

Dear Greatview Aseptic shareholders,

As you may noticed, Greatview Aseptic Packaging Company Limited (the “**Company**”) has issued a circular in relation to the subscription of new shares by Xueyu Enterprise Management Consulting (Tianjin) Partnership (Limited Partnership) (雪譽企業管理諮詢(天津)合夥企業(有限合夥)) (the “**Subscriber**”) (the “**Subscription**”) by way of issuance of new shares under specific mandate on 16 January 2024 (the “**Circular**”). Jingfeng Holding Limited (“**Jingfeng**”), a wholly-owned subsidiary of Shandong Newjf Packing Corp. Ltd. (301296.SZ) (“**Newjf**”), is holding approximately 28.22% of the Company. As the single largest shareholder of the Company, **we do not support the proposal of the Company and the board of directors of the Company (the “Board”).** And some of the key considerations are highlighted below for your easy reference:

1. Unfair treatment to shareholders

Jingfeng as the single largest shareholder of the Company with approximately 28.22% of the interests in the Company does not have any board seats in the Company. However the Subscriber, who has no shareholding in the company as of the date of this letter and will at most own approximately 5.01% of the issued share capital of the Company upon the completion of the Subscription, has the right to nominate a person for appointment as a director of the Company prior to the completion of the Subscription.

The Company has then appointed Mr. Wang Bangsheng, who is also the general manager of the procurement management department of Tianjin New Value Supply Chain Co., Ltd., which is a wholly-owned subsidiary of Mengniu (whereas the Subscriber is also managed and controlled by a subsidiary of Mengniu), as the non-executive director of the Company.

We are disappointed about how the Company has treated shareholders differently and imposed such unfair situation to all shareholders.

2. The discounted subscription price lacks reasonable pricing basis and dilutes the interests of all existing shareholders of the Company

As set out in the Circular, the subscription price of is HK\$1.62 per share. The subscription price is far lower than the Company’s 2022 net asset value per share (HK\$2.21), representing a 26.74% discount; and based on the financial performance of the Company for the sixth months ended on 30 June 2023, we expect that the subscription price will represent a higher discount of the Company’s 2023 net asset value per share. In addition, we note that the subscription price is lower than the secondary market price in the corresponding period as well, representing a discount of approximately 10.99% compared to the closing price of HK\$1.82 per share on 16 January 2023, being the date immediately prior the publication of this letter. The discounted subscription price dilutes the interests of all existing shareholders of the Company.

3. With diversified financing channels, the Company does not need to obtain proceeds by diluting shareholders with low price, which is not commercially reasonable

The Company has sufficient funds to meet its business development needs. As of 30 June 2023, the Company’s cash and bank equivalents were RMB 688mn (including restricted cash RMB 195mn), while short-term borrowings were only RMB 126 million, and no long-term borrowings.

Furthermore, according to the 2022 annual report of the Company, for the financial year ended on 31 December 2022, *"The Group finances its working capital requirements through a combination of funds generated from operations and bank borrowings. The Group maintains unutilized banking facilities to manage its working capital requirements."* As of 31 December 2022, the amount of the unutilized borrowing facilities was RMB 693mn, and the weighted average effective interest rate was only 2.10%.

As set out in the Circular, the net proceeds from the subscription are merely approximately HK\$113mn. If the Company needs such amount of funds for business developing, there are better alternatives (such as cash from operations or bank borrowings) for the management team. We understand that the Board is of the view that seeking alternative financing from banks may result in additional financial costs. However, these costs should not outweigh the overall interests of the shareholders. Diluting the interests of all existing shareholders at a discounted subscription price is not commercially reasonable.

4. The operation of the Company remains unsatisfactory under the management of the existing Board

We noted that under the leadership of the existing Board and senior management, the operation of the Company remains unsatisfactory, in particular:

- (1) The Company has not declared any dividend since 2021
- (2) The Company's gross profit margin is lower than its comparable companies

Since 2020, the gross profit margin of the Company has continuously declined. In 2020, 2021, 2022, and the first half of 2023, the Company's gross profit margin was 26.51%, 20.14%, 14.93% and 15.72% respectively, which is lower than its comparable companies, leaving room for the Board to improve its business operations

- (3) As of 10 January 2024, the Company's market capitalization has decreased by 64% since its listing in Hong Kong, from HK\$6.6 billion to HK\$2.4 billion, resulting in the Company being removed as a constituent to the Morgan Stanley Capital International (MSCI) Index on 30 November 2022

5. The use of proceeds may not be necessary

According to the interim report of the Company, the utilization rate of the Company was approximately 66.3% for the six months ended 30 June 2023 (vs approximately 77.0% for the six months ended 30 June 2022). The company has also represented in the interim report that the decrease in the utilisation rate was mainly due to the decrease in sales volume. Whilst there is approximately one-third of unutilized production capacity, it does not seem to be a valid justification to us that there is an urgent and necessary demand to obtain funds to purchase equipment and expand the Company's production facilities by diluting the interests of all existing shareholders.

In light of the above, we recommend shareholders of the Company to **vote against this Subscription** to safeguard the interests of all shareholders.

Please see below all the related materials as published on the Stock Exchange of Hong Kong Limited for your reference. **The extraordinary general meeting for the approval of this Subscription will be held on** 2 February 2024, and we sincerely hope that you can vote AGAINST this Subscription. Should you have any further questions about our thoughts and our view on this Subscription, please do not hesitate to contact us.

Circular:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0116/2024011600700.pdf>

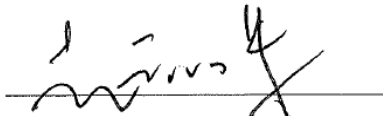
Notice of Meeting:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0116/2024011600708.pdf>

Proxy Form:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0116/2024011600716.pdf>

Yours Faithfully,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a solid horizontal line.

Yuan Xunjun
Chairman
Shandong Newjf Packing Corp. Ltd.