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GREATVIEW ASEPTIC PACKAGING COMPANY LIMITED

紛美包裝有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00468)

**CONNECTED TRANSACTION
IN RELATION TO
ACQUISITION OF THE ENTIRE EQUITY INTEREST IN
BEIJING GREATDATA TECHNOLOGY CO., LTD.
(北京數碼通科技有限公司)**

THE AGREEMENT

The Board is pleased to announce that after trading hours of the Stock Exchange on 14 October 2019, the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the Agreement with the Vendor formalising the terms of the Acquisition. Pursuant to the Agreement, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, 90% of the entire equity interest in the Target. The Consideration is RMB5.4 million, which shall be payable in cash within thirty (30) Working Days after all the conditions have been fulfilled or waived (as the case may be) in accordance with the terms of the Agreement. In addition, within three (3) months following the full payment of the Consideration, the Purchaser shall procure the repayment of all loans due from the Target in the sum of approximately RMB33.7 million, of which approximately RMB21.9 million is due to the Vendor.

At the time of entering into the Agreement, the Purchaser will also be entering into a separate sale and purchase agreement with a third party who, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, is an Independent Third Party holding the remaining 10% equity interest in the Target.

Upon Completion, as well as the completion of the sale and purchase agreement with the aforementioned Independent Third Party, the Target will become an indirect wholly-owned subsidiary of the Company and the financial statements of the Target will be consolidated into the Group.

IMPLICATIONS UNDER THE LISTING RULES

As the Vendor is the brother of Mr. Bi, who is the chief executive officer and executive Director of the Company, the Vendor is regarded as a connected person of the Company. The entering into of the Agreement therefore constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the relevant applicable percentage ratios under Rule 14.07 of the Listing Rules, are more than 0.1% but less than 5%, the Agreement is only subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Board is pleased to announce that after trading hours of the Stock Exchange on 14 October 2019, the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the Agreement with the Vendor formalising the terms of the Acquisition. Details of the Agreement are set out below.

THE AGREEMENT

Date

14 October 2019

Parties

- (i) Esight Company Limited (一點通有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company, being the Purchaser; and
- (ii) Mr. Gao, being the Vendor.

As the Vendor is the brother of Mr. Bi, who is the chief executive officer and executive Director of the Company, the Vendor is regarded as a connected person of the Company. The entering into of the Agreement therefore constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

At the time of entering into the Agreement, the Purchaser will also be entering into a separate sale and purchase agreement with a third party who, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, is an Independent Third Party holding the remaining 10% equity interest in the Target.

Assets to be acquired

Pursuant to the Agreement, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire 90% of the entire equity interest in the Target. Details of the Target are set out in the section headed "Information on the Target" below.

Upon Completion, as well as the completion of the sale and purchase agreement with the aforementioned Independent Third Party, the Target will become an indirect wholly-owned subsidiary of the Company and the financial statements of the Target will be consolidated into the Group.

Consideration

The Consideration is RMB5.4 million, which shall be payable in cash within thirty (30) Working Days after all the conditions have been fulfilled or waived (as the case may be) in accordance with the terms of the Agreement.

The Consideration was determined by the Purchaser and the Vendor after arm's length negotiations taking into account the unaudited net liability value of the Target as at 30 June 2019, the equity capital injection of RMB9 million made by the Vendor up to the date of the Agreement, and the recent market valuation of the Patents. The Purchaser intends to fund the Consideration by the Group's internal resources.

Conditions

Completion is subject to the fulfillment or waiver (as the case may be) of the following conditions:

- (i) the shareholders of the Target approving the Acquisition;
- (ii) the Purchaser's selected personnel being appointed as the new directors and supervisors of the Target, and the existing directors and supervisors of the Target resigning from their positions and confirming they have no claims against the Target; and
- (iii) the transfer of 90% of the entire equity interest in the Target from the Vendor to the Purchaser, the change in directors and supervisors of the Target, and update in the details of the Target have been registered with the relevant PRC government authorities and SAFE.

Completion

Completion shall take place on the same day that the Consideration is paid in full, which shall be payable in cash within thirty (30) Working Days after all the aforementioned conditions have been fulfilled or waived (as the case may be) in accordance with the terms of the Agreement.

Within three (3) months following the full payment of the Consideration, the Purchaser shall procure the repayment of all loans due from the Target in the sum of approximately RMB33.7 million, of which approximately RMB21.9 million is due to the Vendor.

INFORMATION ON THE TARGET

The Target is a company incorporated in the PRC and it holds 38 patents in the PRC (including patents that have been registered and patents that are under application). Prior to ceasing its business in September 2019, the Target was engaged in the business of providing technical services in the areas of QR code design, generation and application for smart packaging using its patents. The Target has served more than 80 customers in the PRC on

more than 400 occasions in which in most instances, the Target provided such services on behalf of the Group as its designated technical supplier for smart packaging. The Target was established by the Vendor and an Independent Third Party, who have made capital contribution of RMB9 million and RMB1 million, respectively, to the Target from the date of the Target's incorporation up to the date of the Agreement.

Financial information

Set out below is the summary audited financial information of the Target prepared under the Accounting Standard for Business Enterprises in the PRC for the two financial years ended 31 December 2018:

	For the year ended 31 December	
	2018	2017
	<i>RMB</i>	<i>RMB</i>
Loss before taxation	(18,011,069)	(6,519,997)
Loss after taxation	(18,011,069)	(6,519,997)

The unaudited net liability value of the Target as at 30 June 2019 amounted to approximately RMB20.9 million.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in the provision of integrated packaging solution, which includes aseptic packaging materials, filling machines, spare parts and technical services, to the liquid food industry.

Given how the liquid food packaging industry is being developed, smart packaging is starting to become a core capability to the Group, and the Directors believe that by acquiring the Target, along with its patents, could align the business development and direction of the Group, as well as retaining the key personnel, knowledge and patents of the Target to provide more effective smart packaging solutions to its customers, thus giving the Group a more competitive edge in the global liquid food packaging industry.

The Directors (including the independent non-executive Directors) consider that the Acquisition is (i) on normal commercial terms; (ii) in the ordinary and usual course of business of the Group; (iii) fair and reasonable; and (iv) in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the Vendor is the brother of Mr. Bi, who is the chief executive officer and executive Director of the Company, the Vendor is regarded as a connected person of the Company. The entering into of the Agreement therefore constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the relevant applicable percentage ratios under Rule 14.07 of the Listing Rules, are more than 0.1% but less than 5%, the Agreement is only subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

As Mr. Bi is considered to have a material interest in the transactions contemplated under the Agreement, he has abstained from voting on the Board resolution for approving the Agreement and the transaction contemplated thereunder.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings:

“Acquisition”	the proposed acquisition of 90% of the entire equity interest in the Target by the Purchaser from the Vendor pursuant to the terms and conditions of the Agreement
“Agreement”	the conditional sale and purchase agreement dated 14 October 2019 entered into between the Purchaser and the Vendor in relation to the Acquisition
“Associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Greatview Aseptic Packaging Company Limited (紛美包裝有限公司), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 00468)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	RMB5.4 million, being the consideration for the purchase of 90% of the entire equity interest in the Target
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	persons or companies which are independent of and not connected with any of the Directors, chief executive and Substantial Shareholders of the Company or any of our subsidiaries and their respective Associates, and an “Independent Third Party” means any of them

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Bi”	Mr. BI Hua, Jeff, the chief executive officer and executive Director of the Company, and the brother of Mr. Gao
“Mr. Gao” or “Vendor”	Mr. GAO Wei, the brother of Mr. Bi
“Patents”	the 38 patents registered in the PRC (including patents that have been registered and patents that are under application) in favour of the Target
“PRC”	the People’s Republic of China
“Purchaser”	Esight Company Limited (一點通有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“QR code(s)”	Quick Response code(s)
“RMB”	Renminbi, the lawful currency of the PRC
“SAFE”	State Administration of Foreign Exchange of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholders”	has the meaning ascribed to it under the Listing Rules
“Target”	Beijing Greatdata Technology Co., Ltd. (北京數碼通科技有限公司), a company incorporated in the PRC with limited liability, the entire equity interest of which is owned by the Vendor and an Independent Third Party as to 90% and 10%, respectively
“Working Days”	the statutory working days in the PRC
“%”	per cent.

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

Beijing, the PRC, 14 October 2019

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. BI Hua, Jeff and Mr. CHANG Fuquan; two non-executive Directors, namely Mr. HONG Gang and Mr. HSU David; and three independent non-executive Directors, namely Mr. LUETH Allen Warren, Mr. BEHRENS Ernst Hermann and Mr. ZHU Jia.