



RECOMMENDED MANDATORY CASH OFFER BY

**Morgan Stanley**

on behalf of

**ANHEUSER-BUSCH HONG KONG INVESTMENT COMPANY, LIMITED**

*(incorporated in Hong Kong with limited liability)*

**(“THE OFFEROR”)**

an indirect wholly owned subsidiary of

**ANHEUSER-BUSCH COMPANIES, INC. (“A-B”)**

*(incorporated in the State of Delaware, United States of America with limited liability)*

for all of the shares of

**HARBIN BREWERY GROUP LIMITED (“HARBIN”)**

not already owned by the A-B Parties

**LEVEL OF ACCEPTANCES OF OFFER, EXERCISE OF COMPULSORY ACQUISITION,  
EXTENSION OF OFFER PERIOD, SUSPENSION OF DEALINGS  
AND WITHDRAWAL OF LISTING**

As at 4.00 p.m. on Friday, 9 July 2004, valid acceptances under the Offer had been received in respect of 660,098,134 Harbin Shares, representing approximately 64.42% of the issued share capital of Harbin and approximately 98.81% of the Offer Shares.

Accordingly, as valid acceptances have been received for not less than 90% in value of the Offer Shares, the Offeror intends to proceed with the compulsory acquisition of those Harbin Shares which have not been acquired under the Offer (the “*Outstanding Shares*”), under section 88(1) of the Companies Law (2003 Revision) of the Cayman Islands (the “*Compulsory Acquisition*”).

Compulsory Acquisition notices will be despatched to the holders of Outstanding Shares (the “*Outstanding Shareholders*”) in due course. A further announcement will be made at the time of despatch. On completion of the Compulsory Acquisition, Harbin will apply to the Stock Exchange for the withdrawal of listing of the Harbin Shares on the Stock Exchange.

In order to allow Harbin Shareholders who may wish to accept the Offer further time to do so, the time for accepting the Offer has been extended and the Offer will remain open for acceptance until further notice.

Pursuant to Note 1 to Rule 8.08 of the Listing Rules, Harbin will apply to the Stock Exchange for the suspension of trading of the Harbin Shares from the Business Day following the close of the Offer until the withdrawal of the listing of Harbin following completion of the Compulsory Acquisition.

**In light of the Compulsory Acquisition, Harbin Shareholders who wish to accept the Offer, but have not yet submitted their acceptance, are encouraged to submit their duly completed Form of Acceptance, together with the relevant document(s) of title to the Receiving Agent, as soon as possible if they wish to receive the consideration for their Harbin Shares under the Offer earlier, instead of waiting for the notices of Compulsory Acquisition to be served on them.**

## **INTRODUCTION**

On Tuesday, 1 June 2004, Morgan Stanley on behalf of the Offeror announced a mandatory cash offer to acquire all the issued share capital of Harbin not already owned by the A-B Parties. On Friday, 18 June 2004, the Offeror despatched its Offer Document to Harbin Shareholders and Harbin Optionholders. On the same day, the Offeror announced the satisfaction of the Offer Condition and consequently the Offer became unconditional.

Terms defined in the Offer Document have the same meaning when used in this announcement.

## **LEVEL OF ACCEPTANCES**

As at 4.00 p.m. on Friday, 9 July 2004, valid acceptances under the Offer had been received in respect of 660,098,134 Harbin Shares, representing approximately 64.42% of the issued share capital of Harbin and approximately 98.81% of the Offer Shares. Taken together with the 361,065,501 Harbin Shares owned by the A-B Parties prior to the posting of the Offer Document, the A-B Parties now own 1,021,163,635 Harbin Shares in aggregate, representing approximately 99.66% of the issued share capital of Harbin.

As at 4.00 p.m. on Friday, 9 July 2004, valid acceptances under the Option Offer had been received from 20 Harbin Optionholders. As at this time, there are 4 Harbin Optionholders who have not accepted the Option Offer.

Immediately prior to the commencement of the offer period on 4 May 2004 (which was the date of the announcement of the SABMiller Offer), none of the A-B Parties held, controlled or directed any Harbin Shares and/or rights over such shares.

Except for the 361,065,501 Harbin Shares, representing approximately 36.0% of the issued share capital of Harbin, acquired during the offer period and owned by the A-B parties as at 31 May 2004, details of which are set out in the Offer Document, or pursuant to acceptances of the Offer as stated above, none of the A-B Parties has acquired or agreed to acquire any Harbin Shares or rights over such shares during the offer period.

## **EXERCISE OF COMPULSORY ACQUISITION**

As valid acceptances have been received for not less than 90% in value of the Offer Shares, the Offeror intends to proceed with Compulsory Acquisition to compulsorily acquire all the outstanding Harbin Shares which have not been acquired under the Offer.

Notices in relation to the Compulsory Acquisition of the Outstanding Shares pursuant to section 88(1) of the Companies Law (2003 Revision) of the Cayman Islands (the “*Acquisition Notices*”) will be despatched to the Outstanding Shareholders in due course. Once the Acquisition Notices are despatched, the Offeror shall be entitled and bound to acquire those Harbin Shares on the expiration of one month from the date on which such notice is given, unless the court makes an order to the contrary upon the application of an Outstanding Shareholder. A further announcement will be made at the time of despatch of the Acquisition Notices.

**In light of the Compulsory Acquisition, Outstanding Shareholders who wish to accept the Offer, but have not yet submitted their acceptance, are encouraged to submit their duly completed Form of Acceptance, together with the relevant document(s) of title to the Receiving Agent, as soon as possible if they wish to receive the consideration for their Harbin Shares under the Offer earlier, instead of waiting for the Acquisition Notices to be served on them. Unless they accept the Offer, holders of Outstanding Shares will not receive their consideration for such Harbin Shares until completion of the Compulsory Acquisition.**

Under the provisions of section 88(1) of the Companies Law, Outstanding Shareholders are entitled to refer the matter of the Compulsory Acquisition to the Grand Court of the Cayman Islands within one month from the date on which the Acquisition Notice is given. However, Outstanding Shareholders who only become Harbin Shareholders after the date of despatch of Acquisition Notices will not have the benefit of the entire one month period to make such application. Payment of the consideration to holders of Outstanding Shares will be made on completion of the Compulsory Acquisition via transfer by the Offeror to a separate bank account in the name of Harbin, to be held on trust for such shareholders.

#### **EXTENSION OF THE OFFER PERIOD**

In order to allow Harbin Shareholders who may wish to accept the Offer further time in which to do so, the Offeror has extended the time for acceptance of the Offer. Accordingly, the Offer will remain open for acceptance until further notice. A further announcement will be made at least 14 days before the Offer is closed.

All the other terms of the Offer as set out in the Offer Document and in the Form of Acceptance remain unchanged and apply to the extended Offer.

#### **SUSPENSION OF DEALINGS**

**At such time as the Offer is closed, the number Harbin Shares held by the public will be less than the required minimum under the Listing Rules. As the Stock Exchange will normally require suspension of trading, pursuant to Note 1 to Rule 8.08 of the Listing Rules, where the percentage of shares in public hands falls below 15%, Harbin will apply to the Stock Exchange for the suspension of trading of the Harbin Shares on the Stock Exchange on the Business Day following the close of the Offer until the withdrawal of the listing of Harbin following completion of the Compulsory Acquisition.**

**WARNING: In light of the suspension of dealings and Compulsory Acquisition, Harbin Shareholders who act as nominees for other persons should inform their beneficial owners as to the terms of the Offer, this announcement and the Compulsory Acquisition.**

**WITHDRAWAL OF LISTING**

**Harbin will apply to the Stock Exchange under Rule 6.15 of the Listing Rules for the withdrawal of listing of the Harbin Shares on the Stock Exchange following the completion of the Compulsory Acquisition.**

**Harbin Shareholders who are in doubt as to what action to take should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser. If they are in doubt as to their rights and obligations under the provisions of the Companies Law in respect of Compulsory Acquisition, they should consult a solicitor or other professional adviser.**

By order of the board of  
**ANHEUSER-BUSCH HONG KONG  
INVESTMENT COMPANY, LIMITED**  
**Stephen J. Burrows**  
*Director*

Hong Kong, Friday, 9 July 2004

*The directors of the Offeror and A-B jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

Please also refer to the published version of this announcement in South China Morning Post.