused by the impact of the COVID-19 pandemic, so as to facilitate Vietnam Airlines' early recovery and sustainable development, including allowing PA to have its late payment penalties written off; late payment fees calculated based on tax amounts arising under decisions from the competent tax authorities, outstanding as of 31 December 2024. PA is responsible for paying the full outstanding tax amount (principal amount) before 31 December 2024. After this deadline, the tax authorities will charge late payment interest, urge and apply enforcement measures in accordance with relevant regulations.

PA has paid the full outstanding tax amount (principal amount) to the Ho Chi Minh City Tax Department before 31 December 2024 in accordance with relevant regulations. As for the late payment penalties, the Ho Chi Minh City Tax Department has not yet received any official document from the Government or the Ministry of Finance guiding the write-off of late payment interest for PA. Therefore, in the tax administration system of the tax authority, PA still has outstanding late payment interest and the enforcement measures not yet lifted.

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20. Accrued expenses

(a) Accrued expenses – short-term

	31/12/2024 VND	1/1/2024 VND
Aircraft leasing and maintenance expenses	4,465,552,485,448	5,317,658,402,615
Interest expenses on late payments	1,232,685,018,989	1,729,044,481,196
Interest expenses	225,719,160,931	182,265,443,419
Flight services expenses	14,096,499,501	60,683,665,917
Aircraft fuel expenses	-	5,257,928,637
Others	1,099,976,012,278	575,022,982,696
	<u>7,038,029,177,147</u>	<u>7,869,932,904,480</u>

(b) Accrued expenses – long-term

	31/12/2024 VND	1/1/2024 VND
Aircraft maintenance expenses	2,326,103,000,106	1,528,272,034,954

(c) Accrued expenses due to related parties

	31/12/2024 VND	1/1/2024 VND
Vietnam Aircraft Leasing Joint Stock Company	231,334,019,443	122,969,588,114
General Aviation Import Export Joint Stock Company	79,992,625	-
	<u>231,414,012,068</u>	<u>122,969,588,114</u>

Accruals to be paid to suppliers who are related parties were unsecured and are payable as agreed.

21. Unearned revenue – short-term

	31/12/2024 VND	1/1/2024 VND
Customer loyalty programs	1,606,884,348,427	1,171,989,632,213
Others	59,177,834,996	43,919,602,126
	<u>1,666,062,183,423</u>	<u>1,215,909,234,339</u>

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22. Other payables

(a) Other payables – short-term

	31/12/2024 VND	1/1/2024 VND
Receipt of contract signing support from supplier	81,164,800,000	-
Short-term deposits and collaterals received	63,539,356,568	245,640,377,899
Dividends payable	5,257,466,318	3,517,236,439
Other payables	534,772,802,965	1,051,293,288,248
	<u>684,734,425,851</u>	<u>1,300,450,902,586</u>

(b) Other payables – long-term

	31/12/2024 VND	1/1/2024 VND
Deposits received for maintenance reserve and aircraft leasing	373,629,111,594	294,767,343,864
Receipt in advance of credit granted under Material Solutions Agreement	306,861,245,824	306,861,245,824
Long-term deposits and collaterals received	133,617,064,590	163,477,318,933
Receipt of contract signing support from supplier	270,549,290,806	-
Other payables	292,795,384,884	550,543,140,922
	<u>1,377,452,097,698</u>	<u>1,315,649,049,543</u>

(c) Other payables representing amounts due to related parties

	31/12/2024 VND	1/1/2024 VND
Tan Son Nhat Petrol Commercial Joint Stock Company	6,515,731,530	8,270,008,790
Noi Bai Aviation Fuel Service Joint Stock Company	468,006,570	1,572,621,523
	<u>6,983,738,100</u>	<u>9,842,630,313</u>

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23. Borrowings and finance lease liabilities

(a) Short-term borrowings and finance lease liabilities

	Movement during the year			31/12/2024 Carrying amount and amount within repayment capacity (*) VND
	1/1/2024	Addition VND	Decrease VND	Foreign exchange differences VND
Short-term borrowings				
Current portion of long-term borrowings (Note 23(b)(i))	12,055,763,479,157	33,160,772,369,595	(35,131,259,664,896)	16,988,563,371
Current portion of finance lease principals (Note 23(b)(ii))	1,542,128,291,036	1,259,843,989,313	(1,569,700,119,416)	31,585,894,107
	3,963,889,144,913	2,857,829,027,539	(3,963,889,103,635)	87,247,851,854
	17,561,780,915,106	37,278,445,386,447	(40,664,848,887,947)	14,311,199,722,938

Vietnam Airlines and its subsidiaries' repayment capacity depends on the generation of cash flows from business and production activities and the possible extension of payment terms of accounts payable to suppliers and lessors (Note 2(c)).

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Terms and conditions of outstanding short-term borrowings were as follows:

	Currency	Annual interest rate	31/12/2024 VND	1/1/2024 VND
Southeast Asia Commercial Joint Stock Bank	VND	2.9%	1,977,205,522,423	2,379,818,949,408
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	2.8% - 4.3%	3,624,539,685,809	2,108,167,828,120
Vietnam Maritime Commercial Joint Stock Bank	VND	2.9% - 3.0%	1,438,627,248,303	1,915,205,037,975
Saigon-Hanoi Commercial Joint Stock Bank	VND	2.9%	999,999,999,874	999,999,999,874
Vietnam Bank for Industry and Trade	VND	3.2% - 5.3%	421,231,791,176	291,483,242,052
Joint Stock Commercial Bank for Investment and Development of Vietnam	USD	3.3%	344,010,122,812	430,099,226,065
Joint Stock Commercial Bank for Foreign Trade of Vietnam	USD	3.2%	336,847,352,215	286,925,274,005
Kestrel Aviation Ireland No. 1 Limited	USD	4.5%	233,017,695,755	222,155,696,709
Military Commercial Joint Stock Bank	USD	3.3%	231,274,936,289	-
Vietnam Maritime Commercial Joint Stock Bank	USD	3.0%	212,572,195,540	474,371,512,442
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	3.0% - 4.4%	102,528,767,949	193,276,873,318
HSBC Bank Limited	USD	7.0%	108,974,880,924	45,453,894,000
Vietnam – Russia Joint Venture Bank	VND	3.2%	55,523,346,286	-
Vietnam Bank for Agriculture and Rural Development	VND	3.8% - 4.2%	15,911,201,872	-
Vietnam Thuong Tin Commercial Joint Stock Bank	VND	2.5% - 5.5%	-	1,196,055,177,565
An Binh Commercial Joint Stock Bank	VND	5.3% - 6.5%	-	580,697,407,886
Military Commercial Joint Stock Bank	VND	3.5%	-	346,131,885,603
Vietnam International Commercial Joint Stock Bank	VND	3.3% - 4.0%	-	293,273,129,421
Vietnam Bank for Industry and Trade	USD	3.6%	-	292,648,344,714
			10,102,264,747,227	12,055,763,479,157

The refinancing loans from Southeast Asia Commercial Joint Stock Bank, Vietnam Maritime Commercial Joint Stock Bank and Saigon - Hanoi Commercial Joint Stock Bank with the total credit limit of VND4,000 billion according to Circular No. 04/2021/TT-NHNN dated 5 April 2021 (Note 2). These facilities are secured by assets including aircraft, engines and shares of Vietnam Airlines in subsidiaries and associates listed on the stock exchanges HOSE, HNX and UPCOM.

In addition to refinancing loans, the loan balance with Joint Stock Commercial Bank for Foreign Trade of Vietnam secured over assets was VND2,964 billion (1/1/2024: VND1,695 billion) (Note 12). The remaining short-term loans were unsecured.

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(b) Long-term borrowings and finance lease liabilities

	31/12/2024 VND	1/1/2024 VND
Long-term borrowings (i)	3,868,111,734,489	5,158,987,901,512
Finance lease liabilities (ii)	6,512,423,461,141	10,153,308,661,977
	10,380,535,195,630	15,312,296,563,489
Repayable within twelve months	4,208,934,975,711	5,506,017,435,949
Repayable after twelve months	6,171,600,219,919	9,806,279,127,540

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11.35/ = 1.03%

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(i) Long-term borrowings

Terms and conditions of outstanding long-term borrowings were as follows:

	Currency	Year of maturity	31/12/2024 VND	1/1/2024 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam (*)	USD	2025 – 2028	2,008,344,562,793	2,677,052,028,752
Joint Stock Commercial Bank for Investment and Development of Vietnam	USD	2027 – 2028	470,159,959,125	782,649,686,463
Vietnam Export Import Commercial Joint Stock Bank	USD	2028	511,242,624,000	582,690,816,000
Vietnam Joint Stock Commercial Bank of Industry and Trade	VND	2025 – 2028	232,563,083,927	323,698,083,538
Joint Stock Commercial Bank for Foreign Trade of Vietnam (*)	VND	2027 – 2029	157,732,587,010	246,105,089,025
Vietnam - Russia Joint Venture Bank	USD	2028	167,451,649,220	198,742,596,480
Indovina Bank	USD	2028	140,726,388,000	167,023,296,000
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	2026 – 2028	35,295,735,927	48,895,735,926
Military Commercial Joint Stock Bank	VND	2025 – 2029	54,689,160,961	43,666,719,190
Tien Phong Commercial Joint Stock Bank	VND	2028	13,148,063,552	28,670,580,553
Vietnam International Commercial Joint Stock Bank	VND	2025 – 2029	15,395,163,104	25,760,111,484
Maritime Commercial Joint Stock Bank	VND	2025 – 2026	14,185,978,813	24,122,343,709
South East Asia Commercial Joint Stock Bank	VND	2027	5,873,493,700	7,706,968,000
Vietnam International Commercial Joint Stock Bank	USD	2029	41,303,284,357	2,203,846,392
Repayable within twelve months			3,868,111,734,489	5,158,987,901,512
Repayable after twelve months			1,263,858,055,040	1,542,128,291,036
			2,604,253,679,449	3,616,859,610,476

55

11.21/ = 1.03%



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- (*) These include syndicated loans from 3 local banks with the Joint Stock Commercial Bank for Foreign Trade of Vietnam acting as the credit focal point.

As at 31 December 2024, the long-term loan balance secured over assets is VND2,381 billion (1/1/2024: VND3,408 billion) (Note 12). The remaining loans were unsecured.

(ii) Finance lease liabilities

	31/12/2024 VND	1/1/2024 VND
ING Group	3,925,057,061,533	5,349,096,969,898
Citibank	1,223,386,579,298	2,269,233,410,015
MUFG Bank	892,675,000,000	1,060,500,000,000
HSBC Bank	471,304,820,310	814,236,813,266
JP Morgan Chase Bank	-	660,241,468,798
	6,512,423,461,141	10,153,308,661,977

As at 31 December 2024, the financial lease liabilities were secured over guarantees from the Ministry of Finance amounting to VND5,620 billion (1/1/2024: VND9,093 billion), the remaining financial lease liabilities were secured over financial lease assets.

As at 31 December 2024, financial lease liabilities were denominated in foreign currency with the balance of USD255,339,088 (1/1/2024: USD418,865,869).

The future minimum lease payments under non-cancellable finance leases are:

31 December 2024

	Total payments VND	Interest VND	Principal VND
Within one year	3,234,923,614,671	289,846,694,000	2,945,076,920,671
Within the second year	2,026,185,201,199	154,903,377,484	1,871,281,823,715
From the third to the fifth year	1,766,123,654,116	70,058,937,361	1,696,064,716,755
	7,027,232,469,986	514,809,008,845	6,512,423,461,141

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1 January 2024

	Total payments VND	Interest VND	Principal VND
Within one year	4,516,374,594,081	552,485,449,168	3,963,889,144,913
Within the second year	3,126,245,989,111	327,239,327,750	2,799,006,661,361
From the third to the fifth year	3,643,007,689,397	252,594,833,694	3,390,412,855,703
	11,285,628,272,589	1,132,319,610,612	10,153,308,661,977

24. Bonus and welfare funds

This fund is established by appropriating mainly from retained profits as approved by shareholders at shareholders' meeting. This fund is used to pay bonus and welfare to employees in accordance with Vietnam Airlines' and its subsidiaries' bonus and welfare policies. Movements of bonus and welfare fund during the year were as follows:

	2024 VND	2023 VND
Opening balance	670,499,547,015	756,601,328,434
Addition in the year	112,315,792,270	82,942,857,805
Utilisation	(183,546,931,918)	(168,487,031,146)
Depreciation of assets financed by fund	(332,673,042)	(557,608,078)
Closing balance	598,935,734,325	670,499,547,015



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25. Changes in owners' equity

	Share capital VND	Share premium VND	Other capital VND	Differences upon asset revaluation VND	Foreign exchange reserve VND	Investment and development fund VND	Other equity funds VND	Accumulated losses VND	Total VND
Balance at 1 January 2023	22,143,941,740,000	1,220,498,156,541	241,355,237,827	(1,153,004,222,954)	122,441,972,786	933,114,412,332	2,024,298,861	(35,072,236,866,349)	(11,562,896,228,947)
Net loss for the year	-	-	-	-	-	-	-	(5,930,301,562,765)	(5,930,301,562,765)
Appropriation to investment and development fund	-	-	-	-	-	1,030,958,000	-	(1,030,958,000)	-
Appropriation to bonus and welfare fund	-	-	-	-	-	-	-	(75,208,924,880)	(75,208,924,880)
Currency translation differences (Note 4(b)(ii))	-	-	-	-	31,843,046,506	-	-	-	31,843,046,506
Other movements	-	-	-	-	-	-	-	21,368,285,569	21,368,285,569
Balance at 1 January 2024	22,143,941,740,000	1,220,498,156,541	241,355,237,827	(1,153,004,222,954)	154,285,019,292	933,114,412,332	2,024,298,861	(41,057,410,026,425)	(17,515,195,384,526)
Net profit for the year	-	-	-	-	-	-	-	7,564,092,019,695	7,564,092,019,695
Appropriation to bonus and welfare fund	-	-	-	-	-	-	-	(103,033,015,136)	(103,033,015,136)
Currency translation differences (Note 4(b)(ii))	-	-	-	-	35,204,675,168	-	-	-	35,204,675,168
Other movements	-	-	-	-	-	-	-	(17,843,447,716)	(17,843,447,716)
Balance at 31 December 2024	22,143,941,740,000	1,220,498,156,541	241,355,237,827	(1,153,004,222,954)	209,549,694,460	933,114,412,332	2,024,298,861	(33,614,194,469,572)	(10,016,715,152,505)

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26. Share capital

Vietnam Airlines' authorised and issued share capital are:

	31/12/2024 and 1/1/2024	
	Number of shares	VND
Authorised share capital	2,214,394,174	22,143,941,740,000
Issued share capital		
Ordinary shares	2,214,394,174	22,143,941,740,000
Shares in circulation		
Ordinary shares	2,214,394,174	22,143,941,740,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of Vietnam Airlines. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to Vietnam Airlines' residual assets.

In accordance with the 9th amended Enterprise Registration Certificate dated 12 January 2022, Vietnam Airlines' total share capital is VND22,143,941,740,000.

As at 31 December 2024, the share capital has been fully contributed by shareholders as follows:

	Number of shares	Percentage (%)	Contributed capital as at 31/12/2024 and 1/1/2024 VND
The State as owner	1,222,368,291	55.20	12,223,682,910,000
State Capital Investment Corporation (SCIC)	689,488,080	31.14	6,894,880,800,000
ANA Holding Incorporation (ANA)	124,438,698	5.62	1,244,386,980,000
Other shareholders	178,099,105	8.04	1,780,991,050,000
	2,214,394,174	100	22,143,941,740,000

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27. Non-controlling interest

	2024 VND	2023 VND
Opening balance	489,269,505,788	507,271,473,093
Profit for the year	393,470,738,731	298,553,092,074
Appropriation to bonus and welfare fund	(9,276,851,226)	(7,688,071,592)
Dividends	(227,434,257,604)	(308,687,526,178)
Other movements	26,443,141,656	(179,461,609)
Closing balance	672,472,277,345	489,269,505,788

28. Off balance sheet items

(a) Lease

The future minimum lease payments under non-cancellable operating leases contracts were:

	31/12/2024 VND	1/1/2024 VND
Within one year	12,274,948,314,328	11,623,268,001,444
Within two to five years	44,269,318,886,629	44,045,111,449,467
More than five years	37,270,540,606,656	40,870,907,936,097
	93,814,807,807,613	96,539,287,387,008

Operating lease aircrafts as at 31 December 2024 include:

- Aircraft A321 – 10 units under dry lease;
- Aircraft A321 NEO – 20 units under dry lease;
- Aircraft A350 – 14 units under dry lease;
- Aircraft B787-9 – 4 units under dry lease;
- Aircraft B787-10 – 6 units under dry lease; and
- Aircraft A320 NEO – 3 units under dry lease.

Operating lease engines, lease payments of which depend on cycles and flight hours. Operating lease engines as at 31 December 2024 include:

- Long-term lease aircraft engines – 11 units including 1 engines of Aircraft A321, 4 engines of Aircraft A321 NEO, 3 engines of Aircraft A350 and 3 engines of Aircraft B787; and
- Short-term lease aircraft engines – 20 units including 9 engines of Aircraft A321, 1 engine of Aircraft A321 NEO, 3 engines of Aircraft A350, 3 engines of Aircraft ATR72 and 4 engines of Aircraft B787.

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(b) Foreign currencies

		31/12/2024		1/1/2024	
		Original currency	VND equivalent	Original currency	VND equivalent
US Dollar	USD	22,991,893	583,155,740,554	13,221,084	319,655,295,582
Thai Baht	THB	12,293,717	9,164,032,253	20,841,010	14,796,889,910
Chinese Yuan	CNY	10,785,326	37,633,945,490	7,509,167	25,596,067,472
Singapore Dollar	SGD	782,872	14,680,412,181	481,987	8,869,990,840
Australian Dollar	AUD	1,398,106	22,146,000,256	1,140,354	18,906,949,716
Euro	EUR	3,318,875	88,484,515,087	3,219,247	86,919,561,947
Hong Kong Dollar	HKD	1,769,547	5,805,878,665	2,753,276	8,543,411,905
South Korean Won	KRW	2,419,536,274	41,906,358,066	2,200,734,801	41,505,844,547
Japanese Yen	JPY	380,499,227	61,629,426,606	376,971,902	65,200,930,678
Macau Pataca	MOP	2,520	7,638,120	2,520	7,517,160
Taiwan Dollar	TWD	8,666,575	6,751,261,925	5,688,535	4,488,254,115
British Pound	GBP	3,185,398	101,798,938,418	402,715	12,459,192,957
Canadian Dollar	CAD	439,455	7,800,319,860	14,714	269,538,013
Russian Rubble	RUB	587,025,997	135,603,005,272	119,553,365	32,279,408,420
Laos Kip	LAK	2,007,606	2,348,899	68,384,000	68,384,000
Malaysian Ringgit	MYR	413,440	2,364,047,347	742,293	3,924,504,413
Indonesian Rupiah	IDR	1,185,280,817	1,860,890,883	2,736,888,780	4,324,284,272
Myanmar Kyat	MMK	96,444	1,157,328	150,444	1,805,328
Swiss Franc	CHF	10	274,636	10	281,415
Indian Rupee	INR	163,842,856	48,825,170,990	-	-
Phillipine Peso	PHP	39,185,201	17,280,673,610	-	-
			1,186,902,036,446		647,818,112,690

(c) Bad debts written off

	31/12/2024 VND	1/1/2024 VND
Bad debts written off	100,479,380,837	95,699,689,119



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29. Revenue from sales of goods and provision of services

Total revenue represents the gross value of goods sold and services rendered exclusive of value added tax. Net revenue comprised:

	2024 VND	2023 VND
Total revenue		
▪ Revenue from transportation of passengers, baggage	73,925,345,111,447	65,444,120,557,354
▪ Revenue from transportation of cargo and postal items	6,912,968,372,195	4,939,729,223,455
▪ Revenue from aircraft charter and charter flights	1,267,690,267,729	1,084,153,475,172
▪ Other revenue from aviation transportation	1,181,641,635,608	776,743,289,825
Revenue from aviation transportation	83,287,645,386,979	72,244,746,545,806
Revenue from auxiliary services	3,993,654,325,857	3,066,820,277,786
Sales of goods	17,442,844,936,965	15,055,239,756,871
Others	2,187,670,673,786	1,864,403,646,949
	106,911,815,323,587	92,231,210,227,412
Less revenue deductions		
▪ Sales discounts	(969,843,018,400)	(691,345,042,213)
Net revenue	105,941,972,305,187	91,539,865,185,199

30. Financial income

	2024 VND	2023 VND
Interest income from deposits and loans	56,239,266,175	71,837,074,170
Dividends	170,229,431,500	94,886,217,750
Foreign exchange gains	1,034,091,145,196	698,932,894,946
Other financial income	5,517,286,415	60,692,465,501
	1,266,077,129,286	926,348,652,367

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31. Financial expenses

	2024 VND	2023 VND
Interest expense	1,281,733,876,235	1,554,935,763,903
Foreign exchange losses	2,529,608,833,787	1,600,807,552,568
Expenses related to long-term loan contracts, finance lease contracts	179,592,843,695	237,941,458,077
Other financial expenses	960,240,299,442	1,011,292,862,165
	4,951,175,853,159	4,404,977,636,713

32. Selling expenses

	2024 VND	2023 VND
Staff costs	715,184,673,894	588,811,734,655
Commission expenses	203,889,469,256	276,150,024,686
Ticket booking and seat reservation	1,638,462,737,084	1,555,391,392,723
Other selling expenses	2,340,811,537,008	1,956,315,829,649
	4,898,348,417,242	4,376,668,981,713

33. General and administration expenses

	2024 VND	2023 VND
Staff costs	815,144,426,512	728,911,502,891
Tax and fees	166,863,802,991	160,531,554,889
Other general and administration expenses	1,208,712,430,094	1,206,649,573,157
	2,190,720,659,597	2,096,092,630,937



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34. Other income

	2024 VND	2023 VND
Debts written off by supplier (*)	4,710,966,556,316	326,292,263,582
Gain from disposals of fixed assets	569,303,776,906	1,876,647,149
Penalties received	66,799,547,557	52,335,925,933
Income from sales and lease-back of engines and equipment	-	185,710,954,683
Others	151,111,431,889	143,953,720,253
	5,498,181,312,668	710,169,511,600

(*) According to the agreement with the aircraft lessors, PA's rental expenses and rental late payment interest have been written off.

35. Other expenses

	2024 VND	2023 VND
Loss from disposals of fixed assets, construction in progress and investment properties	612,834,725	48,470,720
Penalties on late payment, taxes	250,179,064,428	1,887,398,460
Payment of compensation for breach of contracts	3,799,128,822	77,242,951,847
Others	26,461,817,013	15,863,973,380
	281,052,844,988	95,042,794,407

36. Business costs by element

	2024 VND	2023 VND
Raw material costs	26,087,879,449,263	26,042,294,140,081
Staff costs	8,959,764,891,442	7,935,963,198,272
Depreciation and amortisation	5,094,513,262,248	5,986,064,143,591
Outside services	40,546,860,649,877	37,943,413,255,251
In which:		
- Overhaul of aircraft engines and airframe	4,948,866,413,122	5,989,469,891,287
- Regular repair of aircraft engines and airframe	2,851,076,130,430	3,123,563,663,585
- Aircraft leasing	13,221,811,650,880	12,253,707,591,602
- Other outside services	19,525,106,455,445	16,576,672,108,777
Other expenses	1,319,008,539,704	1,164,228,117,322

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37. Income tax

(a) Reconciliation of effective tax rate

	2024 VND	2023 VND
Accounting profit/(loss) before tax	8,415,642,344,129	(5,362,609,321,731)
Adjustments for taxable income		
Prior year unrealised foreign exchange difference	153,974,597,090	108,705,140,008
Non-deductible expenses	289,897,151,171	770,691,572,196
Tax exempt income	(170,229,431,500)	(94,886,217,750)
Current year unrealised foreign exchange difference	(277,122,729,651)	(170,386,785,128)
Income from Business Cooperation contracts (BCC)	(58,337,706,925)	(46,839,911,697)
Profits from investments in associates	(70,287,711,026)	(88,210,560,520)
Accrued expense differences	(945,149,611,876)	1,265,649,040,740
Effect of consolidation adjustments	(323,399,932,046)	18,662,657,601
Tax losses utilised	(5,126,582,027,747)	(89,339,713,267)
Taxable income	1,888,404,941,619	(3,688,564,099,548)
Unutilised tax losses	-	5,001,366,607,840
Taxable income	1,888,404,941,619	1,312,802,508,292
Tax rate	20%	20%
Current income tax expenses on operating profit	377,680,988,324	262,560,501,658
Changes in deferred tax assets and deferred tax liabilities	67,603,718,224	(4,309,540,329)
Current income tax expenses from BCC	11,667,541,385	9,367,982,340
Under provision in prior years	1,127,337,770	1,520,205,291
	458,079,585,703	269,139,148,960



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(b) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	31/12/2024		1/1/2024	
	Temporary difference VND	Tax value VND	Temporary difference VND	Tax value VND
Tax losses	35,371,717,922,370	7,074,343,584,474	40,498,299,950,117	8,099,659,990,023

The tax losses expire in the following years:

Year of incurrence	Year of expiry	Status of tax review	Tax losses available VND
2020	2025	Outstanding	7,184,724,237,655
2021	2026	Outstanding	12,849,103,183,572
2022	2027	Outstanding	10,012,259,729,727
2023	2028	Outstanding	5,325,630,771,416
			35,371,717,922,370

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which Vietnam Airlines and its subsidiaries can utilise the benefits therefrom.

(c) Applicable tax rates

Under the terms of Income Tax Law, Vietnam Airlines and its subsidiaries have an obligation to pay the government income tax at the rate of 20% of taxable profits.

38. Basic earnings/(losses) per share

The calculation of basic earnings per share for the year ended 31 December 2024 was based on the profit attributable to ordinary shareholders of Vietnam Airlines after deducting the expected amounts appropriated to bonus and welfare funds and a weighted average number of ordinary shares outstanding as follows:

	2024	2023
Net profit/(loss) for the year (VND)	7,564,092,019,695	(5,930,301,562,765)
Appropriation to bonus and welfare funds (VND)	-	-
Net profit/(loss) attributable to ordinary shareholders (VND)	7,564,092,019,695	(5,930,301,562,765)
Weighted average number of ordinary shares (number of shares)	2,214,394,174	2,214,394,174
Basic earnings/(losses) per share (VND)	3,416	(2,678)

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39. Significant transactions with related parties

In addition to related party balances disclosed in other notes to the consolidated financial statements, Vietnam Airlines and its subsidiaries had the following significant transactions with related parties during the year:

	Transaction value	
	2024 VND	2023 VND
Dividend or profit received during the year		
Vietnam Aircraft Leasing Joint Stock Company	94,237,449,000	47,263,271,000
Tan Son Nhat Petrol Commercial Joint Stock Company	35,905,926,000	40,496,605,750
Noi Bai Aviation Fuel Service Joint Stock Company	5,400,000,000	1,500,000,000
General Aviation Import-Export Joint Stock Company	1,285,200,000	771,120,000
Sales of goods and services		
Aviation Ground Services Company Limited	2,188,810,528	2,303,787,488
General Aviation Import – Export Joint Stock Company	2,563,675,740	2,167,366,083
Danang Airport Services Joint Stock Company	526,490,854	241,017,982
Tan Son Nhat Petrol Commercial Joint Stock Company	1,323,435,840	176,852,520
Purchase of goods and services		
Vietnam Aircraft Leasing Joint Stock Company	2,218,991,721,129	2,182,318,520,859
Tan Son Nhat Petrol Commercial Joint Stock Company	293,267,762,720	240,945,887,433
General Aviation Import-Export Joint Stock Company	183,019,809,632	165,715,575,923
Danang Airport Services Joint Stock Company	58,995,714,266	58,444,251,942
Aviation Ground Services Company Limited	43,654,490,813	46,714,143,580
Vietnam Sky Services Investment Joint Stock Company	-	1,274,887,124
Accrued bonus for fuel savings		
Tan Son Nhat Petrol Commercial Joint Stock Company	15,738,971,407	15,726,254,817
Noi Bai Aviation Fuel Service Joint Stock Company	1,917,246,589	3,001,379,289

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Salaries and remunerations of the Board of Directors, Board of Executive Officers and Supervisory Board

		2024 VND	2023 VND
Mr. Dang Ngoc Hoa	Chairman of Board of Directors	1,387,674,936	1,189,435,650
Mr. Ta Manh Hung	Member of Board of Directors	1,110,140,100	951,548,653
Mr. Le Hong Ha	Member of Board of Directors		
	President & CEO	1,380,771,264	1,183,518,225
Mr. Le Truong Giang	Member of Board of Directors	1,110,140,100	951,548,653
Mr. Hiroyuki Kometsani	Member of Board of Directors (resigned on 21/6/2024)	105,463,310	189,046,603
Mr. Daisuke Suzuki	Member of Board of Directors (appointed on 21/6/2024)	116,564,710	-
Mr. Dinh Viet Tung	Member of Board of Directors	222,028,020	189,046,603
Mr. Truong Van Phuoc	Member of Board of Directors	222,028,020	189,046,603
Mr. Trinh Hong Quang	Executive Vice President	740,093,400	951,548,653
Mr. Dang Anh Tuan	Executive Vice President	1,110,140,100	475,774,326
Mr. Nguyen Chien Thang	Executive Vice President	1,110,140,100	951,548,653
Mr. Dinh Van Tuan	Executive Vice President	1,110,140,100	434,238,472
Mr. Le Duc Canh	Executive Vice President	1,110,140,100	951,548,653
Mr. Nguyen The Bao	Executive Vice President	1,110,140,100	951,548,653
Mr. Trinh Ngoc Thanh	Executive Vice President (until 31/12/2023)	-	951,548,653
Mr. Tran Thanh Hien	Chief Accountant (until 1/5/2024)	370,046,700	951,548,653
Ms. Duong Thi Viet Tham	Head of Supervisory Board (from 1/1/2024)	1,110,140,100	37,759,867
Ms. Nguyen Thi Thien Kim	Head of Supervisory Board (until 31/12/2023)	-	913,788,785
Ms. Le Truc Quynh	Member of Supervisory Board (from 1/1/2024)	693,837,468	23,599,914
Ms. Nguyen Thi Hong Loan	Member of Supervisory Board	138,767,496	118,154,127
Mr. Mai Huu Tho	Member of Supervisory Board (until 31/12/2023)	-	351,747,321

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40. Comparative information

Comparative information as at 1 January 2024 were derived from the balances and amounts reported in the consolidated financial statements of Vietnam Airlines and its subsidiaries as at and for the year ended 31 December 2023.

31 March 2025

Prepared by:

Ho Xuan Tam
Department of Finance and Accounting

Approved by:

Tran Van Huu
Accountant In-charge

Le Hong Ha
President & CEO

"A mile" is connecting Vietnam to the world

Let Vietnam's spirit soar
to new horizons with Vietnam Airlines.

