



GREATVIEW ASEPTIC PACKAGING COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

Supplementary Information of 2019 Interim Results

Highlights

- Sales decreased by 3% and net profit decreased by 1.9%
- Volume expanded in China while ASP pressure continues. Rationalisation of the International Business has taken place poised for long term growth
- Integration of Qingdao Likang, the newly acquired subsidiary, has progressed well
- Multi-year Growth Programme to be deployed during the year

In the first half of the year market competition in China has intensified due to the consolidation of liquid dairy market. International market is our key growth driver and to improve our competitive edge we have formulated a growth strategy for the business. The acquisition of Likang enhanced our competitiveness in the mid and low-end markets while diversifying our product lines.

For the China business, China remains the largest single market of Greatview. There has been increase in brand competition of our customers and despite a modest increase in retail price of ambient liquid dairy products, the continuous consolidation of the dairy industry has reduced the profitability of mid and low-end customers. As a result even we have seen an increase in volume there is a decrease in average market price.

In respect of international business, competition of smaller regional players has been intensified. Focus has been made to re-rationalize our country and customer portfolio focusing on long term sustainability and scalability of our portfolio. Abide enabling our customers to enjoy a superior price and value benefit against the competition, we also focus on cultivating long term business partnership. As a result, the share of top 10 international customers and the share of global key accounts have increased. Progress has also been made in new customer development in all regions including South East Asia. We believe despite a drop in volume, due to the above, 2019 will be a year of strengthening our business fundamentals in order to prepare for an exponential growth to the international market.



A multi-year Growth Programme (the “Programme”) has been deployed during the year. The Programme aims at raising organization capability, strengthening our ability to deliver value to customers and delivering differentiated market proposition. A number of strategic initiatives will be deployed which will optimize our customers’ countries and customers portfolio, extend our service value chain, advance product development and drive digital innovation. The Programme has just started and will take time to make progress but all these initiatives are designed to ensure that Greatview delivers another wave of sustainable growth.

Commenting on the results, Jeff Bi, CEO of Greatview, said “Competition has intensified but we have identified measures to capture the growth opportunities both in China and international markets. The Growth Programme will further improve the organisation’s capability to deliver sustainable growth. As a result we remain confident about the long term growth of the Company.”

For further information please refer to:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0829/lt20190829235.pdf>