GREATVIEW ASEPTIC PACKAGING COMPANY LIMITED
紛美包裝有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 00468)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

The board (the "**Board**") of directors (the "**Directors**") of Greatview Aseptic Packaging Company Limited (the "**Company**" or "**Greatview**") is pleased to announce the consolidated financial statements of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2014 together with comparative figures for the year ended 31 December 2013 as follows:

The figures in respect of this announcement of the Group's consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and the related notes ("**financial information**") do not constitute the Group's statutory financial statements for the year ended 31 December 2014, but represent an extract from those financial statements. The following financial information, including the comparative figures has been reviewed by the Audit Committee of the Company (the "**Audit Committee**") and agreed by the Group's external auditor, PricewaterhouseCoopers ("**PwC**"), Certified Public Accountants in Hong Kong, to the amounts set out in the Group's draft consolidated financial statements for the year ended 31 December 2014. The work performed by PwC in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements issued by the International Federation of Accountants and consequently no assurance has been expressed by PwC on this announcement.

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2014
Amounts expressed in thousands of RMB unless otherwise stated

		Year ended 31 December	
	Note	**2014**	2013
Revenue	*4*	**2,231,545**	2,159,533
Cost of sales	*5*	**(1,686,219)**	(1,580,305)
Gross profit		**545,326**	579,228
Other income	*4*	**37,841**	47,435
Other (losses)/gains — net	*4*	**(5,225)**	8,990
Distribution expenses	*5*	**(99,238)**	(105,227)
Administrative expenses	*5*	**(114,306)**	(113,552)
Operating profit		**364,398**	416,874
Finance income	*6*	**11,875**	3,867
Finance expenses	*6*	**(7,552)**	(3,978)
Profit before income tax		**368,721**	416,763
Taxation	*7*	**(89,024)**	(99,487)
Profit for the year		**279,697**	317,276
Profit attributable to:			
Equity holders of the Company		**279,697**	317,276
Earnings per share for profit attributable to equity holders of the Company			
— Basic earnings per share (RMB)	*8*	**0.21**	0.24
— Diluted earnings per share (RMB)	*8*	**0.21**	0.24
Dividends	*9*	**212,684**	105,270

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2014
Amounts expressed in thousands of RMB unless otherwise stated

	Year ended 31 December	
	2014	2013
Profit for the year	**279,697**	317,276
Other comprehensive income:		
Item that may be reclassified to profit or loss		
Currency translation differences	**(46,624)**	1,406
Total comprehensive income for the year	**233,073**	318,682
Attributable to:		
— Equity holders of the Company	**233,073**	318,682
Total comprehensive income for the year	**233,073**	318,682

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2014
Amounts expressed in thousands of RMB unless otherwise stated

	Note	As at 31 December **2014**	2013
ASSETS			
Non-current assets			
Property, plant and equipment		**1,239,701**	1,251,395
Land use rights		**14,615**	4,926
Intangible assets		**57,141**	54,214
Deferred income tax assets		**32,906**	29,455
Long-term prepayments		**1,304**	9,551
		1,345,667	1,349,541
Current assets			
Inventories		**494,886**	436,773
Trade and other receivables	*10*	**408,972**	582,027
Cash and cash equivalents		**489,561**	294,606
Restricted cash		**278,722**	91,364
		1,672,141	1,404,770
Total assets		**3,017,808**	2,754,311
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital, share premium and capital reserve		**990,771**	962,369
Statutory reserve		**175,117**	145,445
Exchange reserve		**(69,308)**	(22,684)
Retained earnings		**1,047,691**	1,011,652
Total equity		**2,144,271**	2,096,782
LIABILITIES			
Non-current liabilities			
Deferred government grants		**105,282**	107,615
Deferred income tax liabilities		**6,400**	3,000
		111,682	110,615

	Note	As at 31 December 2014	2013
Current liabilities			
Trade payables, other payables and accruals	*11*	**395,788**	337,684
Income tax liabilities		**30,028**	32,098
Borrowings		**336,039**	177,132
		761,855	546,914
Total liabilities		**873,537**	657,529
Total equity and liabilities		**3,017,808**	2,754,311
Net current assets		**910,286**	857,856
Total assets less current liabilities		**2,255,953**	2,207,397

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014
Amounts expressed in thousands of RMB unless otherwise stated

	Attributable to equity owners						
	Share capital	Share premium	Capital reserve	Statutory reserve	Exchange Reserve	Retained earnings	Total
As at 31 December 2012	11,423	786,857	139,517	113,079	(24,090)	833,058	1,859,844
Comprehensive income:							
Profit for the year	–	–	–	–	–	317,276	317,276
Other comprehensive income:							
Currency translation differences	–	–	–	–	1,406	–	1,406
Transactions with owners:							
Employee share options							
— Value of employee services	–	–	6,365	–	–	–	6,365
— Share options exercised	42	26,560	(8,395)	–	–	–	18,207
Transfer to statutory reserve	–	–	–	32,366	–	(32,366)	–
Dividends	–	–	–	–	–	(106,316)	(106,316)
Total transactions with owners:	42	26,560	(2,030)	32,366	–	(138,682)	(81,744)
As at 31 December 2013	11,465	813,417	137,487	145,445	(22,684)	1,011,652	2,096,782
Comprehensive income:							
Profit for the year	–	–	–	–	–	279,697	279,697
Other comprehensive income:							
Currency translation differences	–	–	–	–	(46,624)	–	(46,624)
Transactions with owners:							
Employee share options							
— Value of employee services	–	–	(1,751)	–	–	–	(1,751)
— Share options exercised	69	41,616	(11,532)	–	–	–	30,153
Transfer to statutory reserve	–	–	–	29,672	–	(29,672)	–
Dividends	–	–	–	–	–	(213,986)	(213,986)
Total transactions with owners:	69	41,616	(13,283)	29,672	–	(243,658)	(185,584)
As at 31 December 2014	**11,534**	**855,033**	**124,204**	**175,117**	**(69,308)**	**1,047,691**	**2,144,271**

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2014
Amounts expressed in thousands of RMB unless otherwise stated

	Year ended 31 December	
	2014	2013
Cash flows from operating activities		
Cash generated from operations	**462,544**	340,574
Interest paid	**(4,326)**	(3,873)
Income tax paid	**(91,145)**	(103,423)
Net cash generated from operating activities	**367,073**	233,278
Cash flows from investing activities		
Purchase of property, plant and equipment ("PPE")	**(151,303)**	(205,081)
Government grant received related to PPE	**13,229**	32,342
Proceeds from disposal of PPE	**555**	10
Purchase of land use right	**(9,965)**	(2,440)
Purchase of intangible assets	**(5,762)**	(1,927)
Interest received	**9,280**	3,867
Net cash used in investing activities	**(143,966)**	(173,229)
Cash flows from financing activities		
Proceeds from issuance of shares	**30,153**	18,207
Proceeds from borrowings	**252,066**	818,470
Repayments of borrowings	**(94,308)**	(790,914)
Dividends paid to equity holders	**(213,986)**	(106,316)
Net cash used in financing activities	**(26,075)**	(60,553)
Net increase/(decrease) in cash and cash equivalents	**197,032**	(504)
Cash and cash equivalents at beginning of year	**294,606**	295,215
Exchange loss on cash and cash equivalents	**(2,077)**	(105)
Cash and cash equivalents at end of year	**489,561**	294,606

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2014
Amounts expressed in thousands of RMB unless otherwise stated

1 GENERAL INFORMATION

Greatview Aseptic Packaging Company Limited (the "Company") was incorporated in the Cayman Islands on 29 July 2010 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company and together with its subsidiaries (the "Group") are principally engaged in the business of manufacturing, distribution and selling of paper packaging for soft drinks and beverages, and filling machines.

The Company's ordinary shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 9 December 2010.

These financial statements have been approved for issue by the Board of Directors on 27 March 2015.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The consolidated financial statements have been prepared under the historical cost convention, except for as disclosed in the accounting policies below.

The consolidated financial statements are prepared in accordance with the applicable requirements of the predecessor Companies Ordinance (Cap. 32) for this financial year and the comparative period.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

Changes in accounting policy and disclosures

(a) *New and amended standards adopted by the Group*

The following standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2014:

- Amendment to IAS 32, "Financial instruments: Presentation" on offsetting financial assets and financial liabilities. This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on the Group's financial statements.

- Amendments to IAS 36, "Impairment of assets", on the recoverable amount disclosures for non-financial assets. This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13. It also enhanced the disclosures of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendment did not have a significant effect on the Group's financial statements.

- IFRIC 21, "Levies", sets out the accounting for an obligation to pay a levy if that liability is within the scope of IAS 37 "Provisions". The interpretation addresses what the obligating event is that gives rise to the payment a levy and when a liability should be recognised. The Group is not currently subjected to significant levies so the impact on the Group is not material.

(b) *New standards and interpretations not yet adopted*

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these consolidated financial statement. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except for the following set out below:

- IFRS 9, "Financial instruments", addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

  Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Group is yet to assess IFRS 9's full impact.

- IFRS 15, "Revenue from contracts with customers" deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted. The Group is assessing the impact of IFRS 15.

- Annual improvements 2012.

- Annual improvements 2013.

- Annual improvements 2014.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

(c) New Hong Kong Companies Ordinance (Cap. 622)

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) come into operation as from the Company's first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9 of the new Hong Kong Companies Ordinance (Cap. 622). So far it has concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

3 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board which are used for making strategic decisions.

The operating segments are based on sales generated by geographical areas. The segment information provided to the Board are as follows:

	PRC	International	Total
2014			
Sales	**1,843,997**	**387,548**	**2,231,545**
Cost	**(1,304,254)**	**(381,965)**	**(1,686,219)**
Segment result	**539,743**	**5,583**	**545,326**
2013			
Sales	1,859,000	300,533	2,159,533
Cost	(1,259,925)	(320,380)	(1,580,305)
Segment result	599,075	(19,847)	579,228

A reconciliation of total segment result to total profit for the year is provided as follows:

	Year ended 31 December	
	2014	2013
Segment result for reportable segments	**545,326**	579,228
Other income	**37,841**	47,435
Other (losses)/gains — net	**(5,225)**	8,990
Distribution costs	**(99,238)**	(105,227)
Administrative expenses	**(114,306)**	(113,552)
Operating profit	**364,398**	416,874
Finance income	**11,875**	3,867
Finance expense	**(7,552)**	(3,978)
Profit before income tax	**368,721**	416,763
Income tax expense	**(89,024)**	(99,487)
Profit for the year	**279,697**	317,276

Information on segment assets and liabilities are not disclosed as this information is not presented to the Board as they do not assess performance of reportable segments using information on assets and liabilities. The non-current assets excluding deferred tax assets (there is no employment benefit assets and rights arising under insurance contracts) amount to RMB1,312,761,000 (2013: RMB1,320,086,000).

The following table presents sales generated from packaging materials:

	Year ended 31 December	
	2014	2013
Dairy products	**2,037,584**	2,024,939
Non-carbonated soft drink ("NCSD") products	**193,961**	134,594
	2,231,545	2,159,533

4 REVENUE, OTHER INCOME AND OTHER (LOSSES)/GAINS — NET

	Year ended 31 December	
	2014	2013
Sales of products	**2,231,545**	2,159,533
Other income:		
— Income from sales of scrap materials	**15,664**	17,282
— Subsidy income from government	**22,177**	30,153
	37,841	47,435
Other (losses)/gains — net		
— (Loss)/gain on disposal of assets	**(995)**	2
— Foreign exchange (loss)/gain	**(9,632)**	9,021
— Others	**5,402**	(33)
	(5,225)	8,990

The subsidy income comprised grants from local government as an incentive to promote local businesses.

5 EXPENSES BY NATURE

	Year ended 31 December	
	2014	2013
Raw materials and consumables used	**1,369,620**	1,337,102
Changes in inventories of finished goods and work in progress	**22,423**	(8,558)
Tax and levies on main operations	**9,425**	9,936
Provision for obsolescence on inventories	**(229)**	(21)
Depreciation and amortisation charges:	**107,660**	90,611
— Depreciation of property, plant and equipment	**104,911**	88,594
— Amortisation of intangible assets	**2,473**	1,915
— Amortisation of land use right	**276**	102
Provision for impairment of receivables and prepayment	**1,135**	(751)
Employee benefit expenses	**179,308**	160,764
Auditors' remuneration	**2,100**	2,040
Transportation expenses	**51,433**	54,305
Repair and maintenance expenses	**26,143**	18,502
Electricity and utilities	**34,509**	32,729
Rental expenses	**7,989**	8,122
Plating expenses	**9,637**	9,243
Professional fees	**7,927**	7,028
Travelling expenses	**14,074**	14,619
Advertising and promotional expenses	**15,370**	6,232
Other expenses	**41,239**	57,181
Total cost of goods sold, distribution expenses and administrative expenses	**1,899,763**	1,799,084

6 FINANCE INCOME AND FINANCE EXPENSES

	Year ended 31 December	
	2014	2013
Interest income — cash and cash equivalents	**11,875**	3,867
Finance income	**11,875**	3,867
Interest expense — bank borrowings	**(4,326)**	(3,873)
Exchange loss on borrowings and cash and cash equivalents	**(3,226)**	(105)
Finance expenses	**(7,552)**	(3,978)

7 INCOME TAX EXPENSE

	Year ended 31 December	
	2014	2013
Current income tax:		
Enterprise income tax ("EIT")	**89,075**	110,386
Deferred tax:		
Origination and reversal of temporary differences	**(51)**	(10,899)
Taxation	**89,024**	99,487

The Group's subsidiaries established in the PRC are subject to the PRC statutory income tax of 25% (2013: 25%) on the assessable income for the year. Hong Kong profits tax has been provided at rate of 16.5% for the current year (2013: 16.5%). Subsidiaries in Switzerland and Germany were in loss position and no income tax has been provided.

Another subsidiary, Greatview Aseptic Packaging (Inner Mongolia) Co., Ltd., is located in a special economic zone with an applicable tax rate of 15%, which is subject to annual approval from the local tax bureau. The local tax bureau has approved this preferential tax rate of 15% for this subsidiary in year 2014.

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the Group companies is as follows:

	Year ended 31 December	
	2014	2013
Profit before tax	**368,721**	416,763
Tax calculated at domestic tax rates applicable to profits in the respective countries	**90,506**	112,338
Withholding tax on dividends	**10,550**	3,000
Preferential tax treatment for subsidiaries	**(18,518)**	(24,811)
Income not subject to tax	**(2)**	(142)
Expenses not deductible for taxation purposes	**357**	433
Tax losses for which no deferred tax asset was recognised	**8,152**	10,952
Utilisation of previously unrecognised tax losses for which no deferred income tax was recognised	**(889)**	(367)
Others	**(1,132)**	(1,916)
Tax charge	**89,024**	99,487

8 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2014	2013
Profit attributable to equity holders of the Company	**279,697**	317,276
Weighted average number of ordinary shares in issue (thousands)	**1,343,744**	1,335,933
Basic earnings per share (RMB per share)	**0.21**	0.24

(b) Diluted earnings per share

Dilutive earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. For share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Year ended 31 December	
	2014	2013
Profit attributable to equity holders of the Company	**279,697**	317,276
Weighted average number of ordinary shares in issue (thousands)	**1,343,744**	1,335,933
Adjustments for share options (thousands)	**426**	702
Weighted average number of ordinary shares for diluted earnings per share (thousands)	**1,344,170**	1,336,635
Diluted earnings per share (RMB per share)	**0.21**	0.24

9 DIVIDENDS

The dividends paid in 2014 and 2013 were HK$268,656,000 (HK$0.10 per share, approximately RMB213,986,000 in total) and HK$133,513,000 (HK$0.10 per share, approximately RMB106,316,000 in total) respectively. A dividend in respect of the year ended 31 December 2014 of HK$0.10 per share, amounting to a total dividend of HK$134,306,000 (approximately RMB105,951,000 in total) is to be proposed by the Board at the forthcoming annual general meeting. These financial statements do not reflect this dividend payable.

	Year ended 31 December	
	2014	2013
Dividends proposed and paid during the year	**106,733**	–
Proposed final dividend of HK$0.10 (2013: HK$0.10) per ordinary share	**105,951**	105,270
	212,684	105,270

10 TRADE AND OTHER RECEIVABLES

	As at 31 December	
	2014	2013
Trade receivables	**263,896**	433,038
Less: Provision for impairment	**(4,962)**	(3,827)
Trade receivables — net	**258,934**	429,211
Notes receivable	**69,370**	100,866
Value added tax deductible	**25,737**	22,357
Prepayments	**27,012**	34,377
Less: Provision for impairment	**(8,681)**	(8,681)
Prepayments — net	**18,331**	25,696
Other receivables	**36,600**	3,897
	408,972	582,027

The Group does not hold any collateral as security.

The credit terms granted to customers by the Group were generally 0 to 90 days (2013: 0 to 90 days) during the year.

The ageing analysis of trade receivables as at 31 December 2014 and 2013 is as follows:

	As at 31 December	
	2014	2013
Trade receivables, gross		
0–30 days	**138,303**	303,133
31–90 days	**55,451**	105,098
91–365 days	**52,097**	21,106
Over 1 year	**18,045**	3,701
	263,896	433,038

11 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

	As at 31 December	
	2014	2013
Trade payables	**222,263**	191,585
Notes payables	**44,746**	4,508
Advances from customers	**24,062**	23,091
Accrued expenses	**76,150**	69,241
Salary and welfare payable	**14,594**	15,400
Other payables	**9,607**	17,954
Value added tax payable	**4,366**	15,905
	395,788	337,684

The ageing analysis of the Group's trade payables at the date of each statement of financial position of the year is as follows:

	As at 31 December	
	2014	2013
Within 30 days	**163,345**	132,334
31–90 days	**57,207**	57,154
91–365 days	**910**	937
Over 365 days	**801**	1,160
	222,263	191,585

BUSINESS REVIEW

Overview

Our Group is the second largest roll-fed supplier of aseptic packaging globally and the leading alternative supplier in the People's Republic of China (the "**PRC**"), producing and selling a broad variety of aseptic packs. These aseptic packs include GA Brick, our carton form packaging and GA Pilo, our soft pouch form packaging. We supply customised, high-quality and competitively priced aseptic packs that are fully compatible with standard roll-fed filling machines and enabled us to secure some of the leading dairy and non-carbonated soft drink ("**NCSD**") producers in the PRC as well as a number of international producers as our clients.

In 2014, Greatview continued to enjoy growth in overall revenue and sales volume. In the PRC, the growth of the China liquid milk production volume experienced temporary deceleration, which had intensified the competition in aseptic packaging market, but we still retained growth in sales volume. Elsewhere, our international business continued to enjoy steady growth.

In April 2014, the third production line of our Gaotang factory commenced commercial production, helping us to meet growing market demand. Furthermore, in our Helingeer factory, the production main line for producing GA Sleeve Brick, SIG Combibloc compatible product, was assembled at the end of 2014, which we expect to broaden our product portfolio in the market.

In order to improve quality and efficiency of management and operation of our Group, an enterprise resource planning system was implemented during the first half of 2014. We are optimising and standardising the business process in stages to suit our demand.

Products

We sold a total of 11.2 billion packs during the year ended 31 December 2014 which represents an increase of 6.3% compared with 2013. GA Brick aseptic 250ml Base remained the top selling product, followed by GA Brick aseptic 250ml Slim as our Group's second most popular selling product.

In 2014, in order to cater for the demand of premium and portion size products, Greatview introduced aseptic metallized board carton in the PRC market. GA Sleeve Brick, the new pack type, is under trial production, which will offer more choices to customers and help diversify our product portfolio.

Production Capacity and Utilisation

The Group had a total annual production capacity of 21.4 billion packs as at 31 December 2014. Our Group produced approximately 11.2 billion packs during the year ended 31 December 2014. The utilisation rate was 55%.

Suppliers and Raw Materials

During the year ended 31 December 2014, the cost of raw materials increased due to the growth in production volume and the higher materials prices.

We are continuously expanding our supplier base to manage and control the price of raw materials. In 2014, we had made significant progress and developed more liquid packaging board producers as our suppliers. In our European plant, we were continuously improving the production efficiency and reducing wastage in 2014.

Sales and Marketing

Greatview sells aseptic cartons and services to leading dairy and NCSD producers across the world, with a primary focus on the PRC and European markets.

In 2014, Greatview attended two Food & Drinks Fairs in Chengdu, where we exhibited all-new ABM 125N filling machine and recent product additions, the 125ml aseptic brick and metallized board carton. The ABM 125N filling machine and 125ml aseptic brick carton form an integrated packaging solution and received a positive reaction from the market.

FINANCIAL REVIEW

Overview

For the year ended 31 December 2014, despite the growth deceleration of the PRC liquid milk production volume, our Company retained growth in sales volume and revenue and controlled well on production cost and expenses. Although net profit decreased primarily due to lower average selling price and higher average cost resulted from higher material prices and amortization of PP&E, we still attained free cash flow to propose for dividend for the year ended 31 December 2014. Our management will continue to capture growth in the aseptic packaging industry as well as explore potential business development opportunities to further enhance return to shareholders of the Company (the "**Shareholders**").

Revenue

We primarily derived revenue from domestic and international sales of aseptic packaging and related services to dairy and NCSD producers. Revenue of our Group increased by 3.3% to RMB2,231.5 million for the year under review from RMB2,159.5 million for the year ended 31 December 2013. The increase was primarily driven by growth in international sales.

With respect to the domestic segment, our revenue decreased by RMB15.0 million, or 0.8%, to RMB1,844.0 million for the year ended 31 December 2014 from RMB1,859.0 million for the year ended 31 December 2013. Despite sales orders increased from existing dairy customers and new NCSD customers, average selling price declined.

With respect to the international segment, our revenue increased by RMB87.0 million, or 29%, to RMB387.5 million for the year ended 31 December 2014 from RMB300.5 million for the year ended 31 December 2013. It was mainly contributed by the support of production capacity of our European plant and the increase in sales orders from existing customers and the new customers in new market regions.

Our revenue from dairy customers increased by RMB12.6 million, or 0.6%, to RMB2,037.6 million for the year ended 31 December 2014 from RMB2,024.9 million for the year ended 31 December 2013, and our revenue from NCSD customers increased by RMB59.4 million, or 44.1%, to RMB194.0 million for the year ended 31 December 2014 from RMB134.6 million for the year ended 31 December 2013 which was primarily as a result of increased sales volume of international business after the construction of production base in Europe.

Cost of Sales

Our cost of sales increased by RMB105.9 million, or 6.7%, to RMB1,686.2 million for the year ended 31 December 2014 from RMB1,580.3 million for the year ended 31 December 2013 which was mainly due to the increase in sales volume and higher material prices and amortization of PP&E.

Gross Profit and Gross Margin

As a result of the foregoing factors, our gross profit decreased by RMB33.9 million, or 5.9%, to RMB545.3 million for the year under review from RMB579.2 million for the year ended 31 December 2013. Our gross margin decreased by 2.4 percentage points to 24.4% for the year ended 31 December 2014 from 26.8% for the year ended 31 December 2013, primarily due to lower average selling price and higher average cost.

Other Income

Our other income decreased by RMB9.6 million, or 20%, to RMB37.8 million for the year ended 31 December 2014 from RMB47.4 million for the year ended 31 December 2013, primarily due to the decrease in government subsidy.

Distribution Expenses

Our distribution expenses decreased by RMB6.0 million, or 5.7%, to RMB99.2 million for the year ended 31 December 2014 from RMB105.2 million for the year ended 31 December 2013, primarily due to the decrease of transportation expense. The percentage of distribution expenses over total revenue was 4.4% for the year ended 31 December 2014, which represents a 0.5 percentage point decrease compared with last year.

Administrative Expenses

Our administrative expenses increased by RMB0.7 million, or 0.6%, to RMB114.3 million for the year ended 31 December 2014 from RMB113.6 million for the year ended 31 December 2013. The percentage of administrative expenses over total revenue was 5.1% for the year ended 31 December 2014, which represents a 0.2 percentage point decrease compared with last year.

Taxation

Our tax expenses decreased by RMB10.5 million to RMB89.0 million for the year ended 31 December 2014 from RMB99.5 million for the year ended 31 December 2013. Effective tax rate increased by 0.2 percentage point to 24.1% for the year ended 31 December 2014 from 23.9% for the previous financial year.

Profit for the Year and Net Profit Margin

Our net profit decreased by RMB37.6 million, or 11.8%, to RMB279.7 million for the year ended 31 December 2014 from RMB317.3 million for the year ended 31 December 2013. Our net profit margin decreased by 2.2 percentage points to 12.5% for the year ended 31 December 2014 from 14.7% for the year ended 31 December 2013 primarily due to decrease in gross margin and loss in foreign exchange.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2014, we had RMB489.6 million (31 December 2013: RMB294.6 million) in cash and cash equivalents. Our cash and cash equivalents consist primarily of cash on hand and bank balances which are primarily held in RMB denominated accounts with banks in the PRC.

Analysis of Turnover of Inventories, Trade Receivables and Payables

Our Group's inventories primarily consist of raw materials. Turnover days for inventory (inventories/cost of sales) was 100.8 days as at 31 December 2014 as compared to 105.3 days as at 31 December 2013. Turnover days for trade receivables (trade receivables/revenue) decreased from 60.5 days as at 31 December 2013 to 57 days as at 31 December 2014. Turnover days for trade payables (trade payables/cost of sales) increased from 40.5 days as at 31 December 2013 to 44.8 days as at 31 December 2014.

Borrowings and Finance Cost

Total borrowings of our Group as at 31 December 2014 were RMB336.0 million (31 December 2013: RMB177.1 million) and were denominated in United States Dollars and Hong Kong Dollars. For the year under review, net finance income of our Group were approximately RMB4.3 million (31 December 2013: net finance loss RMB0.1 million).

Gearing Ratio

As at 31 December 2014, the gearing ratio (calculated by dividing total loans and bank borrowings by total equity) of our Group was 0.16 (31 December 2013: 0.08). Such increase was mainly contributed by the increase in short-term loan.

Working Capital

Our working capital (calculated by the difference between the current assets and current liabilities) as at 31 December 2014 was RMB910.3 million (31 December 2013: RMB857.9 million).

Foreign Exchange Exposure

Our Group's sales were primarily denominated in RMB. During the year under review, our Group recorded exchange loss of RMB9.6 million (31 December 2013: RMB9.0 million gain).

Capital Expenditure

As at 31 December 2014, our Group's total capital expenditure amounted to approximately RMB167.0 million (31 December 2013: RMB209.4 million), which was mainly used for building up new factory and purchasing production machines and equipment for the Group.

Charge on Assets

As at 31 December 2014, our Group neither pledged any property, plant and equipment (2013: nil) nor land use right (2013: nil).

Contingent Liabilities

As disclosed in the prospectus of the Company dated 26 November 2010, a claim was brought by Tetra Laval Holdings & Finance S.A., Pully Switzerland ("**Tetra Pak**") in July 2010 in the Düsseldorf district court in Germany (the "**Court**"), alleging patent infringement of a claim of a European patent related to aseptic packaging material ("**Tetra Pak's Claim**") against two group companies.

The Court has denied Tetra Pak's Claim in December 2011 and found Tetra Pak liable for the costs of the proceedings (the "**Judgment**"). On 16 January 2012, Tetra Pak filed a notice of appeal to Düsseldorf Higher Regional Court against the Judgment. As at 31 December 2014, the appeal was pending decision of the opposition proceedings.

On 20 October 2010, we commenced opposition proceedings before the European Patent Office ("EPO") to invalidate the subject patent in question in Tetra Pak's infringement claim, with effect throughout all EPO member states. On 27 November 2012, the opposition division of EPO revoked the subject patent in its entirety; however, Tetra Pak has filed an appeal on 17 April 2013 against the first instance decision. On 23 December 2013, the Company had filed a reply in response to Tetra Pak's appeal. As at 31 December 2014, the appeal was under process at EPO. Based on the communication with our legal advisor on German law, the Company made its assessment that the Group may prevail in the defence against Tetra Pak's appeal. Further disclosure will be made as and when appropriate.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2014, our Group employed approximately 1,234 employees (31 December 2013: 1,250 employees). Our Group offered competitive salary package, as well as discretionary bonuses, cash subsidies and contribution to social insurance to its employees. In general, we determine employee salaries based on each employee's qualifications, position and seniority. We have designed an annual review system to assess the performance of our employees, which forms the basis of our decisions with respect to salary raises, bonuses and promotions. Share option schemes have also been adopted for employees of our Group. In order to ensure that our Group's employees remain competitive in the industry, the Company has adopted training schemes for its employees managed by its human resources department.

CORPORATE SOCIAL RESPONSIBILITY

In 2014, Greatview's social activity focused on promoting responsible paper sourcing. In May 2014, Jeff Bi our Chief Executive Officer, delivered a keynote speech on Greatview's role in "Leading Paper Sustainability in China" at PwC's Annual Global Forest & Paper Industry Conference in Vancouver. In November 2014, our Company won the 2014 SEN Environment Award held in recognition of Greatview's record in sourcing the industry's highest rate of sustainable certified paperboard.

In the PRC, Greatview collaborated with Mengniu in charitable donations to child victims of the Yunnan Ludian earthquake and to underfunded schools in impoverished areas of Sichuan province.

PROSPECTS

Greatview primarily focuses its growth strategy on the PRC and international markets. Greatview intends to support its future growth through:

- expanding our PRC market share through increasing sales to customers and broadening customer mix;
- improving in the international business team performance;

- improving after-sales services to customers;
- broadening product portfolio, for example SIG Combibloc compactable blank-filled packaging material and other product types; and
- strategically increasing investment of resources to upgrade the filling equipment productivity and quality.

FINAL DIVIDEND

The Board recommends the payment of a final dividend amounting to HK$134.3 million (HK$0.1 per share, approximately RMB106.0 million in total) for the year ended 31 December 2014 (2013: HK$0.10 per share, approximately RMB105.3 million in total). The proposed final dividend, if approved by Shareholders at the forthcoming annual general meeting, shall be paid on or around 7 July 2015 to shareholders whose names appear on the register of members of the Company on 19 June 2015.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 27 May 2015 to 29 May 2015, both days inclusive, during which period no share transfers in Hong Kong can be registered. In order to be eligible for attending and voting at the forthcoming annual general meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 26 May 2015.

In addition, the register of members of the Company will be closed from 17 June 2015 to 19 June 2015, both days inclusive, during which period no transfer of shares will be registered in order to ascertain Shareholders' entitlement to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 16 June 2015.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability.

During the year, the Company has adopted the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") as its own code of corporate governance.

The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the CG Code during the year ended 31 December 2014.

The following is a summary of work performed by the Board in determining the policy for the corporate governance of the Company during the year ended 31 December 2014:

(1) developed and reviewed the Company's policies and practices on corporate governance;

(2) reviewed and monitored the training and continuous professional development of Directors and senior management;

(3) reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements;

(4) developed, reviewed and monitored the code of conduct and compliance manual applicable to employees and Directors; and

(5) reviewed the Company's compliance with the CG Code and disclosure in the corporate governance report.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE "MODEL CODE")

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the Directors and each of the Directors has confirmed that he/she has complied with the Model Code during the year of 2014 and up to the date of this annual report.

The Company has also established written guidelines on no less exacting terms than the Model Code (the "**Employees Written Guidelines**") for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company.

No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company during the year ended 31 December 2014.

PURCHASE, SALE OR REDEMPTION OF THE SHARES

During the year ended 31 December 2014, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

PRE-EMPTIVE RIGHT

There are no provisions for pre-emptive rights under the Articles of Association of the Company and the laws of the Cayman Islands.

REVIEW BY THE AUDIT COMMITTEE

The Audit Committee comprises all the three independent non-executive Directors namely, Mr. LUETH Allen Warren (chairman of the Audit Committee), Mr. BEHRENS Ernst Hermann and Mr. CHEN Weishu. In compliance with Rule 3.21 of the Listing Rules, Mr. LUETH Allen Warren possesses the appropriate professional qualifications or accounting or related financial management expertise.

The primary duties of the Audit Committee are to assist the Board to provide an independent view of the effectiveness of the financial reporting process, internal control and risk management system of our Company, to review the overall audit process and to perform other duties and responsibilities as assigned by our Board.

The Audit Committee has reviewed the accounting principles and practices adopted by the Company, the annual results of our Group during the year ended 31 December 2014 as well as auditing, internal control and financial reporting matters, including the consolidated financial statements for the year ended 31 December 2014. The Audit Committee is of the view that our Group's consolidated financial statements for the year under review are prepared in accordance with the applicable accounting standards, laws and regulations, and appropriate disclosures have already been made.

ANNUAL GENERAL MEETING AND PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The annual general meeting of the Company is expected to be held at 10:00 a.m., on Friday, 29 May 2015. This results announcement is published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (www.greatviewpack.com). The annual report of the Company together with the notice of annual general meeting will be despatched to the Shareholders and available at the aforesaid websites in due course.

By order of the Board
Greatview Aseptic Packaging Company Limited
Bi Hua, Jeff
Chief Executive Officer and Executive Director

Beijing, 27 March 2015

As at the Date of this announcement, the Board comprises two executive Directors, namely BI Hua, Jeff and LIU Jun; two non-executive Directors, namely HONG Gang and ZHU Jia; and three independent non-executive Directors, namely LUETH Allen Warren, BEHRENS Ernst Hermann and CHEN Weishu.