

Vietjet Air (VJC)

Inefficient expansion

- Revenue and gross profit below our forecasts
- NPAT decline 44% YoY due to 3Q24's large aircraft sales
- Maintain HOLD recommendation

Facts: Fleet expansion drive sales growth

3Q25 revenue rose 8% YoY to VND16.9tn, while gross profit (GP) fell 5% YoY to VND2.1tn. GPM edged up to 12.4% (-0.9%p QoQ, +0.3%p YoY).

- **Transportation:** Revenue reached VND16.5tn (+9% YoY, table 2). However, GPM narrowed to 10.1% (+5.1%p QoQ, -0.2%p YoY), leading to a 4% YoY drop in GP to VND2,086bn. We attribute this to inefficient route expansion amid a 15% YoY increase in active fleet, while total passengers carried increased by 9% YoY to 7.1mn (Table 2).
- **Aircraft sales:** revenue dropped to VND435bn (-33% YoY, table 2), but GP surged 94% YoY to VND235bn.

SG&A expenses reduced 14% YoY to VND869, thanks to significant decline in marketing expenses.

3Q25 NPAT came in at VND320bn (-44% YoY).

Pros & cons: inefficient network expansion, limited domestic competition

Planespotters data shows VJC returned 3 aircraft (including 3 underperforming COMACs) and added 3 new Airbus units in Sep–Oct 2025. VJC is on track to receive 4 more A321neos in 4Q25F, expanding its fleet to 101 aircraft, with active capacity up 10% YoY.

SPQ's fares are positioned similarly to VJC's Deluxe tier (and below VNA's Economy Lite) but offer greater value (higher baggage allowance, in-flight meals). However, most SPQ flights operate during non-peak hours, which partly explains its competitive pricing strategy.

With SPQ's new aircraft expected to arrive late in the year, in preparation for the 2026 Lunar New Year so competitive risk from SPQ in 4Q25 remains limited.

Action: maintain HOLD rating

We believe the aviation industry is entering a growth phase and remain positive on VJC's medium- and long-term outlook. However, in the short term, we think the current market price has largely reflected the company's intrinsic value. Therefore, we maintain our HOLD recommendation.

Earnings Review

19 Nov 2025

12M rating **HOLD (Maintain)**

12M TP
Up/Downside

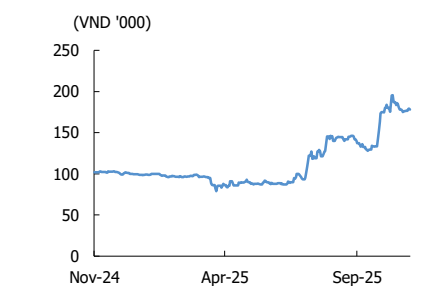
Stock Data

VNIndex (19 Nov, pt)	1,649
Stock price (19 Nov, VND)	178,000
Market cap (USD mn)	3,655
Shares outstanding (mn)	542
52-Week high/low (VND)	195,500/79,100
6M avg. daily turnover (USD mn)	9.98
Free float / Foreign ownership (%)	52.5/7.3
Major shareholders (%)	
Sunny Huong Duong Investment	26.2
Nguyen Thi Phuong Thao	8.0
Sovico Holdings	7.6

Performance

	1M	6M	12M
Absolute (%)	1.7	102.3	75.0
Relative to VNI (%p)	6.4	73.7	35.8

Stock price trend



Source: Bloomberg

Research Dept

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Table 1. Quarterly earnings snapshot

(VND bn, %, %p)

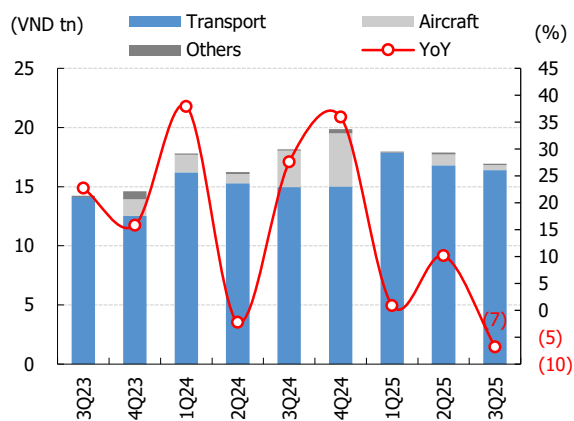
	3Q24	4Q24	1Q25	2Q25	3Q25	QoQ	YoY
Sales	18,164	19,851	17,952	17,885	16,931	(5.3)	(6.8)
OP	1,195	(88)	1,562	1,333	1,227	(40.2)	(33.3)
OP margin	6.6	(0.4)	8.7	7.5	7.2	(0.2)	0.7
PBT	760	108	836	815	400	(50.9)	(47.4)
NPAT	571	21	641	653	320	(50.9)	(43.9)

Source: Company data, KIS Research

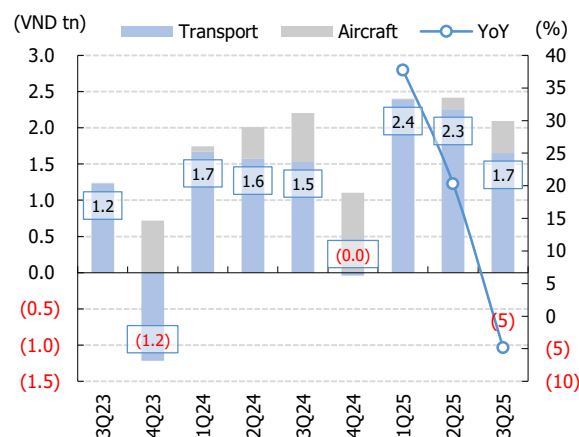
Table 2. 3Q25 earnings review

	3Q25			% QoQ		% YoY	
	Review	Preview	% Diff.	2Q25	Growth	3Q24	Growth
Sales	16,931	21,397	(20.9)	17,885	(5.3)	18,164	(6.8)
- Transportation	16,497	20,243	(18.5)	16,956	(2.7)	15,084	(9.4)
- Aircraft sales	435	1,155	(62.3)	929	(53.2)	3,081	(85.9)
OP	797	1,462	(45.5)	1,333	(40.2)	1,195	(33.3)
OP margin	7.2	6.8	0.4	7.5	(0.2)	6.6	0.7
NP	320	851	(62.4)	653	(50.9)	571	(43.9)
Operating stats*:							
ASK	16,213	17,066	(5.0)	16,338	(0.8)	14,222	14.0
RPK	14,429	15,189	(5.0)	14,214	1.5	12,088	19.4
Pax yield (USD cents)	4.19	4.94	(15.2)	4.42	(5.2)	4.79	(12.5)
Unit profit (USD cents)	0.19	0.32	(40.6)	0.20	(5.0)	0.15	26.7
Fleet and pax carried:							
Avg. active fleet	86.5	86.5	0.0	85.5	1.2	75.0	15.3
Pax carried (mn)	7.1			7.5	(5.3)	6.5	9.2

Source: Company data, Planespotters, KIS Research; (*) Numbers are estimated

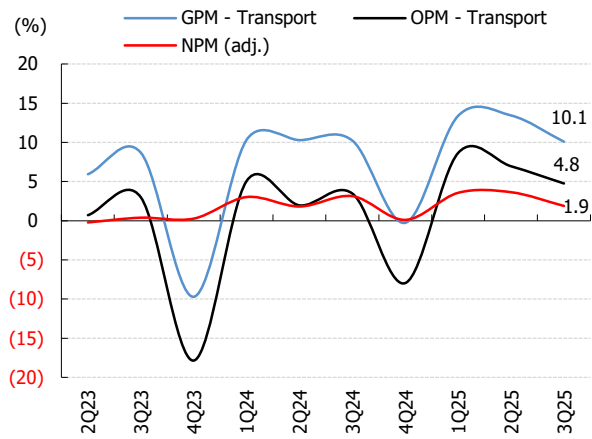
Figure 1. 3Q25 revenue -7% YoY due to lower aircraft sales, transport revenue up 9% YoY

Source: Company data, KIS Research

Figure 2. Transport GP reached VND1.7tn (-5% YoY) as 3Q24 recored large aircraft sales

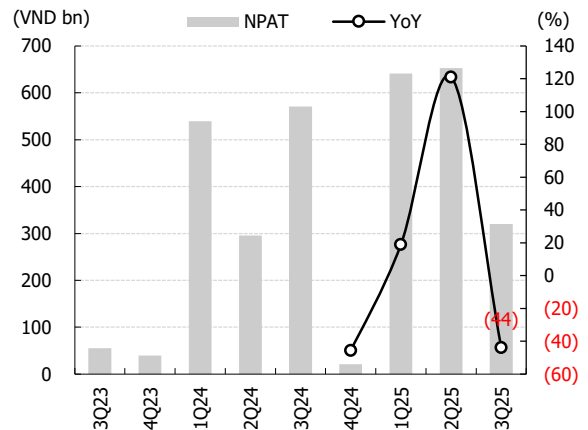
Source: Company data, KIS Research

Figure 3. Transport GPM narrowed to 10.1%, but OPM improved thanks to lower SG&A expenses



Source: Company data, KIS Research

Figure 4. NPAT declined 44% due to 4Q25 large aircraft sales



Source: Company data, KIS Research

■ Company overview

Vietjet Aviation JSC (VJC), Vietnam’s first private airline, was established in 2007. The company specializes in air transport services. At the end of 3Q25, VJC is operating 98 aircraft (not including 18 aircraft of Thai Vietjet) with 219 routes, including 50 domestic routes and 169 international routes.

Balance sheet

(VND bn)

FY-ending Dec.	2023A	2024A	2025F	2026F	2027F
Current assets	40,827	38,578	38,046	46,822	51,536
Cash & cash equivalent	5,051	4,559	4,985	6,728	8,060
Accounts & other receivables	35,073	32,013	30,918	37,201	40,056
Inventory	703	2,005	2,142	2,893	3,420
Non-current assets (Adj.)	46,098	60,738	68,531	74,368	83,723
Fixed Asset	10,173	14,166	18,793	20,397	23,079
Investment assets	149	149	149	149	149
Others	35,776	46,422	49,588	53,821	60,495
Total assets	86,925	99,315	106,577	121,190	135,259
Advances from customers	3,546	1,516	1,418	1,914	2,293
Unearned revenue	3,600	4,253	3,425	3,425	3,425
Trade payables	8,805	6,195	4,884	6,592	7,897
Others	24,910	10,461	11,637	10,731	10,242
ST debt & bond	13,554	12,460	14,983	18,389	21,944
LT debt & bond	17,257	30,052	29,701	29,350	28,999
Total liabilities	71,672	82,197	82,669	97,807	110,248
Controlling interest	15,232	17,097	23,885	23,361	24,989
Capital stock	5,416	5,416	5,466	5,466	5,466
Capital surplus	247	247	4,747	4,747	4,747
Other Reserves	319	780	1,268	1,268	1,268
Retained earnings	9,250	10,653	12,404	11,879	13,508
Minority interest	21	22	22	22	22
Shareholders' equity	15,253	17,119	23,908	23,383	25,012

Cash flow

(VND bn)

FY-ending Dec.	2023A	2024A	2025F	2026F	2027F
C/F from operating	(4,247)	(1,682)	(9)	3,206	3,696
Net profit	606	1,823	2,448	4,468	7,258
Depreciation	413	613	876	1,089	1,358
Net incr. in W/C	(9,992)	(7,121)	(5,686)	(5,037)	(7,669)
C/F from investing	(957)	(10,816)	(702)	(796)	(2,004)
CAPEX	(1,217)	598	(7,928)	(3,828)	(2,541)
Incr. in investment	(1,555)	(2,889)	3,126	1,746	1,884
C/F from financing	8,412	11,964	7,210	(667)	(360)
Incr. in equity	-	-	5,038	-	-
Incr. in debts	8,412	12,022	2,172	3,055	3,204
Dividends	-	(58)	-	(3,721)	(3,564)
Others	-	-	-	-	-
Increase in cash	3,208	(534)	6,498	1,743	1,332

Income statement

(VND bn)

FY-ending Dec.	2023A	2024A	2025F	2026F	2027F
Sales	58,341	72,045	78,779	106,323	127,377
COGS	55,820	64,892	69,327	93,609	110,662
Gross profit	2,521	7,153	9,452	12,715	16,715
SG&A expense	3,049	3,993	4,651	5,560	6,707
Operating profit	(529)	3,161	4,801	7,154	10,008
Financial income	2,955	1,991	2,046	2,026	2,164
Interest income	395	660	716	695	833
Financial expense	2,242	3,480	4,551	4,863	5,065
Interest expense	1,950	3,212	4,271	4,583	4,785
Other non-operating profit	422	151	151	151	151
Gains (Losses) in associates, subsidiaries and JV	-	-	-	-	-
Earnings before tax	606	1,823	2,448	4,468	7,258
Income taxes	375	419	697	1,271	2,065
Net profit	231	1,404	1,751	3,196	5,193
Net profit of controlling interest	231	1,403	1,751	3,196	5,193
EBITDA	2,970	5,648	7,594	10,140	13,401

Key financial data

FY-ending Dec.	2023A	2024A	2025F	2026F	2027F
per share data (VND)					
EPS	426	2,591	2,960	5,403	8,777
BPS	28,123	31,566	40,374	39,487	42,240
DPS	-	107	-	6,290	6,024
Growth (%)					
Sales growth	45.3	23.5	9.3	35.0	19.8
OP growth	-	-	51.9	49.0	39.9
NP growth	(110.2)	506.7	24.7	82.5	62.4
EPS growth	-	508.5	14.3	82.5	62.4
EBITDA growth	-	90.2	34.5	33.5	32.2
Profitability (%)					
OP margin	(0.9)	4.4	6.1	6.7	7.9
NP margin	0.4	1.9	2.2	3.0	4.1
EBITDA margin	5.1	7.8	9.6	9.5	10.5
ROA	0.3	1.5	1.7	2.8	4.0
ROE	1.5	8.7	8.5	13.5	21.5
Dividend yield	-	-	-	5.3	5.1
Dividend payout ratio	-	-	-	116	69
Stability					
Net debt (VND bn)	24,817	15,856	39,699	41,011	42,883
Int.-bearing debt/equity (%)	(146)	(170)	166	175	171
Valuation (X)					
PE	252.8	38.6	47.2	25.8	15.9
PB	3.8	3.2	3.5	3.5	3.3
EV/EBITDA		27.9	25.8	17.3	12.4

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