

**[FOR IMMEDIATE RELEASE]**



## **Vinda International Inks a Product Supply Agreement with SCA**

(17 November 2009 – Hong Kong) Vinda International Holdings Limited (“Vinda International” or the “Group”; Stock code: 3331), one of the leading brands of tissue paper products manufacturers in the PRC, is pleased to announce that it has entered into the Product Supply Agreement, with an initial term of 3 years, with Svenska Cellulosa Aktiebolaget (“SCA”), the world’s fourth biggest and Europe’s leading supplier of tissue paper. It is expected to cement Vinda International’s leadership market position and widen its international presence.

Pursuant to the Product Supply Agreement, the Group has agreed to manufacture the products by way of processing trade and sell the finished products to SCA. The agreed processing fee for each box of products payable by SCA is approximately US\$2.00. It is estimated that the quantity of products manufactured by the Group and sold to SCA in year 2010, 2011 and 2012 will be 3,000 tons, 5,000 tons and 6,000 tons respectively.

Commenting on the collaboration, Jan Johansson, President and CEO of SCA, says: “As SCA continues to expand, we’d like to collaborate more closely with our strategic business partners to seek further growth opportunities and create greater synergy. Vinda International is one of the best preferred tissue brands in the PRC and is well known for its consistent top product quality. We have enjoyed a good and productive relationship since our investing in Vinda in 2007 before its IPO. This processing agreement will strengthen our business ties and bring about great benefits to both companies.”

Vinda International Chairman Mr. Li Chao Wang echoes Mr Johansson’s view, saying: “We are delighted to deepen our strategic working relationship with SCA. The deal speaks volumes for our competence in delivering top product quality and our widespread market recognition. It will not only bring about synergy for both Vinda International and SCA but will also solidify Vinda International’s leadership position in the tissue paper product sector of China and, more importantly, further align the Company with the international market through SCA’s global presence.”

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## **About Vinda International Holdings Limited**

Vinda International is one of the leading brands of tissue paper products manufacturers in the PRC. In 2001-2008, the Group had the highest market share for bathroom tissue products in China as measured by annual total sales. The Group's main products include bathroom tissue paper, paper handkerchiefs, facial tissue paper and paper napkins which target mid-end and high-end markets. The flagship brand "Vinda" had been widely recognized as a high quality tissue paper brand in the PRC and won several awards including "PRC Famous Brand" and "China well-known brand product". Vinda International country-wide sales networks cover 29 provinces in the PRC as well as Hong Kong and Macau. The Group also exports its products to foreign countries like Australia, New Zealand, Vietnam, the Philippines, the UK, France, Germany, Canada and South Africa.

For enquiries, please contact:

**iPR Ogilvy Ltd.**

Natalie Tam/ Joey Wan/ Philip Lo/ Maureen Lai

Tel: (852) 2136 6182/ 2136 6954/ 3170 6754/ 2169 0847

Fax:(852) 3170 6606

E-mail: natalie.tam@iprogilvy.com/joey.wan@iprogilvy.com/  
philip.lo@iprogilvy.com/maureen.lai@iprogilvy.com