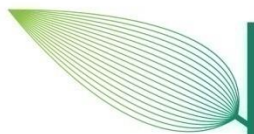




Vinda International Holdings Limited

(incorporated in the Cayman Islands with limited liability) Stock Code: 3331

維達30周年 為家加滿FUN



HEALTHY LIFESTYLE
STARTS FROM
Annual Results
Announcement 2014

VINDA



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II. Financial Highlights

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Major Achievement

Steady Growth

- Revenue recorded HKD8.0 billion, up 17.5% yoy
- Net profit reached HKD593.5 million, up 9.3% yoy

Promising Tissue Business

- Core household paper business up 16.2% yoy to HKD 7,870.0 million
- Sales volume (tissue) reached 555,685 tons, up 15.3% yoy
- ASP per ton (tissue) was HKD14,163

Diversified Brand Portfolio

- 4 product categories under 10 brands
- Personal Care accounted for 1.4% of the Group's revenue

Integration with SCA & V-Care

- Integrated V-care & operations of SCA in mainland China, HK, and Macau

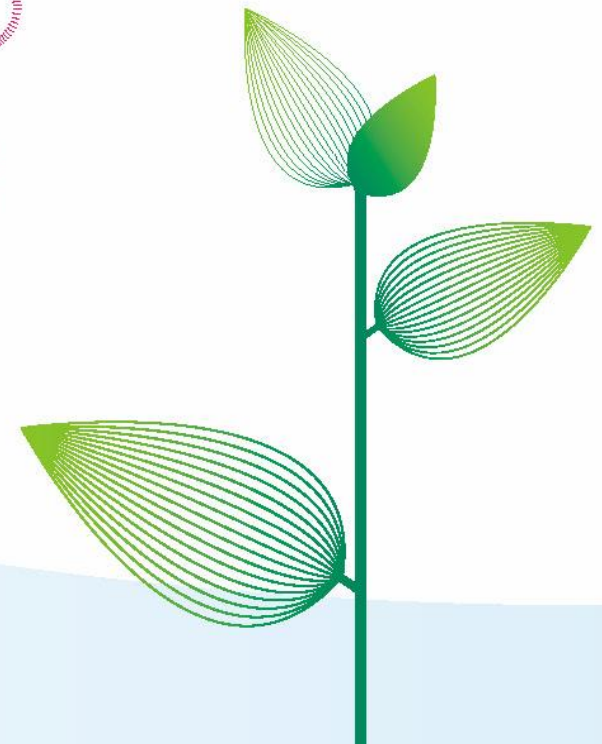


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Financial Highlights

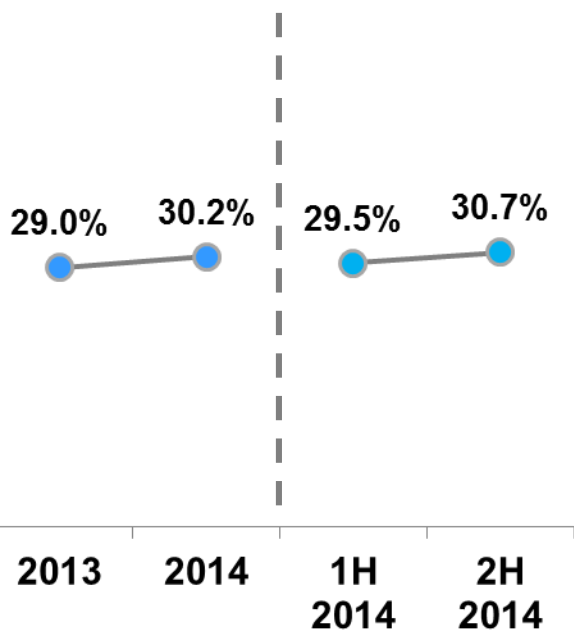
<i>(HKD million)</i>	<i>For the 12 months ended 31 December</i>		
	2014	2013	Change
Revenue	7,985.2	6,798.0	+17.5%
Gross profit	2,408.7	1,971.7	+22.2%
Operating profit*	822.3	712.5	+15.4%
EBITDA	1,196.9	959.2	+24.8%
Profit attributable to equity holders of the Company	593.5	542.9	+9.3%
Basic earnings per share (HK cents)	59.4	54.3	+9.4%
Total Dividend per share (HK cents)	16.0	15.6	+2.6%
- Interim dividend per share (HK cents)	4.0	4.8	
- Proposed final dividend per share (HK cents)	12.0	10.8	
Gain from V-care fair value re-measurement*	40.9	nil	
Foreign exchange gain / (loss)**	(17.9)	62.4	

* Operating profit included the one-gain from V-care fair value re-measurement

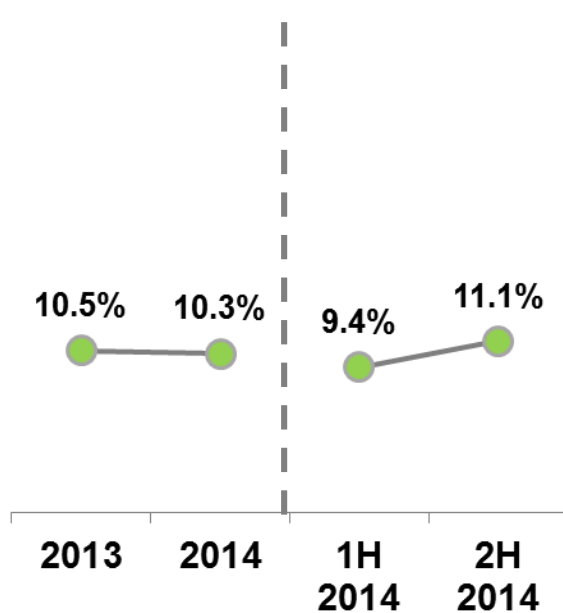
** Mainly consisted of unliquidated, non-operating and non-cash items

Financial Highlights

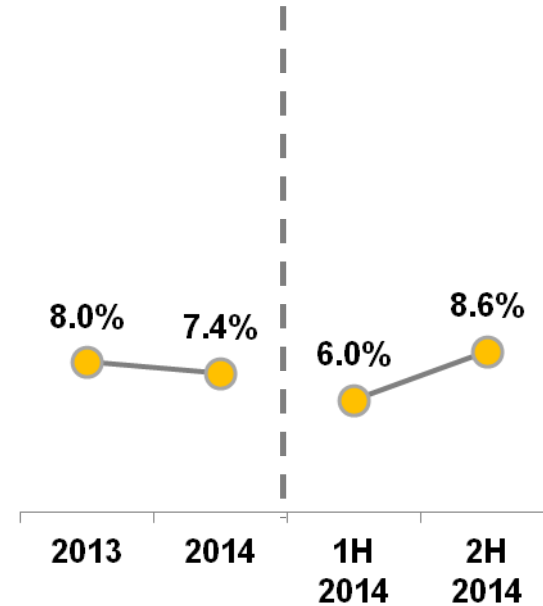
Overall Gross Margin



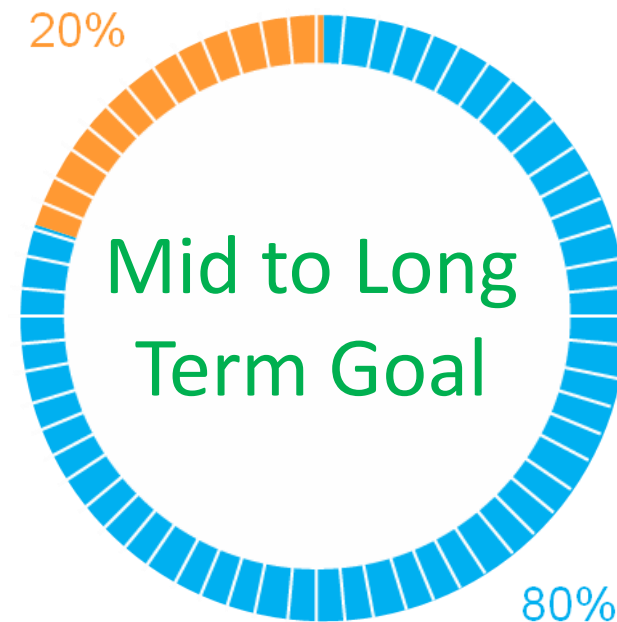
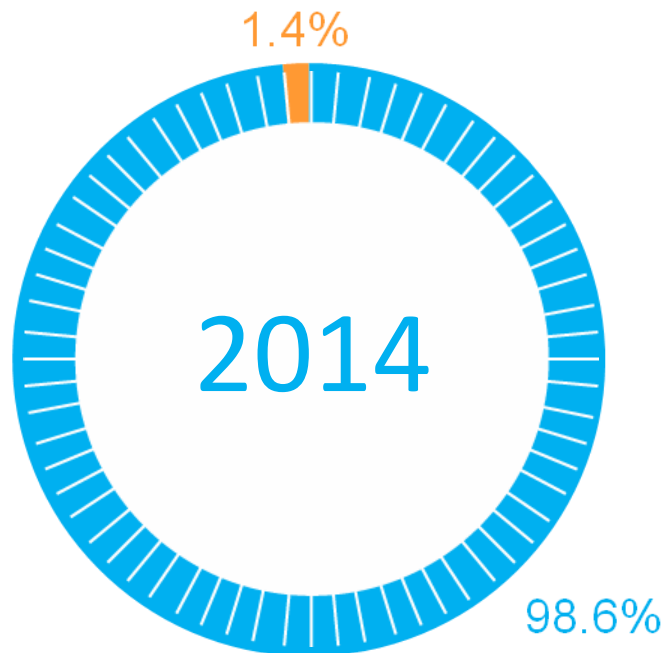
Overall Operating Margin



Overall Net Margin



Revenue by Business Categories



■ Household paper
("Tissue")

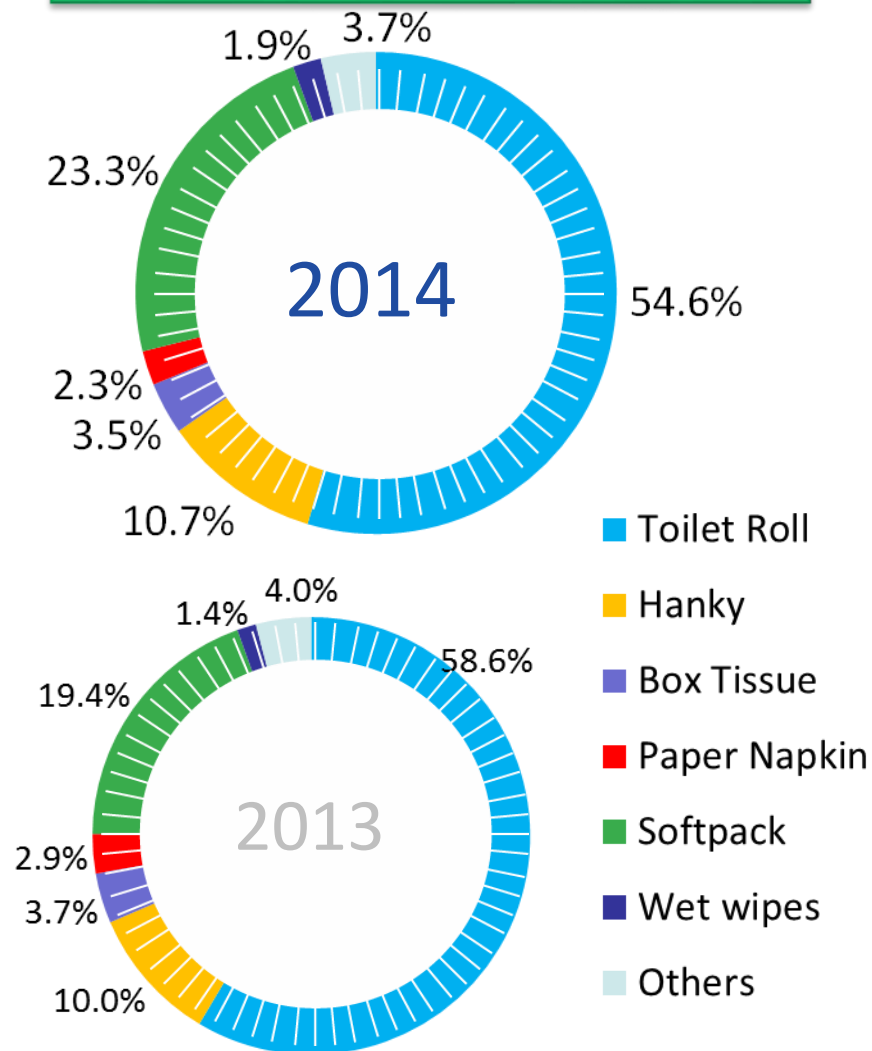
■ Personal care
("Incontinence Care", "Feminine Care", and "Baby Care")

Revenue by Household Paper (Tissue) Categories

For the 12 months ended 31 December

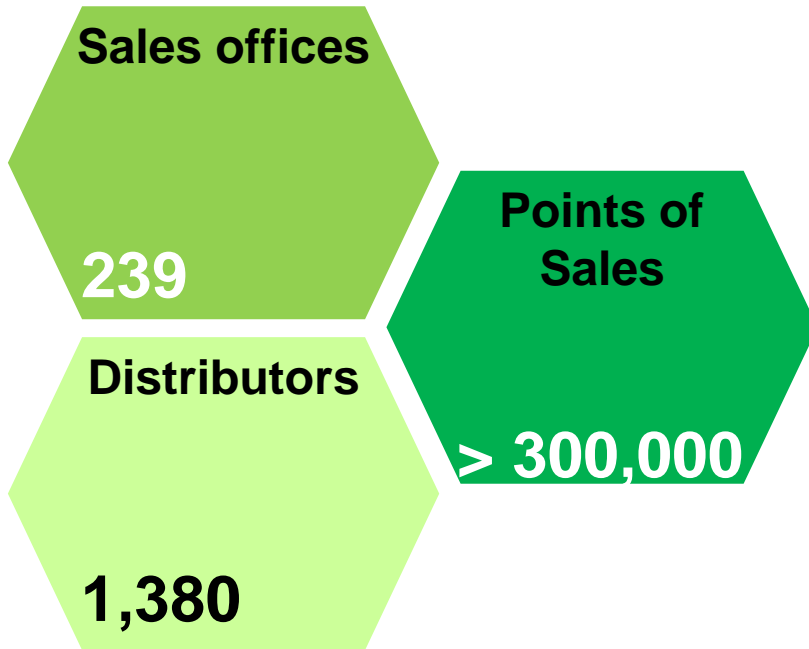
(HKD million)	2014	2013	Change
Toilet roll	4,293.3	3,968.9	+8.2%
Softpack	1,830.9	1,311.1	+39.6%
Box tissue	278.4	253.0	+10.0%
Hanky	841.7	675.4	+24.6%
Wet wipes	150.0	92.0	+63.0%
Paper napkin	180.8	194.4	-7.0%
Others	294.9	277.3	+6.4%

Revenue Mix % of Tissue Sales

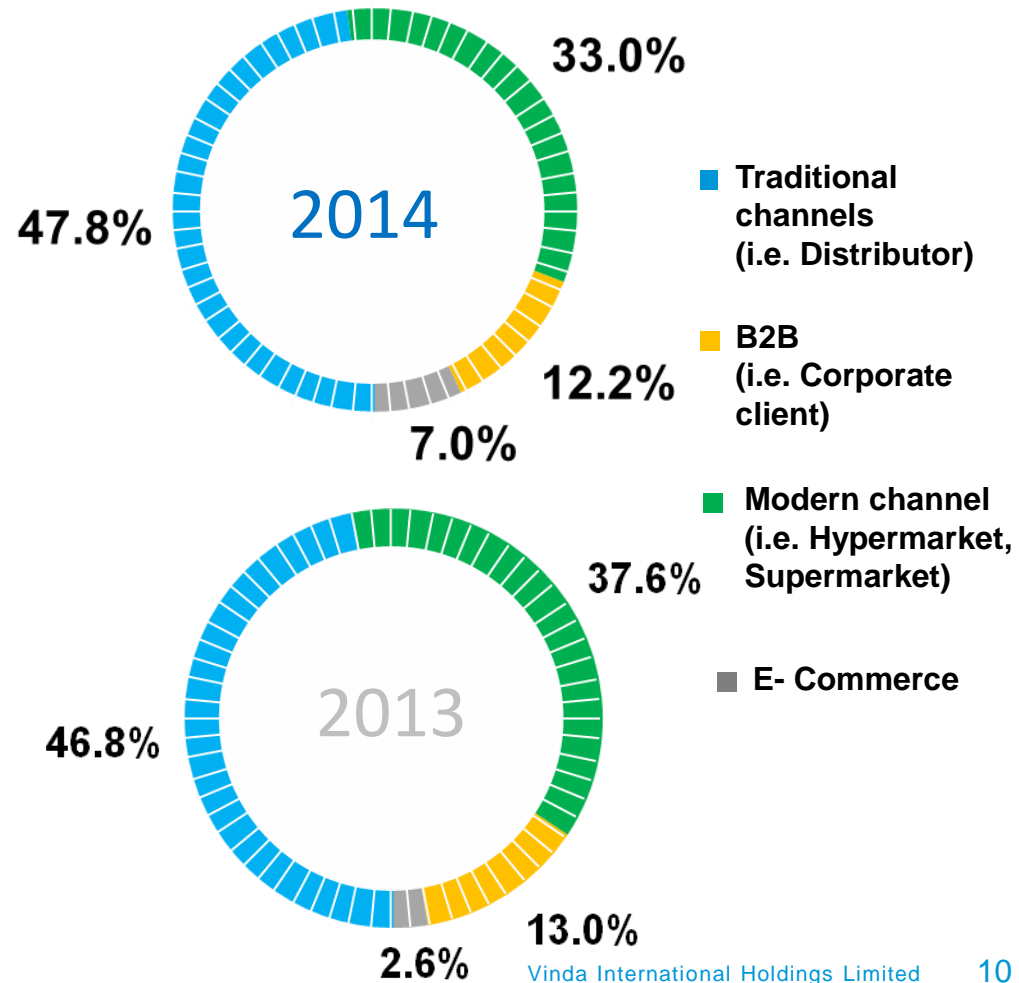


Revenue by Distribution Channels

Channels Coverage (As of 31 Dec 2014)

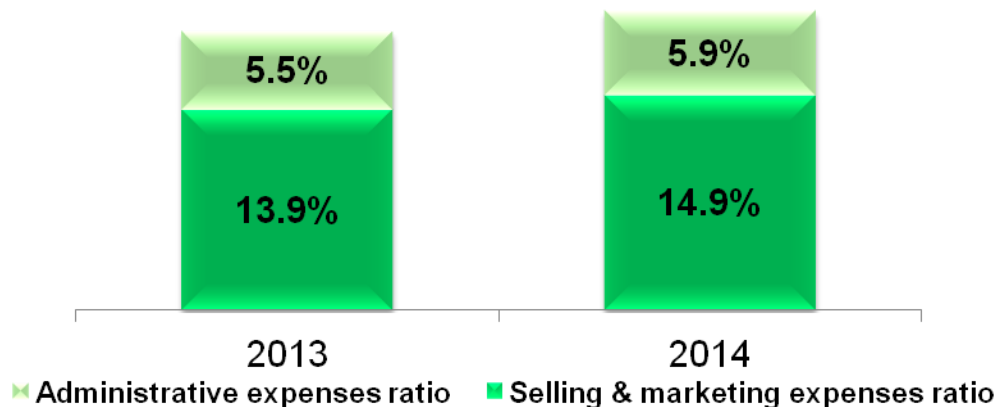


Revenue by Distribution



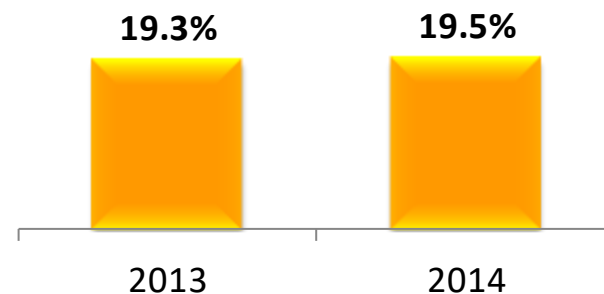
Operating Expenditure

Operating Expenditure as % of Sales



- Administrative expenses ratio increased by 0.4 p.pt
- Selling and marketing expenses ratio increased mainly due to:
 - Increase in promotion level against intense competition
 - Increase in more brand building efforts
 - Increase in investment in the personal care and hygiene product business for long-term investment

Effective Tax Rate



- Effective tax rate slightly increased by 0.2 p.pt.

Key Financial Indicators

	As at 31 Dec 2014	As at 31 Dec 2013
Receivable Turnover Days	47	48
Payable Turnover Days	83	70
Finished Goods Turnover Days	40	37
<i>(HKD million)</i>	As at 31 Dec 2014	As at 31 Dec 2013
Total borrowings (including SCA shareholder loan)	4,464.8	2,737.4
Total borrowings (excluding SCA shareholder loan)	2,434.7	2,737.4
Cash and cash equivalents*	721.6	693.3
Net gearing ratio** (%)	73.7%	44.0%
Net debt to EBITDA***	3.1	2.1
Interest coverage**** (times)	8.2	7.4

- Solid financial support from SCA for business expansion and sustained business growth:
 - HKD 1.5 billion (short term facility) signed Apr 2014, converted to long term facility in Dec 2014;
 - HKD 1.2 billion (3-year loan) signed July 2014;
 - HKD 3.0 billion (4-year facility) signed Dec 2014;
 - Total outstanding at end Dec 2014 HKD 2.0 billion.
- As at 31 Dec 2014, unutilized credit facilities (including unutilized shareholder loan) amounted to approximately HKD9.71 billion

* Incl. Restricted bank deposit.

** Net gearing ratio: Total borrowings (incl. SCA shareholder loan) less bank balances and cash and restricted deposits / total shareholders' equity.

*** Net debt to EBITDA: Total borrowings minus cash and cash equivalents/EBITDA

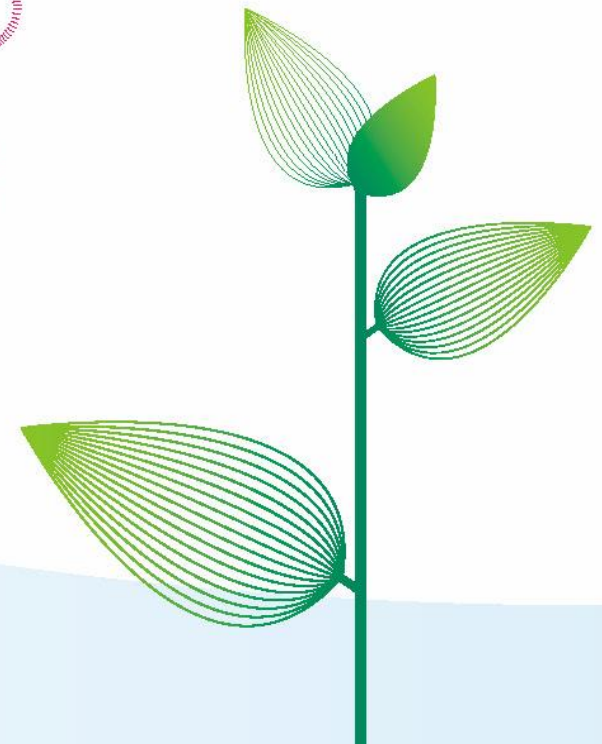
**** Interest coverage: EBIT/interest (times), excluding exchange rate factor.

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Mid-Long Term Goal



In mid to long run, to become.....

- **Leader** in household paper & incontinence care category respectively
- **First tier brand** in baby care & feminine care category respectively

Personal care businesses to contribute 20% of Group's total revenue in mid to long term

Priorities in 2015

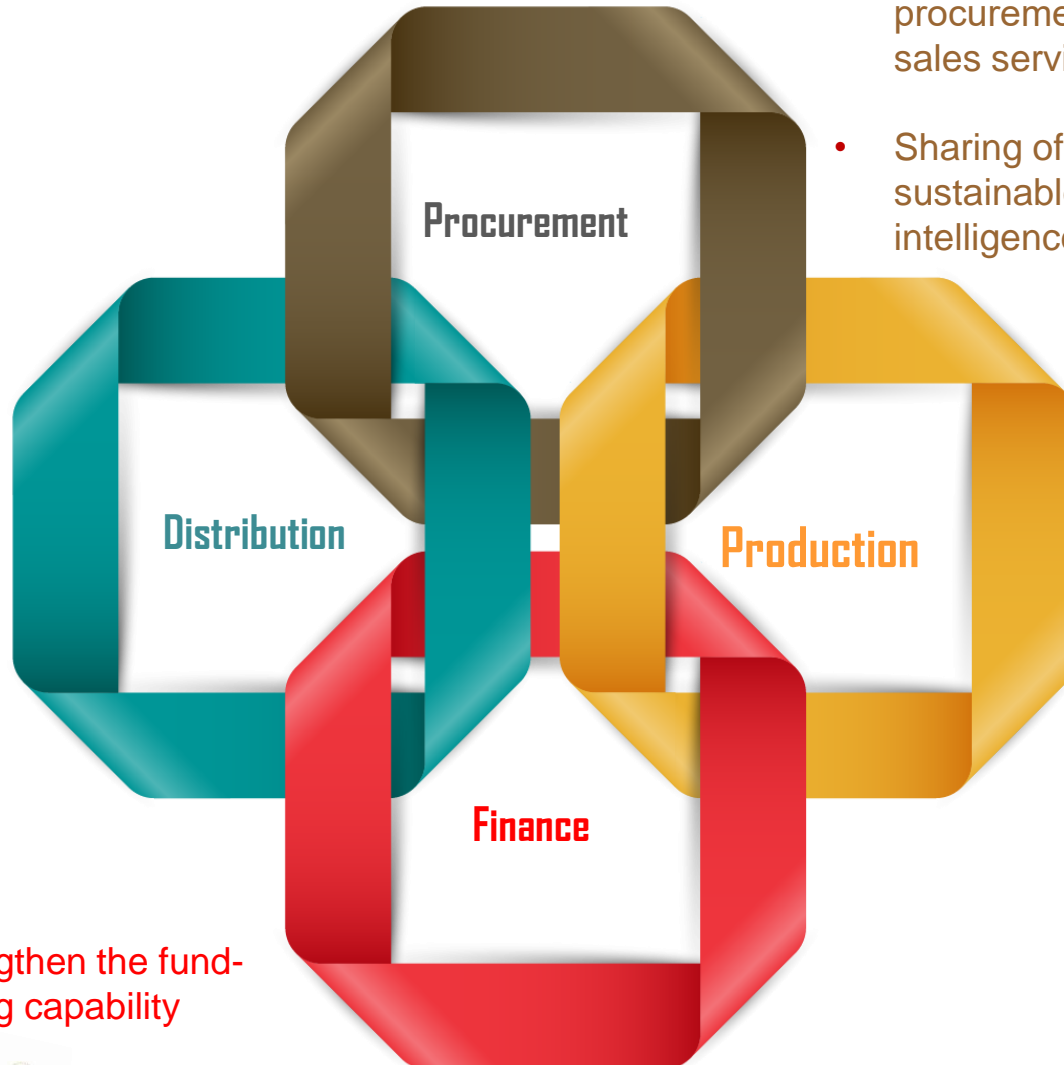
Ensure stable growth in the core business. i.e. household paper (“Tissue”)

Enhance the awareness and reputation of the personal care brands

Further broaden and penetrate the traditional channels, e-channel and specialized distribution for baby and incontinence products

To achieve more synergies with SCA. e.g. to localize the production of SCA’s products

Synergies with SCA



- Strengthen bargaining power on procurement & suppliers' after-sales services
- Sharing of market info & sustainable development intelligence

- Economy of scales in tissue production
- Localise personal care products' production
- R&D capability

- >300,000 points of sales open to 10 brands
- Specialty channel
- Sharing logistics costs & promoters' fee

- Strengthen the fund-raising capability

Market Opportunities & Strategies



Tissue
+8.5%*

Opportunity

- ▶ Urbanization
- ▶ Market consolidation
- ▶ Stricter environment regulation

Strategy

- ▶ Maintain stable growth as core business
- ▶ Promote *Tempo* nationwide
- ▶ Adopt “brand strategy”, not “pricing strategy”



Inco
+36.5%*

- ▶ Aging population

- ▶ Dr.P & TENA able to cover all consumer segments
- ▶ Localise the product production



**Feminine
napkin**
+13.5%*

- ▶ New generation with new consumption behavior

- ▶ Targeting female born in 80s and 90s
- ▶ Rely on e-channel for distribution
- ▶ Use asset light model for product production



Baby Diaper
+9.3%*

- ▶ Relaxation of the one-child policy
- ▶ Higher penetration of usage rate

- ▶ Libero, Babyfit and Sealers able to cover all consumer segments

* 2013 market size growth rates estimated by China National Household Paper Industry Association

Four
Business
Categories

One
Platform



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