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哈爾濱啤酒集團有限公司
HARBIN BREWERY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0249)

**TERMINATION OF STRATEGIC INVESTOR AGREEMENT AND RESUMPTION
OF TRADING**

The SI Agreement was terminated by the Company pursuant to its terms on 1 May 2004.

At the request of the Company, trading in Shares was suspended with effect from 9.30 am on 3 May 2004 pending publication of this announcement. The Company has made an application to the Stock Exchange for the resumption of trading of the Shares on the Stock Exchange from 9.30 am on 5 May 2004. Investors and shareholders of the Company should exercise caution in dealing with the Shares.

1 BACKGROUND

Reference is made to the announcement of the Company dated 30 June 2003 in respect of the entering into of (i) the S&P Agreement between, among other persons, the Vendor and Gardwell, and (ii) the Gardwell Subscription Agreement between Advent, SABMiller Holdings and the Executives.

As announced by the Company on 28 July 2003, completion of the S&P Agreement and the Gardwell Subscription Agreement took place on 28 July 2003 pursuant to which (i) 295,000,000 Shares have been acquired by Gardwell from the Vendor, and (ii) Gardwell is owned as to 95% by SABMiller Holdings and as to 5% by Advent. Advent is beneficially owned as to 27% by Peter Lo, 23% by Li Wentao, 19% by Fu Hui, 10% by Bao Liusuo and 18% by Peter Jeva Au (all being executive directors of the Company) and as to 3% by Lam Pong Sui (being the chief financial officer of the Company).

On 28 July 2003, the Company and SABMiller Asia entered into the SI Agreement. The main terms of the SI Agreement have been summarised in the Company's announcement dated 28 July 2003.

2 TERMINATION OF THE SI AGREEMENT

The board of directors of the Company has reviewed whether it is in the best interests of the Company to continue the strategic alliance with SABMiller Asia in the light of the current strategic, market and financial position of the parties in the PRC beer industry. In addition, the need to review the relationship between the parties arose upon the entering into of a

conditional sale and purchase agreement between Harbin Brewery Factory (BVI) Limited and Global Conduit Holdings Limited which was the purchaser of 291,500,000 shares of the Company (being 29.07% of the issued share capital of the Company as at the date of this announcement), as announced by the Company on 22 March 2004.

The board of directors of the Company concluded and approved the termination of the SI Agreement as being in the best interests of the Company and its shareholders in order to increase the flexibility of the Company in the development of its business in the PRC beer industry. Accordingly, a notice to immediately terminate the SI Agreement has been served by the Company pursuant to the terms of the SI Agreement on 1 May 2004.

As a result of the termination of the SI Agreement, SABMiller Asia is no longer bound by the standstill arrangement referred to in the Company's announcement dated 28 July 2003.

3 GENERAL

At the request of the Company, trading in Shares was suspended with effect from 9.30 a.m. on 3 May 2004 pending publication of this announcement. The Company has made an application to the Stock Exchange for the resumption of trading of the Shares on the Stock Exchange from 9.30 a.m. on 5 May 2004. Investors and shareholders of the Company should exercise caution in dealing with the Shares.

4 DEFINITIONS

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

“Advent”	Advent Strategic Limited, a company incorporated in the British Virgin Islands with limited liability and is beneficially owned by the Executives
“Company”	Harbin Brewery Group Limited, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Stock Exchange
“Executives”	the beneficial owners of Advent, being Peter Lo, Peter Jeva Au, Bao Liusuo, Li Wentao, Lam Pong Sui and Fu Hui
“Gardwell”	Gardwell Limited, a company incorporated in the British Virgin Islands with limited liability
“Gardwell Subscription Agreement”	the subscription agreement dated 27 June 2003 entered into between Advent, SABMiller Holdings and the Executives in relation to, among other things, the subscription of the shares in Gardwell
“SABMiller”	SABMiller plc, a company listed on both the London and the Johannesburg stock exchanges
“SABMiller Asia”	SABMiller Asia BV, a wholly-owned subsidiary of SABMiller

“SABMiller Holdings”	SABMiller Holdings Limited, a company incorporated in England with limited liability which is a wholly-owned subsidiary of SABMiller
“S&P Agreement”	the sale and purchase agreement dated 27 June 2003 entered into between, among other persons, the Vendor and Gardwell
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“SI Agreement”	the strategic investor agreement dated 28 July 2003 between the Company and SABMiller Asia
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	CEDF (Brewery) Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is owned as to approximately 86.84% by China Enterprise Development Fund Limited and as to approximately 13.16% by Brewery Investors Limited

By Order of the Board
Harbin Brewery Group Limited
LAM Pong Sui
Company Secretary

Hong Kong, 4 May 2004

As at the date of this announcement, the executive directors are: Messrs. Li Wentao, Lo Peter, Fu Hui, Au Peter Jeva and Bao Liusuo; the non-executive directors are: Dr Tong Kay Tak Tom, Mr Zhu Wenwei, Mr Roy E. Bagattini and Mr Jonathan F. Solesbury; the independent non-executive directors are: Dr Sit Fung Shuen Victor and Mr Sam Zuchowski.

Please also refer to the published version of this announcement in The Standard.