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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 FINANCIAL INFORMATION
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021
AND NINE MONTHS ENDED 30 SEPTEMBER 2021 OF
VINDA INTERNATIONAL HOLDINGS LIMITED
AND
UNAUDITED FINANCIAL INFORMATION
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021
AND NINE MONTHS ENDED 30 SEPTEMBER 2021 OF
THE CONTROLLING SHAREHOLDER**

The board of directors (the “**Board**”) of Vinda International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited financial information of the Group’s business for the three months ended 30 September 2021 (“**Q3 2021**”) and nine months ended 30 September 2021 (“**M9 2021**”).

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 Q3 2021 AND M9 2021 OF THE GROUP

While the global economy has gradually recovered, market conditions remain challenging and volatile. In particular, the overall consumption growth in the region slowed due to various factors such as COVID-19 resurgence and flooding in certain cities in China, while temporary supply chain disruptions were experienced in Malaysia related to pandemic lockdowns. The Group's revenue grew steadily in the third quarter, although it experienced a relative slowdown due to the softened consumer market sentiment and seasonal volatility in retail markets. During the period, the Group has continued to position itself for future profitable growth by investing in new product development, and marketing and promoting of new-category and premium products. Despite the short term challenges, the Group remains confident in our strategies and our fundamental brand performance. Looking ahead, the Group will continue to drive a sustainable growth and further strengthen its leading market position across different markets by investing in brand building, capacity upgrade, commercial capabilities improvement and optimization of product mix.

Compared to the three months ended 30 September 2020 (“Q3 2020”), the unaudited financial information of the Group for Q3 2021:

- Total revenue increased by 7.2% (2.0% at constant exchange rate) to HK\$4,106 million, of which HK\$3,344 million was from the tissue segment and HK\$762 million was from the personal care segment.
- Gross profit slightly increased by 1.7% to HK\$1,437 million. Gross margin narrowed by 1.9 percentage points (“ppts”) to 35.0%.
- Total foreign exchange loss was HK\$8 million (Q3 2020: HK\$27 million gain), of which HK\$7 million loss was from operating activities (Q3 2020: HK\$26 million gain), and HK\$1 million loss was from financing activities (Q3 2020: HK\$1 million gain).
- Operating profit dropped by 35.0% to HK\$354 million. Operating margin narrowed by 5.6 ppts to 8.6%.
- EBITDA recorded a decrease of 19.6% to HK\$666 million with a corresponding EBITDA margin reduced by 5.5 ppts to 16.2%.

Compared to the nine months ended 30 September 2020 (“M9 2020”), the unaudited financial information of the Group for M9 2021:

- Total revenue increased by 15.1% (8.0% at constant exchange rate) to HK\$13,190 million, of which HK\$10,852 million was from the tissue segment and HK\$2,338 million was from the personal care segment.
- Gross profit increased by 11.0% to HK\$4,831 million with a corresponding gross margin of 36.6%, decreased by 1.4 ppts.
- Total foreign exchange loss was HK\$0.9 million (M9 2020: HK\$16 million gain), of which HK\$1 million loss was from operating activities (M9 2020: HK\$13 million gain), and HK\$0.1 million gain was from financing activities (M9 2020: HK\$3 million gain).
- Operating profit dropped by 13.1% to HK\$1,565 million with a corresponding operating margin of 11.9%, decreased by 3.8 ppts.
- EBITDA narrowed by 5.9% to HK\$2,492 million with a corresponding EBITDA margin declined by 4.2 ppts to 18.9%.

UNAUDITED FINANCIAL INFORMATION FOR Q3 2021 AND M9 2021 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 51.68% 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 22 October 2021 release its unaudited financial results for the third quarter ended 30 September 2021. 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 Q3 2021 and M9 2021 will be the same as that presented in Essity’s report for the third quarter of 2021.

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, 21 October 2021

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. LI Chao Wang
Ms. YU Yi Fang
Ms. LI Jielin
Mr. DONG Yi Ping

Non-Executive Directors:

Mr. Jan Christer JOHANSSON
Mr. Carl Magnus GROTH
Mr. Carl Fredrik Stenson RYSTEDT
Mr. Johann Christoph MICHALSKI

Independent Non-Executive Directors:

Ms. LEE Hsiao-yun Ann
Mr. TSUI King Fai
Mr. WONG Kwai Huen, Albert
Mr. LAW Hong Ping, Lawrence

Alternate Directors:

Mr. Gert Mikael SCHMIDT (alternate to Mr. JOHANSSON and Mr. GROTH)
Mr. Dominique Michel Jean DESCHAMPS (alternate to Mr. RYSTEDT)