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Vinda International Holdings Limited

維達國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3331)

INSIDE INFORMATION

UNAUDITED FIRST QUARTER FINANCIAL INFORMATION FOR THE THREE MONTHS ENDED 31 MARCH 2018 OF VINDA INTERNATIONAL HOLDINGS LIMITED AND UNAUDITED FIRST QUARTER RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2018 OF THE CONTROLLING SHAREHOLDER

The board of directors of Vinda International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited first quarter financial information of the Group’s business for the three months ended 31 March 2018.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

UNAUDITED FINANCIAL INFORMATION FOR THE THREE MONTHS ENDED 31 MARCH 2018 OF THE GROUP

Compared to unaudited financial information for the three months ended 31 March 2017:

Strong revenue growth & double-digit organic growth despite challenging business environment

- Revenue increased by 21.8% year-on-year to HK\$3,781 million (of which HK\$3,069 million was from Tissue segment and HK\$712 million was from Personal Care segment). The Group achieved double-digit organic growth¹ of 11.7%, driven by strong sales in all regions and particularly in mainland China.

Solid gross profit & Improved gross profit margin

- Gross profit grew by 14.0% year-on-year to HK\$1,077 million. Despite the significant increase of wood pulp cost, gross margin only contracted by 1.9 percentage points (“ppts”) to 28.5% while improved by 0.6 ppt compared with fourth quarter of 2017 due to successful price management, mix improvement and cost saving programme.

Significantly improved operating profitability

- Operating profit rose by 12.8% year-on-year to HK\$331 million.
- Thanks to the strict control on expenses and effective management, total selling & marketing and administrative cost as a percentage of sales dropped significantly. As a result, operating profit margin only decreased by 0.7 ppt year-on-year to 8.8% while improved by 2.9 ppts compared with fourth quarter of 2017.

Improved EBITDA margin

- EBITDA increased by 18.8% year-on-year to HK\$570 million. EBITDA margin stood at 15.1% and improved by 3.3 ppts compared with fourth quarter of 2017.

Total foreign exchange gain was HK\$7 million (first quarter of 2017: HK\$6 million of total foreign exchange loss).

Note:

¹ For the calculation of organic revenue growth in the first quarter of 2018, only the exchange rate effects were excluded.

UNAUDITED FIRST QUARTER RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2018 OF ESSITY AKTIEBOLAG (PUBL)

Essity Aktiebolag (publ) (“**Essity**”), the Company’s controlling shareholder, is a company listed on NASDAQ OMX Stockholm. As at the date of this announcement, Essity beneficially owns approximately 51.97% of the entire issued share capital of the Company.

Essity files financial reports which include quarterly financial information and certain operating statistics on a quarterly basis in accordance with the ongoing disclosure obligations applicable to a publicly traded listed company on NASDAQ OMX Stockholm. Such reports include segment financial information on the operations of the Company and are available in the public domain.

Essity will on or about 27 April 2018 release its unaudited financial results for the first quarter ended 31 March 2018. For details, please visit Essity’s website: www.essity.com.

Shareholders and potential investors of the Company are advised that there is no indication or assurance from the Company that the unaudited financial information of the Group for the three months ended 31 March 2018 will be the same as that presented in Essity’s report for the first quarter of 2018.

Potential investors and shareholders of the Company are reminded that the above financial information has not been reviewed or audited by the Company’s independent auditors. Subject to review and audit adjustment, differences may arise between such financial information and the data disclosed in the audited report. Potential investors and shareholders of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
Vinda International Holdings Limited
Li Chao Wang
Chairman

Hong Kong, 26 April 2018

As at the date of this announcement, the board of directors of the Company comprises:

Executive Directors:

Mr. LI Chao Wang

Ms. YU Yi Fang

Mr. Johann Christoph MICHALSKI

Mr. DONG Yi Ping

Ms. LI Jielin

Non-executive Directors:

Mr. Jan Christer JOHANSSON

Mr. Carl Magnus GROTH

Mr. Carl Fredrik Stenson RYSTEDT

Independent Non-executive Directors:

Mr. CHIA Yen On

Ms. LEE Hsiao-yun Ann

Mr. TSUI King Fai

Mr. WONG Kwai Huen, Albert

Alternate Directors:

Mr. Gert Mikael SCHMIDT (alternate to Mr. JOHANSSON and Mr. GROTH)

Mr. Herve Stephane ROSE (alternate to Mr. RYSTEDT)