

## Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Harbin Brewery Group Limited (the "Company") will be held at Oregon Room, The American Club Hong Kong, 47/F., Exchange Square Two, Central, Hong Kong, on Friday, 25 June 2004 at 4:00 p.m. for the following purposes:

### As ordinary business

1. To receive and adopt the Audited Consolidated Financial Statements and the Reports of the Directors and the Auditors for the year ended 31 December 2003;
2. To declare a final dividend;
3. (A) To re-elect retiring Directors;  
(B) To authorise the Board of Directors to fix Directors' remuneration;
4. To re-appoint Auditors and to authorise the Board of Directors to fix Auditors' remuneration;

### As special business

5. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

**"THAT** the articles of association of the Company (the "Articles of Association") be and are hereby amended by:

- (a) deleting the existing definition of "clearing house" in Article 2(1) of the Articles of Association and substituting therefor the following new definition of "clearing house":

"clearing house"	a recognised clearing house as referred to in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised share depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.
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- (b) adding the following words into the first sentence of Article 66 of the Articles of Association after the words "Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles":

"or the rules of any Designated Stock Exchange"

- (c) deleting "." at the end of sub-article (d) of Article 66 of the Articles of Association and substituting therefor ",," and adding the following words following sub-article (d) of Article 66 of the Articles of Association:

"(or otherwise required by the rules of any Designated Stock Exchange)."

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- (d) adding the following sentence into Article 66 of the Articles of Association as the last paragraph:
- “If any shareholder is required to abstain from voting or may only vote for or against a matter according to the rules of any Designated Stock Exchange, any vote by such shareholder or his proxy in violation of the relevant rules or restrictions referred to above shall not be counted in the voting results.”
- (e) deleting the existing Article 88 of the Articles of Association and substituting therefor the following new Article 88:
- “No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office (if the Notices are submitted after the notice of the meeting) within seven (7) days after the dispatch of the notice of the meeting appointed for such election and no less than seven (7) days prior to the date of such meeting.”
- (f) deleting the existing Article 103 of the Articles of Association and substituting therefor the following new Article 103:
- “103. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates (as defined in the rules of the Designated Stock Exchange) is materially interested, but this prohibition shall not apply to any of the following matters namely:
- (i) any contract or arrangement for the giving to such Director or any of his associates any security or indemnity in respect of money lent by him or any of them or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;
  - (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his associates has himself/ themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
  - (iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

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- (iv) any contract or arrangement in which he or any of his associates is interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his interest or the interest of any of his associates in shares or debentures or other securities of the Company;
  - (v) any contract or arrangement concerning any other company in which he or any of his associates is interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director together with any of his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) is in aggregate beneficially interested in five (5) per cent. or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest is derived); or
  - (vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or any of his associates as such any privilege or advantage not accorded to the employees to which such scheme or fund relates.
- (2) A company shall be deemed to be a company in which a Director owns five (5) per cent. or more if and so long as (but only if and so long as) he and his associates (as defined by the rules, where applicable, of the Designated Stock Exchange), (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.
- (3) Where a company in which a Director together with his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) holds five (5) per cent. or more is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.

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(4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director or his associate(s) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the grant of the approval by the Listing Committee of The Stock Exchange of Hong Kong Limited to the listing of, and permission to deal in, the shares of HK\$0.10 each (the “Shares”) in the share capital of the Company to be issued pursuant to the exercise of options to be granted under the share option scheme of the Company dated 17 June 2002 (the “Share Option Scheme”) and any other share option schemes of the Company up to the 10% Limit (as defined below) as refreshed under the Share Option Scheme, the total number of Shares to be allotted and issued pursuant to the grant or exercise of any options under the Share Option Scheme and any other share option schemes of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme or any other Schemes of the Company on the date of passing of this resolution) be and is hereby subject to a maximum limit equal to the number of Shares in issue on the date of passing of this resolution (“the 10% Limit”), and that the directors of the Company be and are hereby unconditionally authorised to grant options to subscribe for Shares up to the 10% Limit and to exercise all powers of the Company to allot, issue and deal with Shares pursuant to the exercise of such options.”

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT**

- (a) subject to paragraph 7 (c) below, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to issue, allot and deal with additional shares or securities convertible into shares of the Company and to make or grant offers, agreements and options including warrants which would or might require shares to be allotted, issued or dealt with be generally and unconditionally approved;
- (b) the Directors of the Company be authorised to make offers or agreements or grant options during the Relevant Period (as defined below) which would or might require shares to be allotted and issued either during or after the end of the Relevant Period pursuant to paragraph 7 (a) above;

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- (c) the aggregate nominal value of the shares allotted or agreed to be allotted by the Directors of the Company pursuant to the approvals in paragraphs 7 (a) and (b) above, otherwise than pursuant to (i) a rights issue (as defined in paragraph 7 (d)) or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or any eligible grantee pursuant to the scheme of shares or rights to acquire shares of the Company, or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, the total nominal amount of additional shares to be issued, allotted, dealt with or agreed conditionally or unconditionally to be issued, allotted or dealt with shall not in total exceed 20% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company's shareholders in general meetings; and
  - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.

"right issue" means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding for such purpose any shareholder who is resident in a place where such offer is not permitted under the law of that place) and, where appropriate, the holders of other equity securities of the Company entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of shares or such other equity securities."

8. To consider and if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**"THAT**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws, rules and regulations of The Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited and paragraph (b) of this resolution, be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution and the said approval shall be limited accordingly; and

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- (c) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company's shareholders in general meetings; and
  - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held."
9. To consider and if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

"**THAT** conditional upon the passing of the ordinary resolutions nos.7 and 8 as set out in the notice convening this meeting, the general mandate granted to the Directors of the Company pursuant to the ordinary resolution no.7 as set out in the notice convening this meeting to exercise the powers of the Company to allot, issue and deal with the shares of the Company be and is hereby extended by the addition thereto of the total nominal amount of shares of the Company repurchased by the Company pursuant to the exercise by the Directors of the powers of the Company to purchase such shares since the granting of the general mandate referred to in the ordinary resolution no.8 as set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution."

By order of the Board  
**LAM Pong Sui**  
Company Secretary

Hong Kong, 22 April 2004

*Registered Office:*  
Century Yard,  
Cricket Square  
Hutchins Drive  
George Town  
Grand Cayman  
British West Indies

*Principal place of business in Hong Kong:*  
Suite 615, 6th Floor  
One International Finance Centre  
1 Harbour View Street, Central  
Hong Kong

Notes:

- (a) A member of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote on his/her behalf. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (b) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be lodged with the Company's Branch Share Registrar and Transfer Office in Hong Kong, Tengis Limited, at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof.

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- (c) Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (d) The Register of Members of the Company will be closed from Wednesday, 23 June 2004 to Friday, 25 June 2004 (both days inclusive) during which period no transfer of shares of the Company will be registered and effected. In order to qualify for attending this meeting, all transfers of shares of the Company accompanied by the relevant share certificates and the appropriate share transfer forms must be lodged with the Company's Branch Share Registrar and Transfer Office in Hong Kong, Tengis Limited, at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 21 June 2004.
- (e) An Explanatory Statement containing further details regarding ordinary resolution no. 8 as required by the Rules Governing the Listing of Securities of the Stock Exchange will be dispatched to the shareholders of the Company together with the annual report 2003.