

Vinda International Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3331)



2021 Interim Results

*Healthy Lifestyle
Starts with Vinda*



Our Vision

To become Asia's first choice for hygiene products and services



Chairman's Highlights

Strong performance in a challenging environment

- ❑ Significant increase in revenue
- ❑ Continuous portfolio mix enhancement
- ❑ Solid consumer demand
- ❑ Growing momentum in personal care business
- ❑ 26.0% organic growth¹ in e-commerce

Total Revenue **19.0%**

HK\$9,085M

H1 2020: HK\$7,634M



Net Profit **6.0%**

HK\$ 967M

H1 2020: HK\$913M



Basic EPS **5.6%**

HK80.6 cents

H1 2020: HK76.3 cents



**Interim Dividend
Per Share**

HK10 cents

H1 2020: HK10 cents

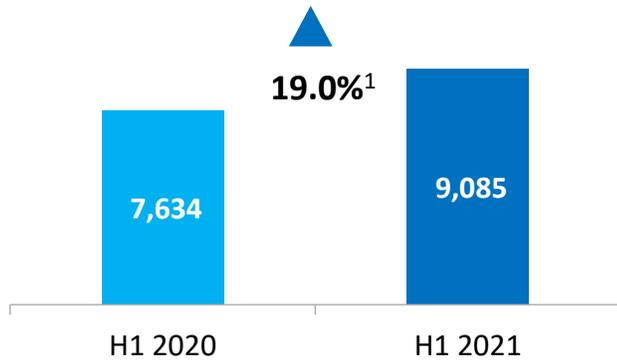
¹ YoY growth at constant exchange rate

Financial Highlights

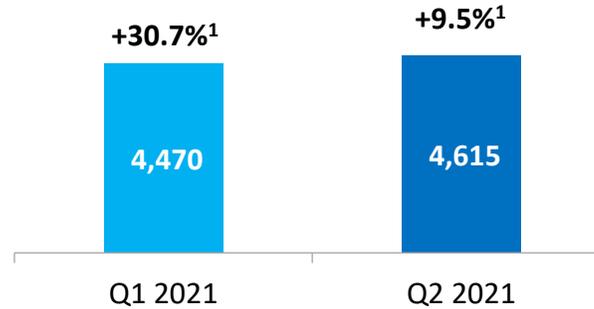


Group Revenue

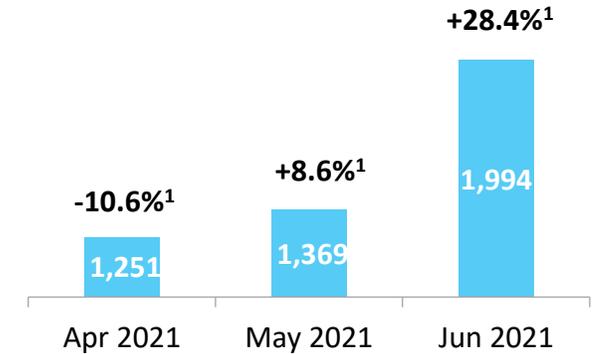
Total Revenue (HK\$M)



Quarterly Revenue (HK\$M)



Q2 Monthly Revenue (HK\$M)



Tissue



Personal Care

Incontinence



Feminine



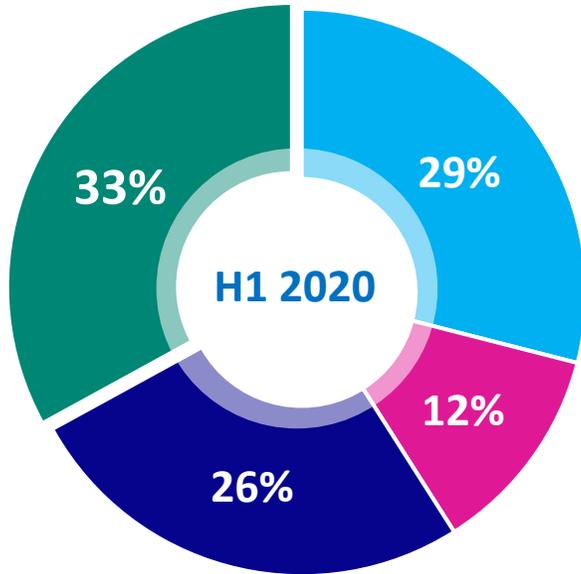
Baby



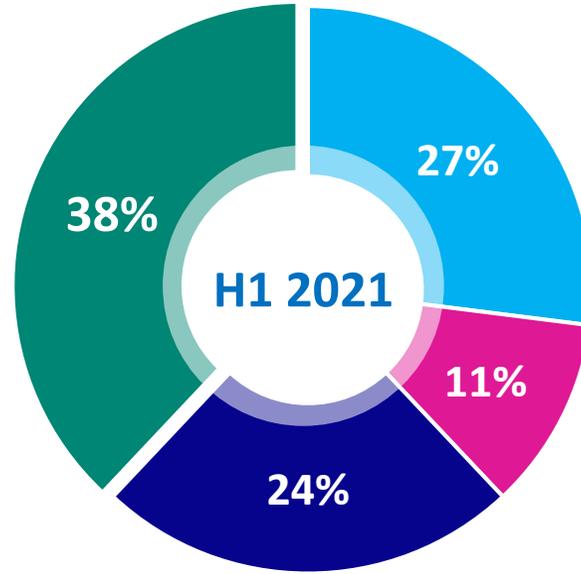
	Apr 2020	May 2020	Jun 2020
YOY Growth	+24.1% ¹	+4.9% ¹	+4.9% ¹

¹ Organic growth: +11.0% (H1 2021), +23.5% (Q1 2021), +1.0% (Q2 2021), -17.1% (Apr 2021), -1.2% (May 2021), +19.0% (Jun 2021), +30.3% (Apr 2020), +8.7% (May 2020), +8.5% (Jun 2020)

Group Revenue by Channels



■ E-Commerce
■ Key accounts



■ Traditional channels
■ Professional hygiene

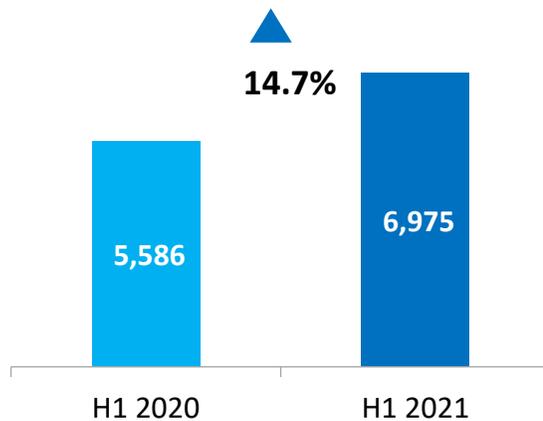
- ▶▶ 26% organic growth in e-commerce in H1
- ▶▶ Outstanding e-commerce performance in all regions
**9th consecutive year of being top 618 tissue player



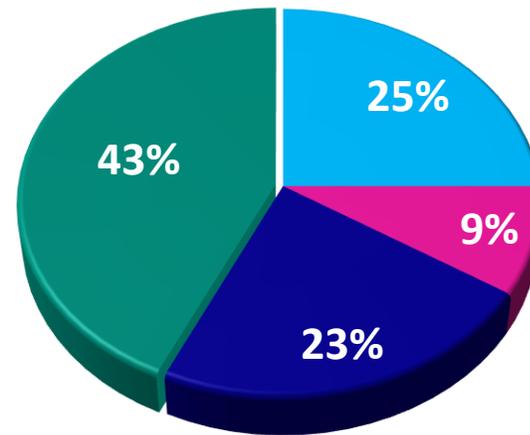
Mainland China Revenue and Channel Mix

Total Revenue (HK\$M)

Growth at constant exchange rate

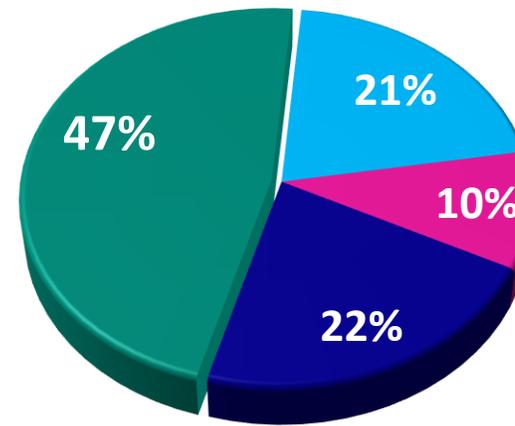


H1 2020



- E-Commerce
- Traditional channels
- Key accounts

H1 2021

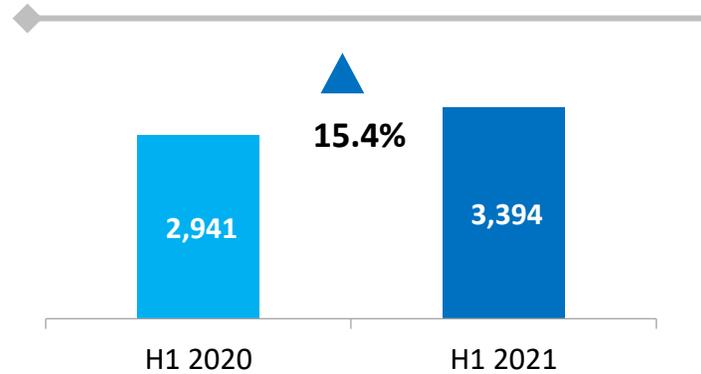


- Traditional channels
- Professional hygiene

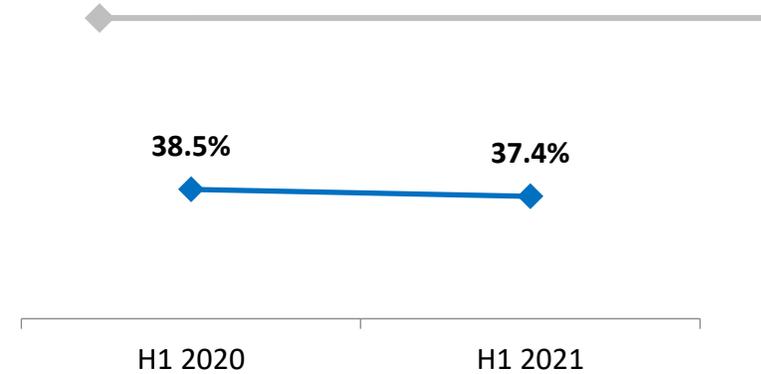


Gross Profit Margin

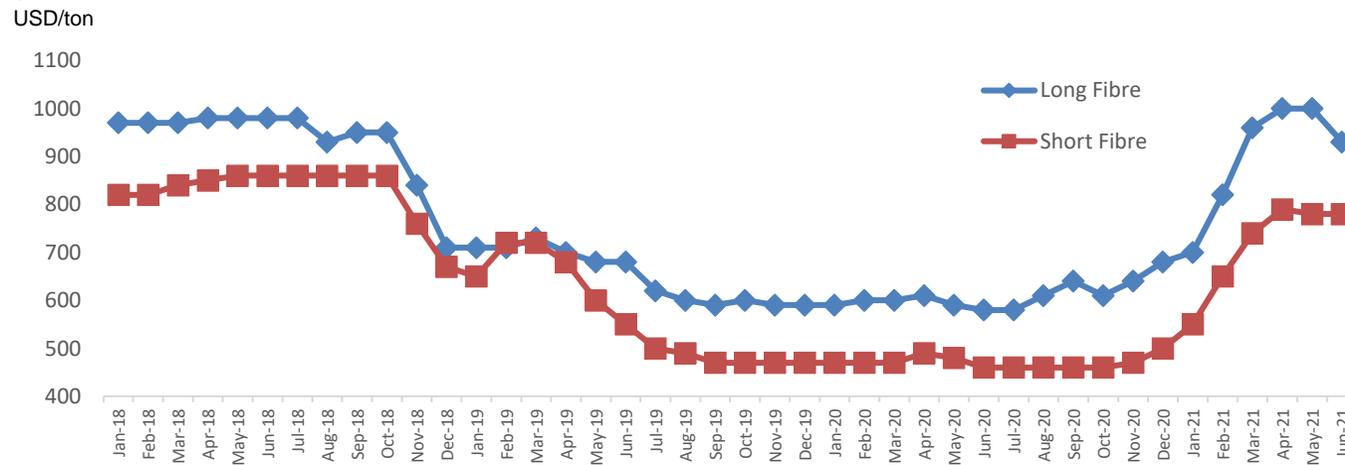
Gross Profit (HK\$M)



Gross Profit Margin (%)



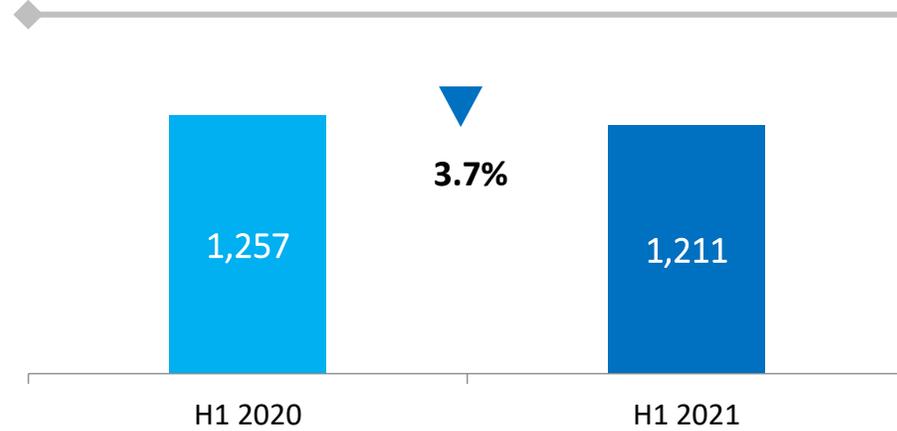
Pulp Price Movement



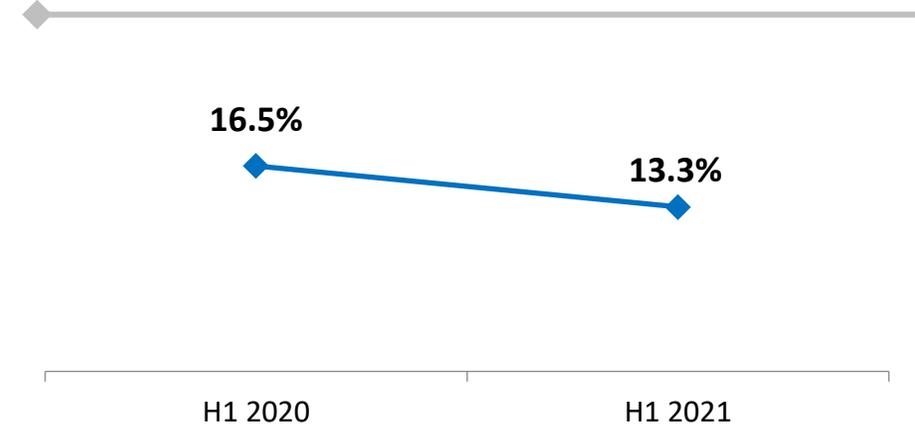
- ❖ Continuous focus in premium portfolio and personal care
- ❖ Improved operational efficiency
- ❖ Disciplined pricing management

Operating Profit & EBITDA

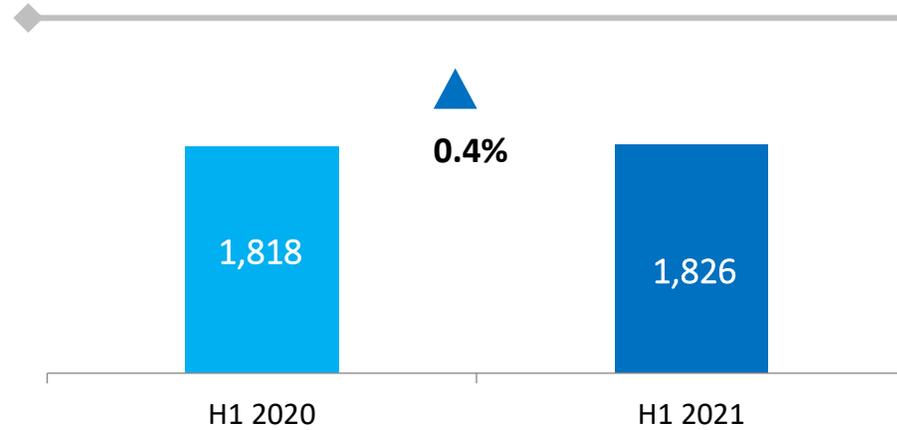
Operating Profit (HK\$M)



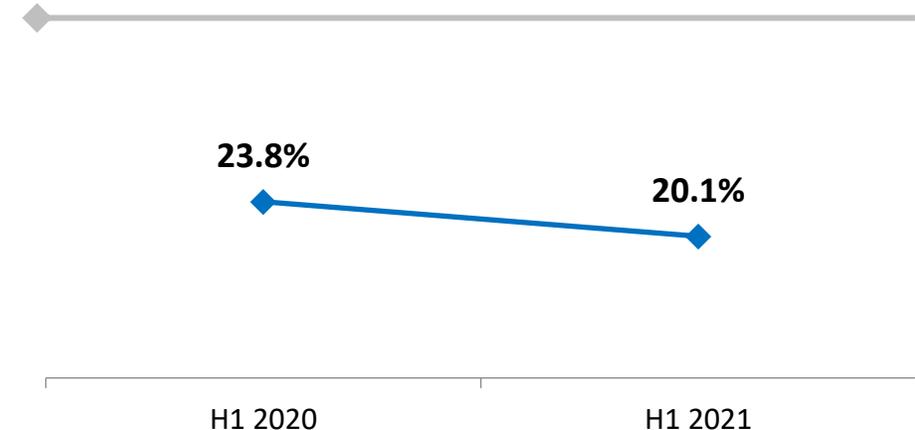
Operating Margin (%)



EBITDA (HK\$M)

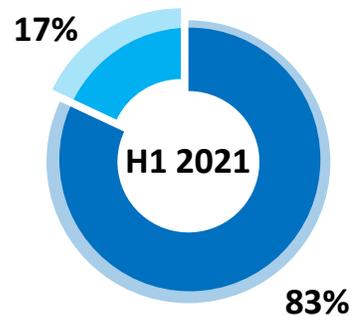
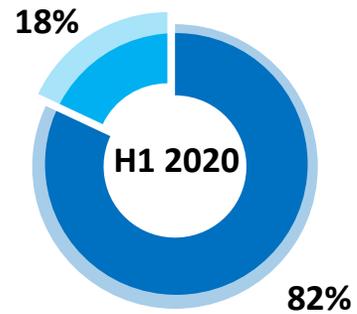


EBITDA Margin (%)



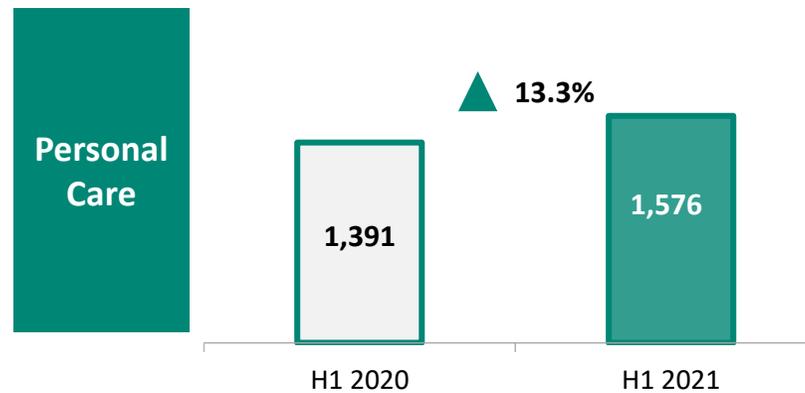
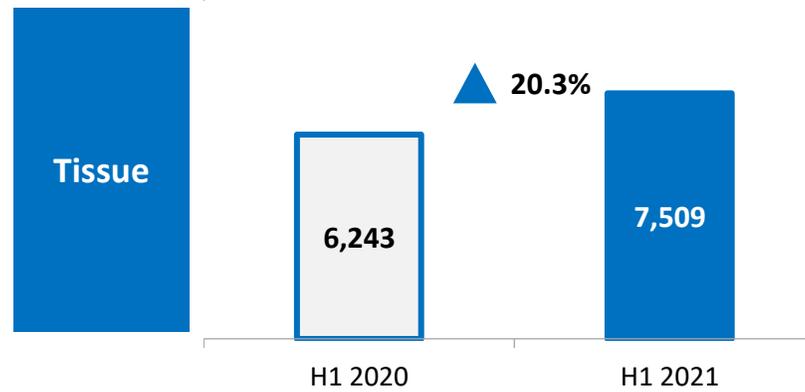
Segment Performance

Revenue Mix (%)

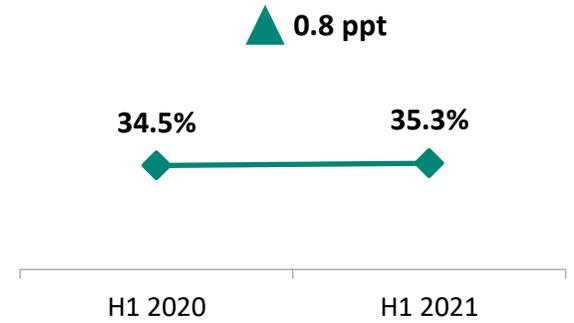
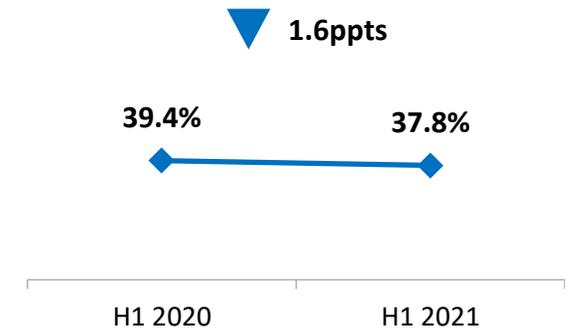


● Tissue ● Personal Care

Revenue (HK\$M)

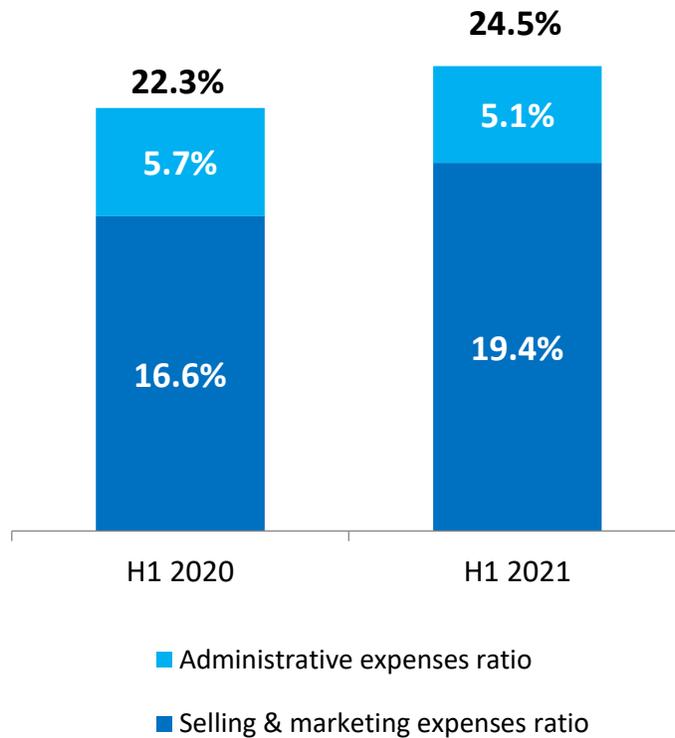


Gross profit margin (%)



SG&A

SG&A as a % of Sales

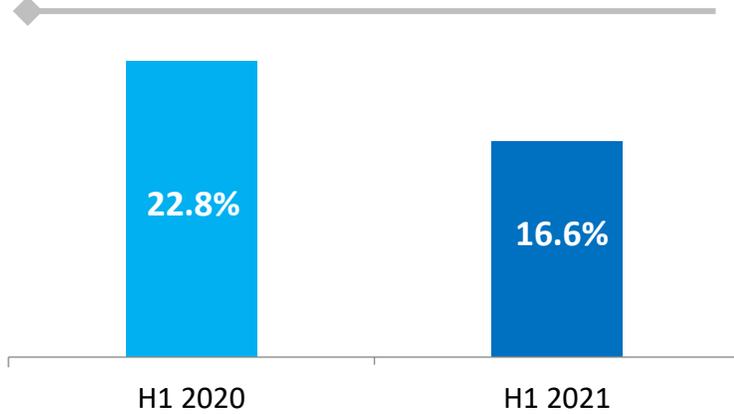


- Continue to invest for brand building, with focus on premium products
- Tough comparison to H1 2020 due to COVID lock down
- Major brand building and launch campaign in Feminine Care in China
- Improved general administrative efficiency

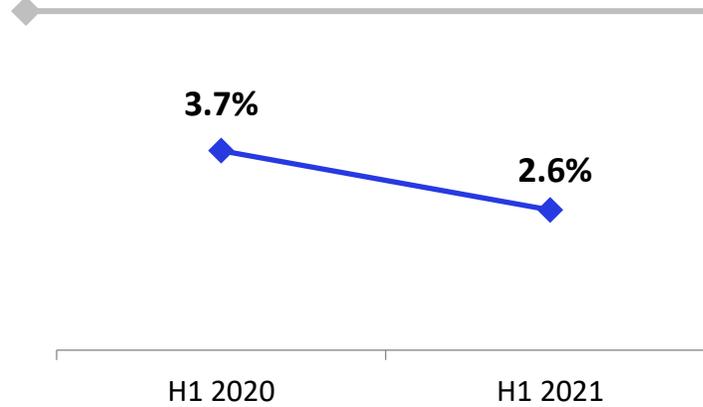


Tax Rate, Interest Rate, Net Profit & Dividend

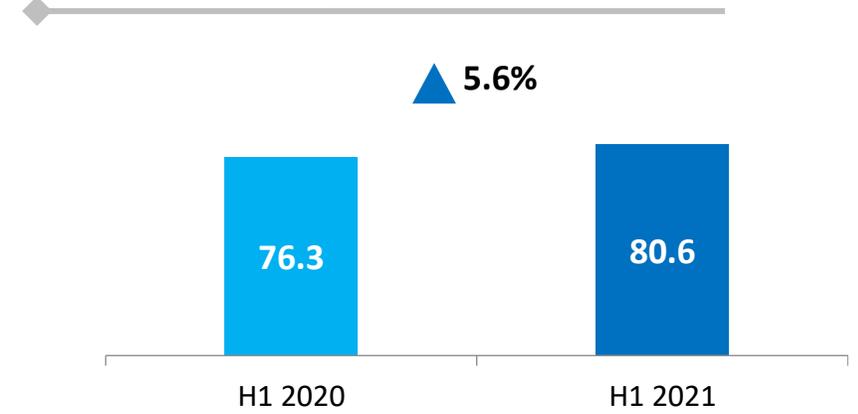
Effective Tax Rate (%)



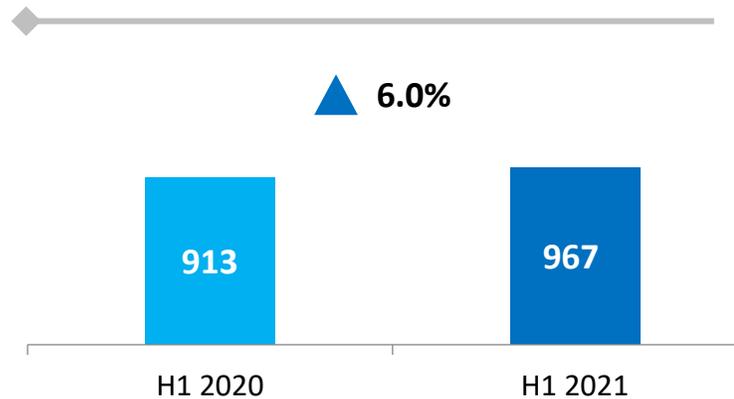
Effective Interest Rate (%)



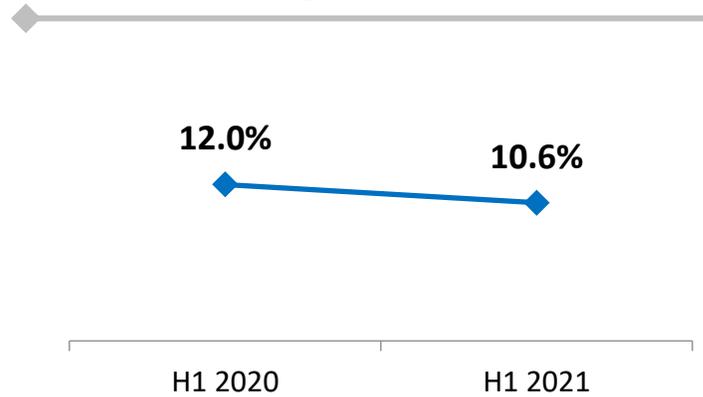
Basic Earnings Per Share (HK cents per share)



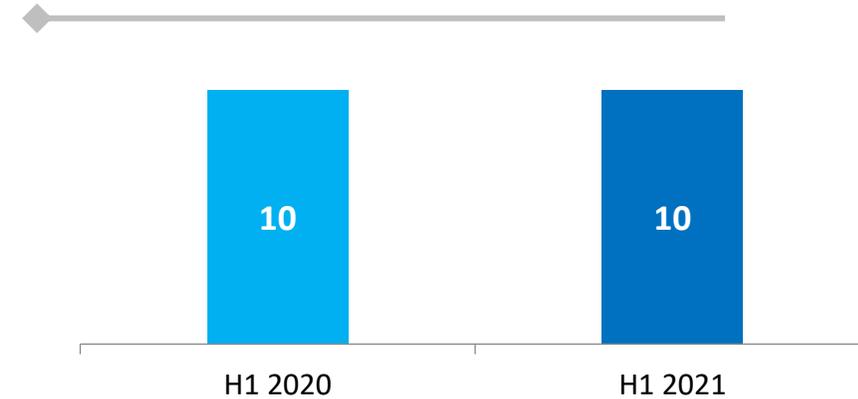
Net Profit (HK\$M)



Net Profit Margin (%)



Proposed Interim Dividend (HK cents per share)



Key Indicators

	As at 31 Dec 2020	As at 30 Jun 2021
Debtors turnover days ¹	44	44
Creditors turnover days ²	93	92
Finished goods turnover days ³	49	52
Working capital to sales ratio ⁴	11.0%	12.1%
(HK\$M)	As at 31 Dec 2020	As at 30 Jun 2021
Cash and cash equivalents	749	782
Total borrowings & lease liabilities	4,934	5,242
Net debt	4,184	4,461
Net gearing ratio ⁵	35.9%	36.4%
Net debt/EBITDA	1.2	1.2
CAPEX	1,725	822

¹ Multiplying 12-month average account receivables by 360 days and dividing the result by the revenue for the last 12 months

² Multiplying 12-month average account payables by 360 days, and dividing the result by the cost of sales for the last 12 months

³ Multiplying 12-month average finished goods by 360 days, and dividing the result by the cost of sales for the last 12 months

⁴ Total working capital (excl. cash & cash equivalents)/ rolling 12 months revenue

⁵ Net gearing ratio: net debt / total shareholders' equity

H1 Summary



Solid topline growth in a competitive environment



Continuous strong momentum in high margin products and personal care



Improved operational efficiencies for profit enhancement



Solid demand is expected to continue



Continue to secure market leading positions or gain market shares in all key markets

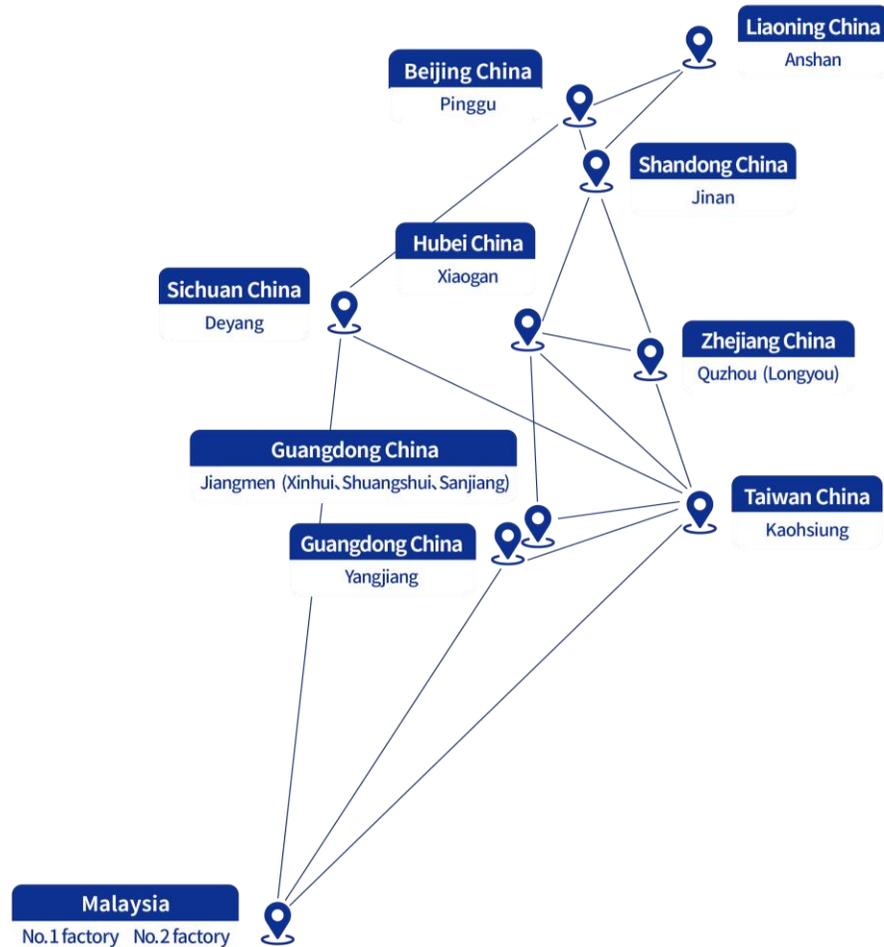


Committed investment in branding and innovation for long term success

Appendix



Production Capacity Plan



Tissue annual designed capacity

1.25 M tons
(2020)



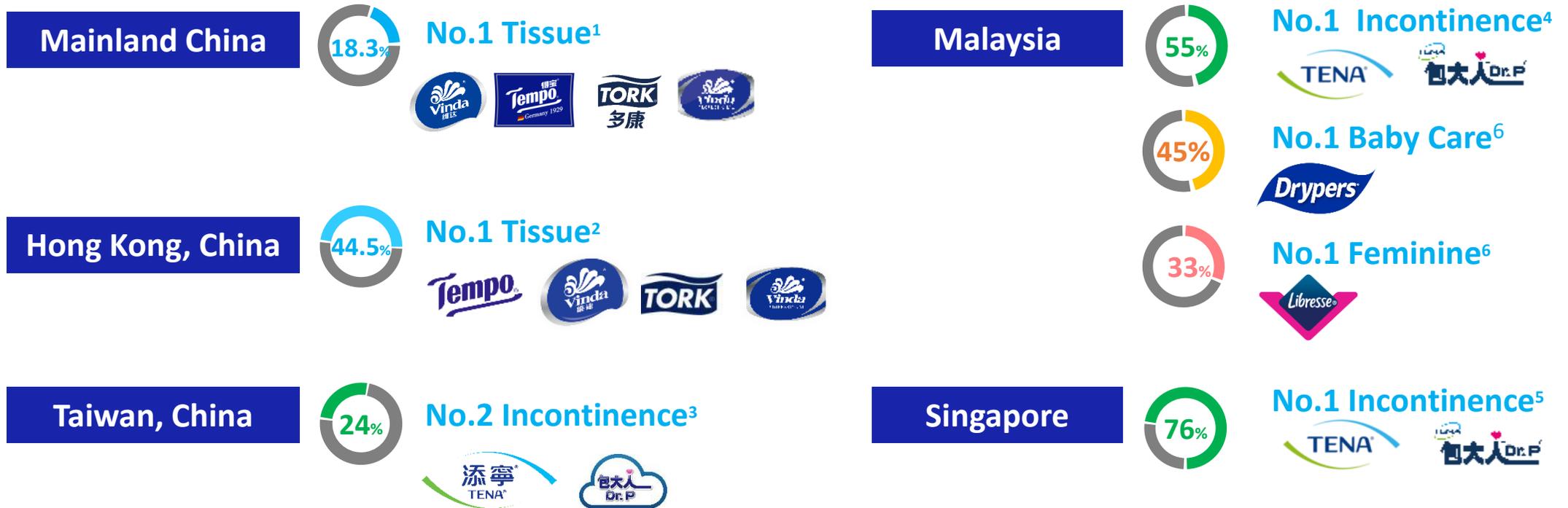
+ 140 K tons
(Q4 2021)

- Target to complete the premium tissue capacity expansion in Yangjiang, Zhejiang and Hubei in 2021

Personal Care facility

- In early 2022, regional headquarters in Malaysia is expected to be completed
- In early 2022, manufacturing facilities and innovation center (SEA Hub) is progressing

Leading Market Positions



Notes:

1. Kantar, value share in 2021 (P1-P6)
2. Nielsen, value share MAT May 2021
3. Nielsen, volume share YTD Mar 2021
4. Internal estimates, value share, YTD Feb 2021
5. Internal estimates, value share, YTD Mar 2021
6. Kantar Worldpanel, value share YTD May 2021

Financial Highlights Summary

(HK\$M)	H1 2020	H1 2021	YOY
Revenue	7,634	9,085	+19.0%
<i>Growth at constant exchange rate</i>	<i>+0.9%</i>	<i>+11.0%</i>	
Gross profit	2,941	3,394	+15.4%
<i>Gross margin</i>	<i>38.5%</i>	<i>37.4%</i>	<i>-1.1ppts</i>
Operating profit	1,257	1,211	-3.7%
<i>Operating margin</i>	<i>16.5%</i>	<i>13.3%</i>	<i>-3.2ppts</i>
EBITDA	1,818	1,826	+0.4%
<i>EBITDA margin</i>	<i>23.8%</i>	<i>20.1%</i>	<i>-3.7ppts</i>
Net profit	913	967	+6.0%
<i>Net margin</i>	<i>12.0%</i>	<i>10.6%</i>	<i>-1.4ppts</i>
Basic EPS (HK cents)	76.3	80.6	+5.6%
Proposed interim dividend per share (HK cents)	10.0	10.0	

H2 2020	HOH
8,878	+2.3%
<i>+6.4%</i>	
3,282	+3.4%
<i>37.0%</i>	<i>+0.4ppt</i>
1,196	+1.2%
<i>13.5%</i>	<i>-0.2ppt</i>
1,783	+2.4%
<i>20.1%</i>	-
962	+0.6%
<i>10.8%</i>	<i>-0.2ppt</i>

Q&A



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