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 2012

The board of directors (the "Board") of Greatview Aseptic Packaging Company Limited (the "Company") is pleased to announce the consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2012 together with comparative figures for the year ended 31 December 2011 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") does not constitute the Group's statutory financial statements for the year ended 31 December 2012, but represents 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 auditors, 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 2012. 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 the announcement.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2012
Amounts expressed in thousands of RMB except for share data

	Note	Year ended 31 December **2012**	2011
Revenue	4	**1,744,049**	1,574,096
Cost of sales	5	**(1,193,555)**	(1,099,060)
Gross profit		**550,494**	475,036
Other income — net	4	**41,966**	19,468
Distribution costs	5	**(87,177)**	(80,518)
Administrative expenses	5	**(108,150)**	(96,050)
Operating profit		**397,133**	317,936
Finance expense — net	6	**(125)**	(2,343)
Profit before income tax		**397,008**	315,593
Taxation	7	**(82,131)**	(52,449)
Profit for the year		**314,877**	263,144
Profit attributable to:			
Equity holders of the Company		**314,877**	263,144
Earnings per share for profit attributable to equity holders of the Company			
— Basic earnings per share	8	**0.24**	0.20
— Diluted earnings per share	8	**0.24**	0.20
Dividend	9	**108,996**	—

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2012
Amounts expressed in thousands of RMB unless otherwise stated

	Year ended 31 December **2012**	2011
Profit for the year	**314,877**	263,144
Other comprehensive income:		
Currency translation differences	**6,748**	(28,960)
Total comprehensive income for the year	**321,625**	234,184
Attributable to:		
— Equity holders of the Company	**321,625**	234,184
Total comprehensive income for the year	**321,625**	234,184

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2012

Amounts expressed in thousands of RMB unless otherwise stated

	Note	As at 31 December **2012**	2011
ASSETS			
Non-current assets			
Property, plant and equipment		**1,031,636**	791,509
Land use rights		**2,588**	2,647
Intangible assets		**54,158**	51,816
Deferred income tax assets		**20,147**	22,026
Long-term prepayment		**103,206**	117,313
		1,211,735	985,311
Current assets			
Inventories		**475,095**	354,634
Trade and other receivables	10	**417,310**	459,913
Cash and bank balances		**301,126**	273,606
		1,193,531	1,088,153
Total assets		**2,405,266**	2,073,464
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital, share premium and capital reserve		**937,797**	930,861
Statutory reserve		**113,079**	85,490
Exchange reserve		**(24,090)**	(30,838)
Retained earnings		**833,058**	654,766
Total equity		**1,859,844**	1,640,279
LIABILITIES			
Non-current liabilities			
Borrowings		**—**	32,800
Deferred government grants		**80,498**	9,000
Deferred income tax liabilities		**4,591**	4,430
		85,089	46,230
Current liabilities			
Trade payables, other payables and accruals	11	**285,622**	195,548
Income tax liabilities		**25,135**	19,829
Borrowings		**149,576**	171,578
		460,333	386,955
Total liabilities		**545,422**	433,185
Total equity and liabilities		**2,405,266**	2,073,464
Net current assets		**733,198**	701,198
Total assets less current liabilities		**1,944,933**	1,686,509

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2012

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 2010	11,423	786,857	117,927	52,146	(1,878)	424,966	1,391,441
Comprehensive income:							
Profit for the year	—	—	—	—	—	263,144	263,144
Other comprehensive income:							
Currency translation differences	—	—	—	—	(28,960)	—	(28,960)
Transactions with owners:							
Employee share options	—	—	14,654	—	—	—	14,654
Transfer to statutory reserve	—	—	—	33,344	—	(33,344)	—
Total transactions with owners	—	—	14,654	33,344	—	(33,344)	14,564
As at 31 December 2011	11,423	786,857	132,581	85,490	(30,838)	654,766	1,640,279
Comprehensive income:							
Profit for the year	—	—	—	—	—	314,877	314,877
Other comprehensive income:							
Currency translation differences	—	—	—	—	6,748	—	6,748
Transactions with owners:							
Employee share options	—	—	6,936	—	—	—	6,936
Transfer to statutory reserve	—	—	—	27,589	—	(27,589)	—
Dividend	—	—	—	—	—	(108,996)	(108,996)
Total transactions with owners	—	—	6,936	27,589	—	(136,585)	(102,060)
As at 31 December 2012	11,423	786,857	139,517	113,079	(24,090)	833,058	1,859,844

CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended 31 December 2012

Amounts expressed in thousands of RMB unless otherwise stated

	Note	Year ended 31 December **2012**	2011
Cash flows from operating activities			
Cash generated from operations		**486,521**	159,824
Interest paid		**(4,021)**	(6,246)
Income tax paid		**(74,785)**	(44,035)
Net cash generated from operating activities		**407,715**	109,543
Cash flows from investing activities			
Property, plant and equipment ("PPE")		**(275,034)**	(485,036)
Government grant received related to PPE		**72,148**	—
Proceeds from disposal of PPE		**160**	227
Purchase of intangible assets		**(3,732)**	(835)
Interest received		**6,235**	3,988
Net cash used in investing activities		**(200,223)**	(481,656)
Cash flows from financing activities			
Proceeds from borrowings		**748,711**	281,708
Repayments of borrowings		**(805,417)**	(180,163)
Dividends paid to equity holders		**(108,996)**	—
Net cash (used in)/generated from financing activities		**(165,702)**	101,545
Net increase/(decrease) in cash and cash equivalents		**41,790**	(270,568)
Cash and cash equivalents at beginning of year		**253,860**	526,970
Exchange loss on cash and cash equivalents		**(435)**	(2,542)
Cash and cash equivalents at end of year	12	**295,215**	253,860

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.

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 as disclosed in the accounting policies below.

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

There was no new and amended IFRS adopted by the Group for the first time to the financial year beginning 1 January 2012.

(b) New standards and interpretations not yet adopted

The following standards, amendments and interpretations which have been issued and are not yet effective have not been early adopted by the Group:

IAS 1 (Amendment)	*'Financial statements presentation' regarding other comprehensive income (effective on or after 1 July 2012)* — *The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.*
IFRSs 10, 11 and 12 (Amendment)	*Transition guidance (effective on or after 1 January 2013)*

	— *These amendments provide additional transition relief to IFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied.*
Annual improvements 2011	*(effective on or after 1 January 2013)* *These annual improvements, address six issues in the 2009–2011 reporting cycle. It includes changes to:* — *IFRS 1, 'First time adoption'* — *IAS 1, 'Financial statement presentation'* — *IAS 16, 'Property plant and equipment'* — *IAS 32, 'Financial instruments; Presentation'* — *IAS 34, 'Interim financial reporting'*
IFRS 13	*Fair value measurements (effective on or after 1 January 2013)* — *IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs.*
IFRS 7 and IFRS 9 (Amendments)	*Mandatory effective date and transition disclosures (effective on or after 1 January 2015)* — *IFRS 7 and IFRS 9 (Amendments) "Mandatory effective date and transition disclosures" delay the effective date to annual periods beginning on or after 1 January 2015, and also modify the relief from restating prior periods. As part of this relief, additional disclosures on transition from IAS 39 to IFRS 9 are required.*
IAS 19 (Amendment)	*'Employee benefits' (effiective on or after 1 January 2013)* — *IAS 19 was amended in June 2011. The impact on the Group will be as follows: to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The Group is yet to assess the full impact of the amendments.*
IFRS 10	*Consolidated financial statements (effective on or after 1 January 2013)* — *The objective of IFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entity (an entity that controls one or more other entities) to present consolidated financial statements. Defines the principle of control, and establishes controls as the basis for consolidation. Set out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee. It also sets out the accounting requirements for the preparation of consolidated financial statements.*

The Group is in the process of making an assessment of the impact of these standards, amendments and interpretations on the consolidated financial statements of the Group in the initial application and does not anticipate that the adoption will result in any material impact on the Group's operating results or financial position.

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.

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
2012			
Sales — Revenue from external customers	**1,586,999**	**157,050**	**1,744,049**
Cost	**(1,068,737)**	**(124,818)**	**(1,193,555)**
Segment result	**518,262**	**32,232**	**550,494**
2011			
Sales — Revenue from external customers	1,439,987	134,109	1,574,096
Cost	(999,296)	(99,764)	(1,099,060)
Segment result	440,691	34,345	475,036

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

	Year ended 31 December	
	2012	2011
Segment result for reportable segments	**550,494**	475,036
Other income — net	**41,966**	19,468
Distribution costs	**(87,177)**	(80,518)
Administrative expenses	**(108,150)**	(96,050)
Operating profit	**397,133**	317,936
Finance expense — net	**(125)**	(2,343)
Profit before income tax	**397,008**	315,593
Income tax expense	**(82,131)**	(52,449)
Profit for the year	**314,877**	263,144

Although the international segment does not meet the quantitative thresholds required by IFRS 8, management has concluded that this segment should be reported, as it is closely monitored by the Board as a potential growth region.

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 financial instruments, deferred tax assets (there is no employment benefit assets and rights arising under insurance contracts) amount to 1,191,588 (2011: 963,285).

The following table presents the financial information of sales generated from packaging materials for:

	Year ended 31 December	
	2012	2011
Dairy	**1,634,721**	1,364,059
Non-carbonated soft drink ("NCSD")	**109,328**	210,037
	1,744,049	1,574,096

Revenue of approximately 1,188,248 or 68% (2011: 972,152 or 62%) was derived from 2 (2011: 2) single external customers. Each of these 2 external customers contributes more than 10% of the Group's revenue. These revenues are attributable to the PRC segment.

4 REVENUE AND OTHER INCOME — NET

	Year ended 31 December	
	2012	2011
Sales of products	**1,744,049**	1,574,096
Other income — net:		
— Income from sales of scrap materials	**12,227**	8,394
— Subsidy income from government	**23,917**	21,440
— Loss on disposal of assets	**(400)**	—
— Foreign exchange gain/(loss)	**5,605**	(10,366)
— Others	**617**	—
	41,966	19,468

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

5 EXPENSES BY NATURE

	Year ended 31 December	
	2012	2011
Raw materials and consumables used	**1,052,043**	989,280
Changes in inventories of finished goods and work in progress	**(21,906)**	(32,184)
Tax and levies on main operations	**6,715**	4,868
Provision for obsolescence on inventories	**748**	3,740
Depreciation and amortisation charges:	**60,417**	51,173
— Depreciation of property, plant and equipment	**58,958**	50,031
— Amortisation of intangible assets	**1,400**	1,084
— Amortisation of land use right	**59**	58
Provision for impairment of receivables and prepayment	**2,940**	353
Employee benefit expenses	**117,307**	98,540
Auditors' remuneration	**2,000**	1,860
Transportation expenses	**49,871**	50,334
Repair and maintenance expenses	**17,884**	14,384
Electricity and utilities	**22,755**	20,409
Rental expenses	**7,519**	5,605
Plating expenses	**7,879**	10,835
Professional fees	**9,926**	8,863
Travelling expenses	**12,681**	10,311
Advertising and promotional expenses	**6,916**	3,192
Other expenses	**33,187**	34,065
Total cost of goods sold, distribution costs and administrative expenses	**1,388,882**	1,275,628

6 FINANCE EXPENSE — NET

	Year ended 31 December	
	2012	2011
Interest expense — bank borrowings	**(4,021)**	(6,246)
Exchange loss on cash and cash equivalents	**(2,339)**	(85)
Finance expense	**(6,360)**	(6,331)
Interest income — cash and cash equivalents	**6,235**	3,988
Finance income	**6,235**	3,988
Finance expense — net	**(125)**	(2,343)

Interest expense of 5,037 (2011: 1,588) has been capitalised into cost of property, plant and equipment.

7 INCOME TAX EXPENSE

	Year ended 31 December	
	2012	2011
Current income tax:		
Enterprise income tax ("EIT")	**80,091**	54,339
Deferred tax:		
Origination and reversal of temporary differences	**2,040**	(1,890)
Taxation	**82,131**	52,449

The Group's subsidiaries established in the PRC are subject to the PRC statutory EIT of 25% (2011: 25%) on the assessable income for the year. Hong Kong profits tax has been provided at rate of 16.5% for the current year (2011: 16.5%). Switzerland profits tax has been provided at the rate of 10.18% (2011: not applicable) on the estimated assessable profit for the current year.

As a foreign investment production enterprise in the PRC, one of the Group's subsidiary Greatview Aseptic Packaging (Shandong) Co., Ltd. is entitled to tax exemption for two years followed by a 50% reduction in tax rate in the next three years effective from the first cumulative tax profit-making year. The subsidiary's first cumulative tax profit-making year is 2007 and the preferential tax rate expired after 2011.The applicable EIT rate for the current year is 25% (2011: 12.5%).

Another subsidiary, Greatview Aseptic Packaging (Inner Mongolia) Co., Ltd., is located in a special economic zone with the applicable tax rate of 15%, which 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 2012.

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 as follows:

	Year ended 31 December	
	2012	2011
Profit before tax	**397,008**	315,593
Tax calculated at domestic tax rates applicable to profits in the respective countries	**99,019**	90,541
Withholding tax on dividend	**4,591**	4,430
Preferential tax treatment for subsidiaries	**(21,116)**	(48,263)
Income not subject to tax	**(58)**	(4,625)
Expenses not deductible for taxation purposes	**647**	192
Tax losses for which no deferred tax asset was recognised	**3,850**	9,434
Utilisation of previously unrecognised tax losses for which no deferred income tax was recognised	**(7,378)**	(532)
Others	**2,576**	1,272
Tax charge	**82,131**	52,449

8 EARNINGS PER SHARE

Basic and diluted 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	
	2012	2011
Profit attributable to equity holders of the Company	**314,877**	263,144
Weighted average number of ordinary shares in issue *(thousand)*	**1,333,600**	1,333,600
Earnings per share *(RMB per share)*	**0.24**	0.20

In year 2012 and 2011, the employee share options had no dilutive effect as the average market price of ordinary shares during the year did not exceed the exercise price of the options.

9 DIVIDEND

On 27 August 2012, the Board approved that a dividend of HK$133,360,000 (HK$0.10 per share, approximately RMB108,996,000 in total) be paid to the shareholders of the Company. The dividend was fully paid in September 2012. No dividend was paid in 2011.

A dividend in respect of the year ended 31 December 2012 of HK$0.1 per share, amounting to a total of HK$133,360,000 is to be proposed by the Board at the forthcoming annual general meeting. These financial statements do not reflect this dividend payable.

10 TRADE AND OTHER RECEIVABLES

	As at 31 December	
	2012	2011
Trade receivables	**282,545**	353,852
Less: Provision for impairment	**(4,578)**	(4,619)
Trade receivables — net	**277,967**	349,233
Notes receivables	**81,688**	65,225
Value added tax deductible	**40,106**	20,352
Prepayments	**19,133**	25,341
Less: Provision for impairment	**(8,681)**	(7,002)
Prepayments — net	**10,452**	18,339
Other receivables	**7,097**	6,764
	417,310	459,913

The Group does not hold any collateral as security.

The credit terms granted to customers by the Group were generally 0 to 90 days (2011: 10 to 90 days) during the year.

The ageing analysis of trade receivables as at 31 December 2012 and 2011 is as follows:

	As at 31 December	
	2012	2011
Trade receivables, gross		
0–30 days	**169,041**	172,818
31–90 days	**85,071**	147,151
91–365 days	**24,859**	24,792
Over 1 year	**3,574**	9,091
	282,545	353,852

As at 31 December 2012 and 2011, the Group's trade receivables that are neither past due nor impaired are from customers with good credit history and low default rate.

11 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

	As at 31 December	
	2012	2011
Trade payables	**158,737**	110,850
Notes payables	**7,630**	—
Advances from customers	**28,719**	16,116
Accrued expenses	**46,912**	27,642
Salary and welfare payable	**19,594**	14,455
Other payables	**17,721**	26,485
Value added tax payable	**6,309**	—
	285,622	195,548

The ageing analysis of trade payables as at 31 December 2012 and 2011 is as follows:

	As at 31 December	
	2012	2011
Within 30 days	**54,879**	87,086
31–90 days	**94,785**	20,735
91–365 days	**7,237**	2,101
Over 365 days	**1,836**	928
	158,737	110,850

12. CASH AND BANK BALANCES

	As at 31 December	
	2012	2011
Cash and bank balances	**301,126**	273,606
Less: Restricted cash	**(5,911)**	(19,746)
Cash and cash equivalents per consolidated statement of cash flow	**295,215**	253,860

BUSINESS REVIEW

Overview

We are the second largest roll-fed supplier of aseptic packaging globally and the leading alternative supplier in 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. Our commitment to provide customised, high-quality and competitively priced aseptic packs, which are fully compatible with standard roll-fed filling machines, 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.

Our European production facility in Halle, Germany (our "European Plant") has started trial production in June 2012 and commercial production in December 2012. This new factory marks an important milestone in our Group's international growth strategy by penetrating one of the largest aseptic packaging markets in the world. Our Company is expected to extend its geographical coverage to reach across the European region as well as other international markets upon the completion of ramp-up production of our European Plant.

Our second production line of the Helingeer factory in Inner Mongolia has commenced production in the first half of 2012. With the implementation of this new production line, the Helingeer factory is expected to contribute significant portion of our Group's production capacity.

We have started construction of the third production line in Gaotang, the PRC during the first six months of 2012. The construction is scheduled to complete in the second half of 2013. This new production line, estimated at a total investment of around RMB300 million, is expected to contribute a significant increase in our Group's production capacity.

In order to streamline and improve efficiencies of our Group, centralisation of our Group's management function was put in place since 2011. Operations of some of the departments have been successfully centralised from individual factories to our head office in Beijing. Our Group continued to strengthen the centralised supportive functions during the year ended 31 December 2012. We, in the long term, hope to benefit from this cost saving measure and enhance operational efficiency.

Products

We sold a total of 8.6 billion packs during the year ended 31 December 2012, with GA Brick aseptic 250ml Base remained as the top selling product, followed by GA Brick aseptic 250ml Slim as the second most popular selling product of our Group.

Driven by the increasing consumers' concern with health, fitness and well-being, the demand for dairy and NCSD products remained as the key driver of our sales volume growth. Sales volume grew about 10.9% during the year ended 31 December 2012, compared with the year of 2011. The growth rate was relatively lower than the corresponding period in 2011, because our Group focused more on maintaining its sales margin level and its average selling price of products. The slowdown of the dairy industry in the PRC has also impacted the sales volume. Although the industry was slack in 2012, our growth rate in sales volume retained above the market average in 2012.

We believe the commencement of the second production line of the Helingeer factory, the implementation of our European plant production together with the expansion project, which introduced the third production line in Gaotang, will help us meet the growing market demand, strengthen our position in key markets, and capture additional market opportunities around the world.

Meanwhile, we have made an effort to ensure the products from our European Plant are of high quality in order to strengthen our brand name and reputation in the international market. Consequently, we have started internal quality examination procedures for our products in our European Plant during the first half of 2012. Externally, we have engaged independent laboratories that are well recognised by the industry players in Europe to carry out quality certification. We believe that our emphasis on quality will help us earn customer confidence and provide a strong selling point for our products. Besides, we have made significant effort to enhance our production process and volume by improving the operation management structure and setting up the systematic training scheme for our local employees.

Production Capacity and Utilisation

The annual production capacity of our Group was 17.4 billion packs at the end of 2012. The commencement of production of our European Plant in December 2012 has facilitated the growth of our Group's annual production capacity by 4 billion packs for the year of 2012. Furthermore, the third production line in Gaotang is expected to bring an additional annual production capacity of 4 billion packs to the Group in 2013.

Our Group produced approximately 8.6 billion packs during the year ended 31 December 2012. The utilisation rate for the year ended 31 December 2012 was lower than the corresponding period in 2011, which was mainly due to the seasonal effect of the industry. The slowdown of the worldwide economic growth and in particular, the domestic market has also contributed to the decline in the utilisation rate.

Suppliers and Raw Materials

During the year ended 31 December 2012, prices of some raw materials, including liquid paper board, increased due to the inflationary pressure. However, the increase in the cost of raw materials was slower than the increase of the revenue for the year of 2012 compared with the year of 2011. This was mainly contributed by the economy of scale and changes in product mix.

As a significant portion of our raw materials are customised, their prices are generally less volatile than their commodity counterparts. As a result, we managed to contain the increase in these raw materials prices within a reasonable range. Furthermore, we are continuously expanding our supplier base to manage and control the raw materials prices more efficiently.

Sales and Marketing

We sell our aseptic packs and services to leading dairy and NCSD producers across the world, with a primary focus on the PRC and European markets. For the year ended 31 December 2012, we have put more resources to intensify our brand, continuously expanded our customer base in the PRC and continued to grow volume with our key dairy customers.

During the year ended 31 December 2012, our sales and marketing teams have continued international development and new market penetration with success in Oman, Bahrain, Kuwait, Algeria and Tunisia. The geographical expansion is to a large extent as a result of continuous investment in a dedicated sales force as well as in experienced technical service resources.

Our Group has devoted efforts to actively promote tailor-made marketing activities for our customers, and also geared towards supporting the activities of our sales team in the year of 2012. This will ensure our sales team to keep abreast of the industry trends, strengthen interaction with existing customers, cultivate new relationships and build brand awareness.

During the year ended 31 December 2012, we participated in the Anuga FoodTec exhibition in Germany, an international trade fair for food and beverage technology, where we took the opportunity to launch some of our products. Our participation has not only highlighted our corporate image, but also created favourable sales impact in the marketing aspects. Attending the Anuga FoodTec exhibition was a good opportunity for us to present ourselves on the global stage as a first rate supplier of food and beverages packaging material and an alternative aseptic packaging choice.

FINANCIAL REVIEW

Overview

2012 has been a year that exceeded our expectation, as the overall PRC market growth was slowing down and becoming more competitive. Facing the pressure from inflation and rising market prices of raw materials, we timely adjusted our customer mix and properly controlled the production cost and expenses. As a result, we have achieved a more significant profit during the year 2012 compared to the previous year. We have also attained free cash flow to propose for dividend for the year ended 31 December 2012. Our management is pleased with the financial results and strives towards an even higher target in 2013.

Revenue

We primarily derive revenue from domestic and international sales of aseptic packaging and related services to dairy and NCSD producers. Revenue of our Group increased by 10.8% from RMB1,574.1 million for the year ended 31 December 2011 to RMB1,744.0 million for the year under review. The increase was primarily driven by the increase in demand of the domestic dairy products.

With respect to the domestic segment, our revenue increased by RMB147.0 million, or 10.2%, to RMB1,587.0 million for the year ended 31 December 2012 from RMB1,440.0 million for the year ended 31 December 2011.

With respect to the international segment, our revenue increased by RMB22.9 million, or 17.1%, to RMB157.0 million for the year ended 31 December 2012 from RMB134.1 million for the year ended 31 December 2011.

Our revenue from dairy customers increased by RMB270.6 million, or 19.8%, to RMB1,634.7 million for the year ended 31 December 2012 from RMB1,364.1 million for the year ended 31 December 2011, while our revenue from NCSD customers decreased by RMB100.7 million, or 47.9%, to RMB109.3 million for the year ended 31 December 2012 from RMB210.0 million for the year ended 31 December 2011.

Cost of Sales

Our cost of sales increased by RMB94.5 million, or 8.6%, to RMB1,193.6 million for the year ended 31 December 2012 from RMB1,099.1 million for the year ended 31 December 2011. The growth in cost of sales was in line with the growth in total sales volume.

Raw material costs, which make up the largest portion of our cost of production, increased by RMB62.7 million, or 6.3%, to RMB1,052.0 million for the year ended 31 December 2012 from RMB989.3 million for the year ended 31 December 2011. The growth in raw material costs was mainly due to the increase of material consumption.

Gross Profit and Gross Margin

As a result of the foregoing factors, our gross profit increased by RMB75.5 million, or 15.9% from RMB475.0 million for the year ended 31 December 2011 to RMB550.5 million for the year under review. Our gross margin increased by 1.4 percentage points to 31.6% for the year ended 31 December 2012 from 30.2% for the year ended 31 December 2011, primarily due to the increase in revenue from product mix and well managed cost control.

Other Income — net

Our other income — net increased by RMB22.5 million, or 115.4%, to RMB42.0 million for the year ended 31 December 2012 from RMB19.5 million for the year ended 31 December 2011, primarily due to the revenue increase from sales of scrap materials and the decrease in foreign exchange losses.

Distribution Costs

Our distribution costs increased by RMB6.7 million, or 8.3%, to RMB87.2 million for the year ended 31 December 2012 from RMB80.5 million for the year ended 31 December 2011. The increase was primarily due to the increase in advertising and promotion expenses.

Administrative Expenses

Our administrative expenses increased by RMB12.1 million, or 12.6%, to RMB108.2 million for the year ended 31 December 2012 from RMB96.1 million for the year ended 31 December 2011, it was because of the commence production of the European Plant which led to the increase in salary and travelling expenses.

Taxation

Our tax expenses increased by RMB29.7 million to RMB82.1 million for the year ended 31 December 2012 from RMB52.4 million for the year ended 31 December 2011. Effective tax rate increased by 4.1 percentage points to 20.7% for the year ended 31 December 2012 from 16.6% for the previous financial year.

Profit for the Year and Net Profit Margin

Driven by the factors described above, our net profit increased by RMB51.8 million, or 19.7%, to RMB314.9 million for the year ended 31 December 2012 from RMB263.1 million for the year ended 31 December 2011. Our net profit margin increased by 1.4 percentage points to 18.1% for the year ended 31 December 2012 from 16.7 % for the year ended 31 December 2011 primarily due to increase in sales revenue generated from product mix and well managed cost control.

LIQUIDITY AND FINANCIAL RESOURCES

As of 31 December 2012, we had RMB301.1 million (31 December 2011: RMB273.6 million) in cash and bank balances. Our cash and bank balances 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. Inventory turnover days (inventories/cost of sales) was 127.0 days as at 31 December 2012 as compared to 92.7 days as at 31 December 2011. Turnover days for trade receivables (trade receivables/revenue) decreased from 69.4 days as at 31 December 2011 to 66.6 days as at 31 December 2012. Turnover days for trade payables (trade payables/cost of sales) increased from 28.8 days as at 31 December 2011 to 41.2 days as at 31 December 2012.

Borrowings and Finance Cost

Total borrowings of our Group as at 31 December 2012 were RMB149.6 million (31 December 2011: RMB204.4 million) and denominated in USD and EUR. For the year under review, net finance costs of our Group were approximately RMB0.1 million (31 December 2011: RMB2.3 million).

Gearing Ratio

As at 31 December 2012, the gearing ratio (calculated by dividing total loans and bank borrowings by total equity) of our Group has decreased to 0.08 (31 December 2011: 0.125). It was mainly contributed by the decrease of long-term loan.

Working Capital

Our working capital (calculated as the difference between the current assets and current liabilities) as of 31 December 2012 was RMB733.2 million (31 December 2011: RMB701.2 million).

Foreign Exchange Exposure

Our Group's sales were primarily denominated in RMB. During the year under review, our Group recorded exchange gain of RMB5.6 million (31 December 2011: RMB10.4 million loss).

Capital Expenditure

As at 31 December 2012, our Group's total capital expenditure amounted to approximately RMB270.0 million (31 December 2011: RMB460.0 million), which is used in the construction of our new factory and the acquisition machinery and fittings for the said factory.

Charge on Assets

As at 31 December 2012, our Group neither pledged any property, plant and equipment (2011: RMB86.0 million) nor land use right (2011: RMB1.34 million).

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. Based on the communication with its legal advisor on German law, the Company made its assessment that the Group may prevail in the defence against Tetra Pak's appeal. As at 31 December 2012, the appeal was still under process at the Court in Germany.

In addition, 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 will still be able to appeal before 22 April 2013. Further disclosure will be made as and when appropriate.

HUMAN RESOURCES

As at 31 December 2012, our Group employed approximately 1,143 employees (31 December 2011: 940 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

Our Group has made significant efforts on corporate social responsibility by carrying out audits on all our major suppliers to ensure they adhere to our standards during their manufacturing process and comply with their respective social responsibilities. We continue to implement recycling projects across all of its sites, including the recycling of post-consumer cartons, as well as other indoor and outdoor gardening initiatives designed to achieve recycling in low-cost environmental projects.

As our product is derived mainly from wood, we place strong emphasis when conducting our operations in compliance with the international environmental standards. We want our future generations to be able to enjoy the fruits of our labour and not suffer because of our generations has consumed the resources.

Our aim for the fragile environment is that some day in the future, our business would only be consuming recoverable resources from this earth.

PROSPECTS

The Company has already established its footprint as a leading alternative supplier in the PRC, the world's largest single national and fast growing market for aseptic packaging. Following its international growth strategy in Europe, the world's largest regional market for the aseptic packaging industry, and the expansion of factories to support this growth, our Group is expected to continue to:

- grow our market share with our key customers while broadening customer mix in the PRC market;

- further expand and penetrate international markets;
- strengthen the centralisation of our Group's management functions in order to achieve a more efficient "plug & play" system for future capacity expansion projects in the markets outside the PRC;
- broaden our products mix; and
- continue to optimise products and production processes and accelerate research and development in roll-fed filing machine business.

With respect to our expansion plan, in view of a strong demand for aseptic packs and in order to strengthen our Company's position in the PRC market, we plan to construct new production lines in our Helingeer factory.

In February 2013, we entered into an investment agreement with the local government of Helingeer, Inner Mongolia, the PRC in relation to the expansion of the production capacity of our Helingeer factory. Under the investment agreement, the local government of Helingeer will assist the Company in obtaining additional land for the construction of the expansion, provide assistance in obtaining all regulatory approvals and any other forms of support that the government department could provide, to ensure the smooth and successful expansion of the factory. This investment shall be carried out in multiple phases that include, but not limited to, the construction of aseptic packaging material production line(s) that will systematically adding additional billion(s) packs of capacity. Our Company targets to produce new products in the aseptic area with the production line of phase one, which will enable us to enter a new area of the industry. However, we may possibly adjust the investment plan and project schedule according to the market trend and customer demand which we will constantly monitor closely. Further disclosure of the aforesaid investment will be made in accordance with the Listing Rules as and when appropriate.

We believe that Helingeer is a strategic location for our business because it is situated in the heart of the PRC's largest dairy belt, only few kilometres away from two leading PRC dairy companies.

FINAL DIVIDEND

The Board has resolved to declare a final dividend of HK$0.1 per share (2011:Nil), amounting to a total of about HK$133.4 million (2011:Nil) for the year ended 31 December 2012. The proposed final dividend, if approved by shareholders at the forthcoming annual general meeting, shall be paid on or about Friday, 28 June 2013 to shareholders whose names appear on the register of members of the Company on Friday, 21 June 2013.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 29 May 2013 to Friday, 31 May 2013, 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 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Tuesday, 28 May 2013.

In addition, the register of members of the Company will be closed from Wednesday, 19 June 2013 to Friday, 21 June 2013, both dates 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 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Tuesday, 18 June 2013.

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.

The Company has adopted the Code on Corporate Governance Practices (effective until 31 March 2012) (the "Code") and Corporate Governance Code (effective from 1 April 2012) (the "Revised Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The Company has applied the principles and complied with all code provisions of the Code and the Revised Code during the year ended 31 December 2012 except for the following deviation:

Paragraph A.6.7 of the Revised Code requires that the independent non-executive directors of the Company (the "Directors") and the non-executive Directors should attend general meetings and develop a balanced understanding of the views of shareholders. However, non-executive Directors Mr. LEW Kiang Hua (subsequently resigned on 28 December 2012) and Mr. HILDEBRANDT James Henry; and independent non-executive Directors Mr. CHEN Weishu and Mr. BEHRENS Ernst Hermann did not attend the annual general meeting of the Company held on 30 May 2012 as they had overseas engagements.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the Revised 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 the Directors have confirmed that they have complied with the required standards as set out in the Model Code throughout the year ended 31 December 2012. No incident of non-compliance of the Model Code was noted by the Company.

PURCHASE, SALES OR REDEMPTION OF THE SHARES

During the year ended 31 December 2012, 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 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 2012 as well as auditing, internal control and financial reporting matters, including the consolidated financial statements for the year ended 31 December 2012. 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 REPORT

The annual general meeting of the Company is expected to be held at 10:00 a.m., on Friday, 31 May 2013. The annual report of the Company for the year ended 31 December 2012 together with the notice of the annual general meeting of the Company will be published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (www.greatviewpack.com), and dispatched to the Company's shareholders in or around the second half of April 2013.

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

Beijing, 28 March 2013

As at the date of this announcement, the board of directors of the Company comprises two executive directors, namely Mr. BI Hua, Jeff and Mr. HONG Gang; four non-executive directors, namely Mr. HILDEBRANDT James Henry, Mr. ZHU Jia, Mr. LEE Lap, Danny, and Ms. SHANG Xiaojun; and three independent non-executive directors, namely Mr. LUETH Allen Warren, Mr. BEHRENS Ernst Hermann and Mr. CHEN Weishu.