

DEFINITIONS

In this prospectus, except where the context otherwise requires, the following terms shall have the meanings set out below. Certain other terms are explained in the section headed “Glossary” of this prospectus.

“Acquired Breweries”	Jiamusi JV, Yinpu JV and Mudanjiang JV
“Acquisition”	the acquisition by the Company from GD Sub of its entire interest in King Victory for an aggregate consideration of HK\$230,000,000 pursuant to a sale and purchase agreement entered into between the Company as the purchaser, GD Sub as the vendor and GD Alliance as the warrantor on 29th June, 2001. Immediately upon completion of the acquisition on 29th June, 2001, the Company’s attributable interest in Jiamusi JV, Yinpu JV and Mudanjiang JV was 60%, 55% and 55% respectively
“Application Form(s)”	white application form(s) and yellow application form(s) or where the context so requires, any one of them
“Articles”	the articles of association of the Company
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Brewery Investors”	Brewery Investors Limited, a company incorporated in the BVI with limited liability on 28th September, 1999, which owns approximately 13.2% of the issued share capital of CEDF (Brewery)
“Business Day”	a day that is not a Saturday, Sunday or a public holiday in Hong Kong
“BVI”	British Virgin Islands
“Canadean”	Canadean Limited, an independent research company
“Capitalisation Issue”	the issue of Shares to be made upon the capitalisation of part of the sum standing to the credit of the share premium account of the Company referred to in the section headed “Further information about the Company” in appendix VI to this prospectus
“Cazenove” or “Bookrunner” or “Global Co-ordinator”	Cazenove Asia Limited, an investment adviser and a dealer registered under the Securities Ordinance (Chapter 333 of the Laws of Hong Kong), acting as the global co-ordinator, bookrunner, and co-sponsor of the Share Offer
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC

DEFINITIONS

“CEDF”	China Enterprise Development Fund Limited, an exempted company incorporated in the Cayman Islands with limited liability on 2nd January, 1996 and a closed-end private equity investment fund listed on the Irish Stock Exchange, which owns approximately 86.8% of the issued share capital of CEDF (Brewery). Major shareholders of CEDF include China Enterprise Investment Management Limited, University of Richmond and Fidelity. Each of China Enterprise Investment Management Limited, University of Richmond and Fidelity is independent third party not connected with the directors, chief executive and substantial shareholders of the Company and its subsidiaries and their respective associates
“CEDF (Brewery)”	CEDF (Brewery) Holdings Limited, a company incorporated in the BVI with limited liability on 22nd July, 1997, which (a) owns approximately 52% of the issued share capital of the Company upon completion of the Corporate Reorganisation but before completion of the Share Offer and the Capitalisation Issue and (b) is expected to own approximately 39% of the issued share capital of the Company immediately after the completion of the Share Offer and the Capitalisation Issue but before any exercise of the Over-allotment Option or any exercise of the Convertible Notes
“Changchun City”	Changchun City in Jilin Province
“China Light Industry Information Centre”	中國國家輕工業信息中心 (The China Light Industry Information Centre), an organisation operating under the China Light Industry Association
“Company” or “Harbin Brewery”	Harbin Brewery Group Limited, an exempted company incorporated in the Cayman Islands under the laws of the Cayman Islands with limited liability on 23rd February, 2001
“Companies Law”	the Companies Law Cap. 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Controlling Shareholders”	CEDF (Brewery) and HBF (BVI)
“Convertible Notes”	the convertible notes with an aggregate principal amount of HK\$21.8 million issued by the Company pursuant to the subscription agreements entered into between the Company and the Subscribers respectively, a summary of the principal terms and conditions of which is set out in appendix V to this prospectus

DEFINITIONS

“Corporate Reorganisation”	the corporate reorganisation which the Group has undergone in preparation for the listing of the Company, details of which are set out in the paragraph headed “Corporate reorganisation” under the section headed “Further information about the Company” in appendix VI to this prospectus
“Director(s)”	director(s) of the Company
“Extra Lucky”	Extra Lucky Investment Limited, a company incorporated in Hong Kong with limited liability on 1st August, 1996, which is an indirect wholly-owned subsidiary of King Victory and has a 55% interest in Mudanjiang JV
“First Shanghai”	First Shanghai Capital Limited, an investment adviser registered under the Securities Ordinance (Chapter 333 of the Laws of Hong Kong), acting as the sponsor of the Share Offer
“Fung Heng”	Fung Heng Investment Limited, a company incorporated in Hong Kong with limited liability on 22nd January, 1997, which is an indirect wholly-owned subsidiary of King Victory and has a 60% interest in Jiamusi JV
“GD Alliance”	Guangdong Alliance Limited, a company incorporated in the Cayman Islands with limited liability, which is the holding company of GD Sub and is independent of and not connected with any of the directors, chief executive and substantial shareholders of the Company and its subsidiaries and any of their respective associates
“GD Sub”	Guangdong Alliance (BVI) No. 29 Limited, a company incorporated in the BVI with limited liability, which is a subsidiary of GD Alliance
“Global Beer Report”	<i>The Global Beer Report (Beer Service Annual Report - 2001 Cycle)</i> issued by Canadean in November 2001
“Group”	the Company and its subsidiaries at the relevant point of time (including where the context so requires, in respect of the period before completion of the Corporate Reorganisation, HBIL, HB Company and their respective subsidiaries as if they were the subsidiaries of the Company at that time)
“Hailun City”	Hailun City in Heilongjiang Province
“Harbin City”	Harbin City in Heilongjiang Province

DEFINITIONS

“HB Company”	哈爾濱啤酒有限公司 (Harbin Brewing Company Limited), established on 9th October, 1995 as a sino-foreign equity joint venture, which was subsequently transformed into a WFOE on 31st October, 2000 and became an indirect wholly-owned subsidiary of the Company upon completion of the Corporate Reorganisation
“HB Hailun Branch”	哈爾濱啤酒有限公司海倫分公司 (Harbin Brewing Company Limited (Hailun)), a branch of HB Company, which was set up in the PRC on 3rd September, 1996
“HB Hegang”	哈爾濱啤酒(鶴崗)有限公司 (Harbin Brewing (Hegang) Company Limited), a limited liability company established in the PRC on 8th August, 1999 and is owned as to 95% by HB Company and as to 5% by HBF
“HB Holdings”	Harbin Brewery Holdings Limited (formerly known as The New China Hong Kong Brewery (Harbin) Limited), a company incorporated in the BVI with limited liability on 4th July, 1994 and had its name changed to its present name on 26th January, 2000 which owned 52% of the equity interest in HB Company immediately prior to the Corporate Reorganisation and ceased to be a beneficial owner of the Company or any member of the Group upon the completion of the Corporate Reorganisation
“HB Jilin”	吉林哈爾濱啤酒有限公司 (Jilin Harbin Brewing Company Limited), a limited liability company established in the PRC on 3rd January, 2000 which is owned as to 70% by HB Company and as to 30% by Jilin Guoren
“HB Songjiang”	哈爾濱啤酒(松江)有限公司 (Harbin Brewing (Songjiang) Company Limited) (formerly known as 哈爾濱亞洲啤酒有限公司 (Harbin Asia Brewery Company Limited)), a sino-foreign equity joint venture established in the PRC on 25th August, 1994 which is owned as to 45% by HB Company, 25% by HBIL and as to 30% by 哈爾濱松江電機廠 (Harbin Songjiang Electrical and Mechanical Factory), an independent third party not connected with the chief executives, directors and substantial shareholders of the Company and its subsidiaries and their respective associates, save as disclosed in this prospectus

DEFINITIONS

“HB Tianhe”	哈爾濱天合生物工程有限公司 (Harbin Tianhe Bio-engineering Company Limited), a limited liability company established in the PRC on 6th August, 1997 and is owned as to 52% by HB Company and as to 48% by 上海天合生物技術有限公司 (Shanghai Tianhe Bio-technology Co.), an independent third party not connected with the chief executives, directors and substantial shareholders of the Company and its subsidiaries and their respective associates, save as disclosed in this prospectus
“HBF”	哈爾濱啤酒廠 (Harbin Brewery Factory), a state-owned enterprise, the former PRC partner of HB Company, which transferred all its then 48% equity interest in HB Company to HBF (BVI) on 10th October, 2000 and has thereafter become an independent third party not connected with the chief executives, directors and substantial shareholders of the Company and its subsidiaries and their respective associates, save as disclosed in this prospectus
“HBF (BVI)” or “Vendor”	Harbin Brewery Factory (BVI) Limited, a company incorporated in the BVI with limited liability on 25th July, 2000 and a wholly-owned subsidiary of Kwok Nea, which owns 48% of the issued share capital of the Company upon completion of the Corporate Reorganisation but before completion of the Share Offer and the Capitalisation Issue and is expected to own approximately 33.5% of the issued share capital of the Company immediately after the completion of the Share Offer and the Capitalisation Issue but before any exercise of the Over-allotment Option or the exercise of the Convertible Notes. Its registered office is at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands
“HBGL”	Harbin Brewery Group Limited (formerly known as The New China Hong Kong Brewery Group Limited), a company incorporated in the BVI with limited liability on 4th June, 1997 and changed its former name to the present name on 19th August, 1999, which owned 100% of the shares in HB Holdings prior to the Corporate Reorganisation and ceased to be a beneficial owner of the Company or any member of the Group upon completion of the Corporate Reorganisation
“HBIL”	Harbin Brewery Investments Limited, a company incorporated in the BVI with limited liability on 22nd January, 2001 which is a wholly-owned subsidiary of the Company and which owns the entire equity interest in HB Company
“Hegang City”	Hegang City in Heilongjiang Province

DEFINITIONS

“Heilongjiang Province”	Heilongjiang Province of the PRC
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jiamusi City”	Jiamusi City in Heilongjiang Province
“Jiamusi JV”	佳木斯粵海佳鳳啤酒有限公司 (Jiamusi Yuehai Jiafeng Brewery Co., Ltd.), a sino-foreign equity joint venture established in the PRC on 18th March, 1996, which was owned as to 60% by Fung Heng and as to 40% by 佳木斯啤酒廠 (Jiamusi Brewery Factory), an independent third party not connected with the chief executives, directors and substantial shareholders of the Company and its subsidiaries and their respective associates, save as disclosed in this prospectus
“Jilin Guoren”	吉林省國人啤酒有限公司 (Jilin Province Guoren Beer Company Limited), a company established in the PRC and an independent third party not connected with the chief executives, directors and substantial shareholders of the Company and its subsidiaries and their respective associates
“Jilin Province”	Jilin Province of the PRC
“King Victory”	King Victory Investments Inc., a company incorporated in the BVI with limited liability on 21st April, 1997, which indirectly holds the Group’s interest in the Acquired Breweries
“Kwok Nea”	Kwok Nea Development Limited (國利發展有限公司), a company incorporated in Hong Kong with limited liability on 27th October, 1987, which is ultimately owned by the Harbin Municipal Government and owns 100% of the issued share capital of HBF (BVI)
“Latest Practicable Date”	14th June, 2002, being the latest practicable date prior to the printing of this prospectus for the purpose of ascertaining certain information contained in this prospectus
“Liaoning Province”	Liaoning Province of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mudanjiang City”	Mudanjiang City in Heilongjiang Province

DEFINITIONS

“Mudanjiang JV”	牡丹江鏡泊啤酒有限公司 (Mudanjiang Jing Po Brewery Co., Ltd), a sino-foreign equity joint venture established in the PRC on 28th December, 1995 which is owned as to 55% by Extra Lucky and 45% by 牡丹江啤酒廠 (Mudanjiang Brewery Factory), an independent third party not connected with the chief executives, directors and substantial shareholders of the Company and its subsidiaries and their respective associates, save as disclosed in this prospectus
“New Placing Shares”	the 195,800,000 Shares initially being offered for subscription by the Company at the Offer Price under the Placing (subject to adjustment as described in the section headed “Structure and conditions of the Share Offer” of this prospectus) together with (unless the context otherwise requires) any Shares issued pursuant to an exercise of the Over-allotment Option
“Northeast Region”	the northeastern region of the PRC, comprising Heilongjiang Province, Jilin Province and Liaoning Province
“Offer Price”	the final Hong Kong dollar price per Offer Share (before brokerage of 1%, SFC transaction levy of 0.007% and Stock Exchange trading fee of 0.005%) at which Shares are to be subscribed or purchased pursuant to the Share Offer, which will be not more than HK\$1.59 and is expected to be not less than HK\$1.38, to be determined as described under the paragraph headed “Determining the Offer Price” in the section headed “Structure and conditions of the Share Offer” of this prospectus
“Offer Shares”	the Public Offer Shares and the Placing Shares
“Over-allotment Option”	the option to be granted by the Company and the Vendor respectively to Cazenove, on behalf of the Placing Underwriters, under the Placing Underwriting Agreement pursuant to which (i) the Company may be required by Cazenove to allot and issue up to 33,000,000 additional new Shares and (ii) the Vendor may be required to sell up to 3,300,000 additional Shares (made in pursuance of the Provisional Administrative Measures for State-owned Share Reduction), the aggregate number of such Shares represents an aggregate of 15% of the Offer Shares initially available under the Share Offer, at the Offer Price to cover over-allocations in the Placing

DEFINITIONS

“Placing”	the conditional placing by the Placing Underwriters of the Placing Shares for cash at the Offer Price plus brokerage of 1%, SFC transaction levy of 0.007% and Stock Exchange trading fee of 0.005% of the Offer Price, details of which are described in the section headed “Structure and conditions of the Share Offer” of this prospectus on and subject to the terms and conditions stated herein and in the Placing Underwriting Agreement
“Placing Shares”	the New Placing Shares and the Sale Shares
“Placing Underwriters”	the underwriters of the Placing named in the paragraph headed “Placing Underwriters” in the section headed “Underwriting” of this prospectus
“Placing Underwriting Agreement”	the conditional placing and underwriting agreement relating to the Placing and to be entered into between, among others, the Company and the Placing Underwriters on or about the date of the Price Determination Agreement
“PRC” or “China”	the People’s Republic of China, and for the purpose of this prospectus and for geographical reference only, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme approved and adopted by the Company on 3rd June, 2002 and amended on 17th June, 2002, details of which are set out in the section headed “Pre-IPO Share Option Scheme” in appendix VI to this prospectus
“Prestige Full”	Prestige Full Investment Limited, a company incorporated in Hong Kong with limited liability on 3rd December, 1997, which is an indirect wholly-owned subsidiary of King Victory and has a 55% interest in Yinpu JV
“Price Determination Agreement”	the agreement to be entered into between the Company (for itself and on behalf of the Vendor) and Cazenove (for itself and on behalf of the Underwriters) at or about the Price Determination Time to record the Offer Price
“Price Determination Time”	the time, expected to be on or before 8:00 p.m. on Friday, 21st June, 2002 (Hong Kong time), when the Offer Price is determined and in any event not later than 3:00 p.m. on Tuesday, 25th June, 2002

DEFINITIONS

“Provisional Administrative Measures for State-owned Share Reduction”	減持國有股籌集社會保障資金管理暫行辦法 promulgated by the State Council of the PRC on 12th June, 2001 which requires state-owned enterprise to sell the shares it holds in any company to be listed to raise proceeds equivalent to 10% of the fund raised by the company to be listed for social security fund in the PRC
“Public Offer”	the offer by the Company of the Public Offer Shares for subscription by the public in Hong Kong as described in the section headed “Structure and conditions of the Share Offer” of this prospectus at the Offer Price (plus brokerage of 1%, SFC transaction levy of 0.007% and Stock Exchange trading fee of 0.005% of the Offer Price) and on and subject to the terms and conditions stated herein and in the Application Forms relating thereto
“Public Offer Shares”	the 24,200,000 new Shares initially being offered by the Company for subscription under the Public Offer (subject to adjustment as described in the section headed “Structure and conditions of the Share Offer” of this prospectus)
“Public Offer Underwriters”	the underwriters of the Public Offer named in the paragraph headed “Public Offer Underwriters” in the section headed “Underwriting” of this prospectus
“Public Offer Underwriting Agreement”	the public offer underwriting agreement dated 17th June, 2002 relating to the Public Offer entered into between, among others, the Company and the Public Offer Underwriters
“SAFE”	the PRC State Administration for Foreign Exchange, the bureau which is responsible for matters relating to foreign exchange administration in the PRC
“Sale Shares”	the 22,000,000 Shares initially offered for sale by the Vendor at the Offer Price under the Placing (subject to adjustment as described in the section headed “Structure and conditions of the Share Offer” of this prospectus) together with (unless the context otherwise requires) any Shares sold pursuant to an exercise of the Over-allotment Option, which is made in pursuance of the Provisional Administrative Measures for State-owned Share Reduction
“SDI Ordinance”	the Securities (Disclosure of Interests) Ordinance (Chapter 396 of the Laws of Hong Kong)
“SFC”	the Securities and Futures Commission
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Share Offer” or “International Offering”	the Placing and the Public Offer

DEFINITIONS

“Share Option Scheme”	the share option scheme conditionally adopted by the Company on 17th June, 2002, a summary of the principal terms of which are set out in the section headed “Share option scheme” in appendix VI to this prospectus
“Songjiang Agreement”	the share transfer agreement (in Chinese) dated 8th October, 1998 relating to the equity interests in HB Songjiang and entered into between 亞洲啤酒(松江)有限公司 (Asia Brewery (Songjiang) Company Limited) and 亞洲啤酒(中國)投資有限公司 (Asia Brewery (China) Investment Company Limited) as vendors and HB Company as purchaser
“Sponsors”	First Shanghai and Cazenove
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	Shanghai International Shanghai Growth Investment Limited and SinoPac Capital Limited, both of them and their respective associates are independent third parties not connected with the chief executives, directors and substantial shareholders of the Company and its subsidiaries or any of their respective associates
“Track Record Period”	the period from 1st January, 1999 up to and including 31st December, 2001
“UK”	the United Kingdom of Great Britain and Northern Ireland
“Underwriters”	the Placing Underwriters and the Public Offer Underwriters
“Underwriting Agreements”	the Placing Underwriting Agreement and the Public Offer Underwriting Agreement
“U.S.” or “United States”	the United States of America
“Yinpu JV”	吉林省粵海銀瀑啤酒有限公司 (Jilin GD-Yinpu Beer Co., Ltd.), a sino-foreign equity joint venture established in the PRC on 21st March, 1997, which was owned as to 55% by Prestige Full and as to 45% in total by 吉林省銀瀑啤酒廠 (Yinpu Brewery Factory, Jilin Province) and 深圳粵海實業投資發展有限公司 (Shenzhen Guangdong Industrial Investment Co., Ltd), both of which are independent third parties not connected with the chief executives, directors and substantial shareholders of the Company and its subsidiaries and their respective associates
“Yongji County”	Yongji County in Jilin Province

If there is any inconsistency between the Chinese names of the PRC entities mentioned in this prospectus and their respective English translations, the Chinese names shall prevail.