IMPORTANT

If you are in any doubt as to any aspect of this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your overseas listed foreign shares in Tsingtao Brewery Company Limited, you should at once hand this circular to the purchaser or to the bank, stockbroker or whom the sale was effected for transmission to the purchaser.

SINCE 1903

TSINGTAO BREWERY COMPANY LIMITED

(the "Company")

(a Sino-foreign joint stock limited company established in the People's Republic of China)

AMENDMENTS TO ARTICLES OF ASSOCIATION

AND

NOTICE CONVENING ANNUAL GENERAL MEETING

The notice convening the annual general meeting of Tsingtao Brewery Company Limited to be held at the Conference Room, Tsingtao Beer Technology and Research Center, No. 195 Hong Kong Road East, Qingdao, the People's Republic of China on Monday 24th June, 2002, at 9:00 a.m. (the "**AGM**") is set out on pages 18 to 21 of this circular.

9th May 2002

TSINGTAO BREWERY COMPANY LIMITED

(a Sino-foreign joint stock limited company established in the People's Republic of China)

Executive Directors:
Mr. Li Guirong *(Chairman)*
Mr. Liu Yingdi
Mr. Sun Yuguo

Non-executive Directors:
Mr. Qi Feng
Mr. Chu Zhengang

Independent non-executive Directors:
Mr. Yu Fuzhong
Mr. Wu Haihua

Legal Address:
56 Dengzhou Road
Qingdao, Shandong Province
People's Republic of China
266023

Office Address:
Tsingtao Beer Tower
May Fourth Square
Qingdao, Shandong Province
People's Republic of China
266071

9th May 2002

To the holders of H Shares

Dear Sir/Madam,

AMENDMENTS TO ARTICLES OF ASSOCIATION

The PRC government has recently promulgated the Standards for Governance of Listed Companies (Document Zheng Jian Fa [2002] No. 1 jointly issued by the China Securities Regulatory Commission (the "CSRC") and the State Economic and Trade Commission on 7 January 2002 (the "Standards")) and the Guiding Opinions on the Establishment of Independent Director System by Listed Companies (Document Zheng Jian Fa [2001] No. 102 issued by the CSRC on 16th August 2001) (the "Guiding Opinions").

The Board of Directors would like to propose certain amendments to the Articles of Association of the Company in accordance with the Standards and the Guiding Opinions for shareholders' approval at the AGM. It is hoped that by introducing these amendments, the Company could foster regulation of its operation, enhance the corporate governance of the

Company as a separate legal entity, and protect the legal rights and interests of the Company and its shareholders. The proposed amendments are now set out below for your reference:–

1. Existing Article 55:

"The shareholders' general meeting shall exercise the following functions and powers:

(1) to decide on the Company's business policies and investment plans;

(2) to elect and replace directors and to decide on matters relating to the remuneration of directors;

(3) to elect and replace those supervisors who are shareholders' representatives, and to decide on matters relating to the remuneration of supervisors;

(4) to consider and approve reports of the board of directors;

(5) to consider and approve reports of the supervisory committee;

(6) to consider and approve the Company's annual financial budget and final accounts;

(7) to consider and approve the Company's profit distribution proposals and proposal for making up losses;

(8) to pass resolutions on the increase or reduction of the Company's registered capital;

(9) to pass resolutions on matters such as the merger, division, dissolution and liquidation of the Company;

(10) to pass resolutions on the issuance of Company bonds;

(11) to pass resolutions on the appointment, removal or non-renewal of the services of auditors for the Company;

(12) to amend these Articles;

(13) to consider any motions proposed by shareholders representing 5 per cent or more of the shares of the Company carrying the right to vote;

(14) other matters which are required by laws, administrative regulations and these Articles to be resolved by shareholders' general meeting."

Proposed amendment:

"The shareholders' general meeting shall exercise the following functions and powers:

(1) to decide on the Company's business policies and investment plans;

(2) to elect and replace directors and to decide on matters relating to the remuneration of directors;

(3) to elect and replace those supervisors who are shareholders' representatives, and to decide on matters relating to the remuneration of supervisors;

(4) to consider and approve reports of the board of directors;

(5) to consider and approve reports of the supervisory committee;

(6) to consider and approve the Company's annual financial budget and final accounts;

(7) to consider and approve the Company's profit distribution proposals and proposal for making up losses;

(8) to pass resolutions on the increase or reduction of the Company's registered capital;

(9) to pass resolutions on matters such as the merger, division, dissolution and liquidation of the Company;

(10) to pass resolutions on the issuance of Company bonds;

(11) to pass resolutions on the appointment, removal or non-renewal of the services of auditors for the Company;

(12) to amend these Articles;

(13) to consider any motions proposed by shareholders representing 5 per cent or more of the shares of the Company carrying the right to vote;

(14) other matters which are required by laws, administrative regulations, these Articles and shareholders' special resolutions passed in general meetings to be resolved by shareholders' general meeting.

As regards matters which are required to be resolved at the shareholders' general meeting pursuant to laws, administrative regulations, these Articles and shareholders' resolutions passed in general meetings, the board of directors shall convene a shareholders' general meeting for discussion and approval with the view to safeguarding the shareholders' rights in relation to those matters. For matters incidental to such resolutions which are not specifically resolved at the shareholders' general meeting, the shareholders in general meeting may, whenever it is necessary and reasonable, authorise the board of directors to decide on or deal with those matters within the authority so granted.

In the event that the board of directors is required to be so authorized to decide on or deal with matters by shareholders, such authorisation shall be approved by more than half of the total voting shares held by shareholders who are present at the meeting (including proxies) if such matters are those which should be passed by way of an ordinary resolution; and shall be approved by more than two-thirds of the Company's total voting shares held by shareholders who are present at the meeting (including proxies) if such matters are those which should be passed by way of a special resolution. The terms of the authorisation shall be clear and specific."

2. Existing Article 76:

"The following matters shall be passed by way of ordinary resolutions of the shareholders' general meeting:

(1) work reports of the board of directors and the supervisory committee;

(2) profit distribution proposals and proposals for making up losses formulated by the board of directors;

(3) removal of members of the board of directors and the supervisory committee and their remuneration and methods of payment;

(4) the Company's annual financial budget, final accounts, balance sheet, profit and loss account and other financial statements;

(5) matter other than those which are required by laws, administrative regulations or these Articles to be passed by way of special resolutions."

Proposed amendment:

"The following matters shall be passed by way of ordinary resolutions of the shareholders' general meeting:

(1) work reports of the board of directors and the supervisory committee;

(2) profit distribution proposals and proposals for making up losses formulated by the board of directors;

(3) removal of members of the board of directors and the supervisory committee and their remuneration and methods of payment;

(4) the Company's annual financial budget, final accounts, balance sheet, profit and loss account and other financial statements;

(5) matter other than those which are required by laws, administrative regulations, these Articles or shareholders' resolutions passed in general meetings to be passed by way of special resolutions."

3. Existing Article 78:

"Shareholders requisitioning the convening of an extraordinary general meeting or a class meeting shall proceed in accordance with the following procedures:

(1) Two or more shareholders holding one-tenth or more of the shares carrying the right to vote at the meeting sought to be held may, by signing one or more counterpart requisition stating the object of the meeting, require the board of directors to convene an extraordinary general meeting or a class meeting. The board of directors shall as soon as possible after the receipt of the requisition proceed to convene the extraordinary general meeting or the class meeting. The shareholdings referred to shall be calculated as at the date of submission of the requisition.

(2) If the board of directors fails to issue a notice of meeting within 30 days from the date of receipt of the requisition, the requisitionists may themselves convene a meeting in a manner as nearly as possible as where shareholders' meetings are convened by the board, provided that any meeting so convened shall not be convened after the expiration of four months from the date of receipt of the requisitions by the board.

Any reasonable expenses incurred by the requisitionists in convening a meeting following the failure of the directors duly to convene a meeting shall be borne by the Company and shall be set off against any sums owed by the Company to the directors in default."

Proposed amendment:

"The supervisory committee or shareholders individually or jointly holding 10% or more of the shares of the Company carrying the right to vote at the meeting requisitioning the convening of an extraordinary general meeting or a class meeting shall proceed in accordance with the following procedures:

(1) The requisitionist(s) may, by signing one or more counterpart requisition stating the object of the meeting, require the board of directors to convene an extraordinary general meeting or a class meeting. The board of directors shall as soon as possible after the receipt of the requisition proceed to convene the extraordinary general meeting or the class meeting. The shareholdings referred to shall be calculated as at the date of submission of the requisition.

(2) If the board of directors fails to issue a notice of meeting within 30 days from the date of receipt of the requisition, the requisitionists may themselves convene a meeting in a manner as nearly as possible as where shareholders' meetings are convened by the board, provided that any meeting so convened shall not be convened after the expiration of four months from the date of receipt of the requisitions by the board.

Any reasonable expenses incurred by the requisitionists in convening a meeting following the failure of the directors duly to convene a meeting shall be borne by the Company and shall be set off against any sums owed by the Company to the directors in default."

4. The first paragraph of the existing Article 83:

"The secretary of the shareholders' general meeting shall record minutes of the meeting. Such minutes shall be signed by the chairman of the shareholders' general meeting and be kept by the secretary of the board of directors of the Company. Any minutes, once signed by the chairman of the meeting at which the proceedings were held, shall be valid records of the meeting."

Proposed amendment:

"The secretary of the shareholders' general meeting shall record minutes of the meeting. Such minutes shall be signed by the directors and recorders attending that meeting, and be kept by the secretary of the board of directors of the Company."

5. Existing Article 93:

"The Company shall have a board of directors. The board of directors shall consist of 9 directors, which shall include 1 chairman and 1 vice chairman."

Proposed amendment:

"The Company shall have a board of directors. The board of directors shall consist of 9 directors. Half or more of the members of the board shall be external directors (i.e. directors who are not employees of the Company), at least two of whom shall be independent directors (i.e. directors who have not undertaken any functional duties for the Company except that of a director and who do not have any connection with the Company or its major shareholders which may hinder them from forming an independent and objective judgement). At least one of the independent directors shall be an accounting professional (i.e. those who hold the relevant titles or qualifications as a certified public accountant).

Directors are not required to hold shares in the Company.

The board of directors shall include 1 chairman and 1 vice chairman."

6. Existing Article 94:

"Directors are elected by the shareholders' general meeting and shall serve for a term of 3 years. Upon the expiration of his term, a director may stand for re-election and, if re-elected, may serve consecutive terms.

Notice in writing of the intention to propose a person for election as a director and notice in writing by such person of his willingness to be proposed for election shall be given to the Company 7 days before the holding of the shareholders' general meeting.

The chairman and vice chairman of the board are elected and removed by a simple majority of all the directors. The chairman and vice chairman of the board shall serve for a term of 3 years. They may stand for re-election and, if elected, may serve consecutive terms. A director may concurrently occupy the post of general manager or of a senior management officer other than a supervisor.

Subject to the compliance with the provisions of the relevant laws and administrative regulations, the shareholders' general meeting shall have the power by ordinary resolution to remove any director (but without prejudice to any claim for damages under any contract) before the expiration of his term of office.

Directors are not required to hold shares in the Company."

Proposed amendment:

"Directors are elected by the shareholders' general meeting. The term of service for each session shall be 3 years. Upon the expiration of his term, a director may stand for re-election and, if re-elected, may serve consecutive terms. However, no independent director shall serve consecutive terms exceeding six years.

The chairman and vice chairman of the board are elected and removed by a simple majority of all the directors. The chairman and vice chairman of the board shall serve for a term of 3 years. They may stand for re-election and, if elected, may serve consecutive terms. A director may concurrently occupy the post of general manager or of a senior management officer other than a supervisor.

Subject to the compliance with the provisions of the relevant laws and administrative regulations, the shareholders' general meeting shall have the power by ordinary resolution to remove any director before the expiration of his term of office (but without prejudice to any claim for damages under any contract).

The board of directors may request the shareholders in general meeting to remove such independent director who fails to attend meetings of the board of directors in person on three consecutive occasions, or in the case of other directors, such director who fails to attend the meetings in person or by alternate on two consecutive occasions. Unless provided for as aforesaid and in the Company Law concerning disqualifications of directors, an independent director shall not be removed from office without reason before the expiration of his term. In the event that an independent director is removed before the expiration of his term, the Company shall make specific disclosure in relation thereto. The independent director may publish a public declaration if he considers the reason for his removal inappropriate."

7. Adding seven new articles after the existing Article 94 as Articles 95 to 101:

"**Article 95** A director may resign before the expiration of his term. The director who resigns shall submit a written report on his resignation to the board of directors. The independent directors shall also explain in details any matters which is relevant to his resignation, or which he considers, should be drawn to the attention of the shareholders and creditors of the Company.

If a director's resignation will result in the number of directors falling below the legally prescribed minimum, his resignation shall not come into force until his vacancy is filled by a replacement. The remaining board of directors shall convene an extraordinary general meeting as soon as possible for the election of the replacement. Prior to the resolutions for the election of a replacement is put forward to shareholders in general meeting, the powers of the director who has resigned and the remaining board of directors shall be reasonably restricted.

If the resignation of an independent director will result in the ratio of the number of independent directors to the total number of directors falling below the prescribed minimum as provided in these Articles, the resignation report of such independent director shall not become effective until the appointment of the succeeding independent director becoming effective.

Article 96 The independent directors shall possess the following basic qualifications:

(1) having the qualifications to assume the office of a director in a listed company according to laws, administrative regulations and other relevant provisions;

(2) being independent as defined in the relevant laws, administrative regulations, departmental rules and regulations and these Articles;

(3) having the basic knowledge of the operation of a listed company and being familiar with relevant laws, administrative regulations and rules;

(4) having more than five years' legal and economic related working experience or other experiences necessary for performing the duties as an independent director.

Article 97 The independent directors must be independent. The following persons shall not be appointed as an independent director:

(1) employees of the Company and its subsidiaries, their immediate family members and major social associates (immediate family members shall mean spouse, parents, children and so on; major social associates shall mean siblings, parents-in-law, sons-in-law and daughters-in-law, spouses of siblings, siblings of their spouses and so on);

(2) natural person shareholders who directly or indirectly hold more than 1% of the issued shares of the Company or who rank in the top ten shareholders of the Company, as well as their immediate family members;

(3) employees of those shareholders who directly or indirectly hold more than 5% of the issued shares of the Company or who rank in the top five shareholders of the Company, as well as their immediate family members;

(4) persons who fall within the above three categories in the preceding year;

(5) persons who provide financial, legal and consulting services to the Company or its subsidiaries;

(6) those whom the China Securities Regulatory Commission considers not being suitable to act as an independent director.

Article 98 The list of candidates nominated for election as directors shall be proposed and passed by way of an ordinary resolution at a shareholders' general meeting. Notice of intention to nominate a person for election as a director and notice by such person of his willingness to be elected shall be in writing and lodged with the Company seven days before the relevant shareholders' general meeting is convened.

The Company shall disclose the particulars (including curriculum vitae and background information) of the candidates before the shareholders' general meeting is convened to enable the shareholders to have thorough understanding of the candidates before voting.

Article 99 The Company's board of directors, supervisory committee, shareholders individually or jointly holding 1% or more of the issued shares of the Company may nominate candidates for election as independent directors. The board of directors, the supervisory committee and shareholders individually or jointly holding 5% or more of the issued shares of the Company may nominate candidates for election as other directors.

Article 100 The nominator proposing a person for election as an independent director shall express his view as to the qualification and independence of the candidate in the notice of nomination issued to the Company. The candidate shall also make a public declaration to the effect that there is no dealings between the Company and himself that may hinder him from forming an independent and objective judgement. Before a shareholders' general meeting for election of independent directors is convened, the Company's board of directors shall announce the aforesaid matters relating to independent directors.

Article 101 Before a shareholders' general meeting for election of independent directors is convened, the Company shall submit the relevant information of all the candidates nominated for election to the China Securities Regulatory Commission, the local office of the China Securities Regulatory Commission at the place of business of the Company and the stock exchange. If the China Securities Regulatory Commission raises objection to a nomination, the person concerned may only be eligible for election as a director other than an independent director. When the shareholders' general meeting is convened to elect the independent directors, the Company's board of directors shall explain whether the China Securities Regulatory Commission has raised objection to the nomination of the candidates for independent directors."

8. Existing Article 95:

"The board of directors shall be accountable to the shareholders' general meeting and shall exercise the following functions and powers:

(1) to be responsible for convening shareholders' general meetings and to report on its work to the shareholders' general meeting;

(2) to implement the resolutions of the shareholder' general meeting;

(3) to decide on the Company's business plans and investment proposals;

(4) to formulate the Company's annual financial budget and final accounts;

(5) to formulate the Company's profit distribution proposals and proposals for making up losses;

(6) to formulate proposals for the increase or reduction of the registered capital of the Company and proposals for the issuance of Company bonds;

(7) to draft proposals for the merger, division or dissolution of the Company;

(8) to decide on the establishment of the Company's internal management organization;

(9) to appoint or remove the Company's general manager, and to appoint or remove the deputy general managers and other senior management officers based on the recommendations of the general manager, and to decide on their remuneration;

(10) to formulate the Company's basic management system;

(11) to formulate proposals for any amendment of these Articles;

(12) to perform other functions and powers authorised by the shareholders' general meeting and these Articles;

(13) to decide on other major business matters and administrative matters that are not required by these Articles or the relevant regulations to be decided by the shareholders' general meeting.

Except in relation to items (6), (7) and (11) above which require the affirmative vote of more than two-thirds of the directors, resolutions on any other items above may be approved by the affirmative vote of more than one-half of the directors."

Existing Article 95 is renumbered accordingly as Article 102 and amended by adding a third paragraph, as follows:

"Where all directors agree, the board of directors in exercising the powers and functions mentioned above may delegate the same to one or more directors. However, matters which are of material interests to the Company shall be decided collectively by all members of the board. The delegation of powers by the board of directors shall be clear and specific."

9. Adding two new articles after the existing Article 95 as Articles 103 and 104:

"**Article 103** Apart from the powers as granted to the directors pursuant to the Company Law and other relevant laws, administrative rules and regulations and these Articles, the independent directors are entitled to exercise the following special powers and functions:

(1) Material connected transaction (as defined according to the then valid and existing listing rules of the stock exchange on which shares of the Company are listed) shall be endorsed by the independent directors before the same is presented to the board of directors for discussion; the independent directors, in forming a view on the matters, may engage an intermediary to provide an independent financial adviser's report as the basis of their conclusion;

(2) To propose to the board of directors the appointment or removal of an accounting firm;

(3) To propose to the board of directors to convene an extraordinary general meeting;

(4) To propose convening a meeting of the board of directors;

(5) To engage independently an external auditor or a consulting firm;

(6) To make an open solicitation of votes from the shareholders before a shareholders' general meeting is convened.

The independent directors exercising the above powers and functions shall first obtain the consent of half or more of all the independent directors. In the event that the proposals as mentioned above are not adopted, or the powers cannot be exercised in its usual manner, the Company shall disclose the details accordingly.

Article 104 Apart from exercising the aforesaid powers and functions, the independent directors shall express their independent views to the board of directors or shareholders in general meeting on the following:

(1) nomination, appointment and removal of directors;

(2) appointment and removal of senior management officers;

(3) remuneration of the directors and senior management officers of the Company;

(4) transactions involving loans or other forms of flows of funds between the Company and the shareholders, persons having de facto control of the Company or their respective associates, which constitute material connected transactions, and in relation to the aforesaid whether the Company has adopted any effective measures to collect the amounts due;

(5) matters which the independent directors consider to be detrimental to the interest of the minority shareholders.

The independent directors shall express one of the following views on the aforesaid matters : (1) agree, (2) agree with qualified opinion and their reasons, (3) disagree and their reasons, (4) not able to form an opinion and the reasons thereof.

In the event that the matters concerned constitute discloseable matters, the Company shall publish the opinion of the independent directors. If there is no consensus view among the independent directors, the board of directors shall separately state the opinion of each of the independent director."

10. Existing Article 98:

"Meetings of the board of directors shall be convened at least twice every year. Such meetings shall be convened by the chairman of the board by giving notice to all the directors 10 days before the date of the meeting. Where there is an emergency, an extraordinary meeting of the board of directors may be convened at the suggestion of more than one-third of all the directors or at the suggestion of the Company's general manager."

Existing Article 98 is renumbered accordingly as Article 107 and amended as follows:

"**Article 107** Meetings of the board of directors shall be convened at least four times every year. Such meetings shall be convened by the chairman of the board by giving notice to all the directors 10 days before the date of the meeting. An extraordinary meeting of the board of directors may be convened at the suggestion of the chairman of the board, more than one-third of all the directors, half of all the independent directors, the supervisory committee or the Company's general manager."

11. Adding one new article after the existing Article 99 as new Article 109:

"**Article 109** The board of directors shall provide the directors with sufficient information, including the background information on matters forming part of the agenda for the meeting, information and data which may assist the directors to understand the business development of the Company. The Company shall ensure that the independent directors are equally entitled to information as with other directors. For matters to be decided by the board of directors, the Company shall inform the independent directors and provide sufficient information in advance within the statutory prescribed time. If the independent directors consider the information insufficient, they may request supplementary information. If two or more independent directors consider that the information is not sufficient or that the supporting materials fail to substantiate the matter, they may request the board of directors jointly in writing to postpone the date for convening the meeting for the board of directors or to consider the matter at a later date. The Board of directors shall adopt accordingly."

12. The third paragraph of the existing Article 102:

"For matters which would need to be approved at an extraordinary meeting of the directors, in lieu of convening a meeting of the board, a written resolution may be adopted by the board if such resolution is sent to all members of the board and affirmatively signed and adopted by the number of directors necessary to make such a decision as stipulated in Article 95."

Existing Article 102 is renumbered accordingly as Article 112 and its third paragraph is amended as follows:

"For matters which would need to be approved at an extraordinary meeting of the directors, in lieu of convening a meeting of the board, a written resolution may be adopted by the board if such resolution is sent to all members of the board and affirmatively signed and adopted by the number of directors necessary to make such a decision as stipulated in Article 102."

13. Existing Article 103

"The board of directors shall keep minutes of its decisions on the matters considered. Directors attending the meeting and the person taking the minutes shall sign their names on the minutes of the meeting. Directors shall be responsible for the resolutions of the board of directors. Where a resolution of the board of directors violates laws, administrative regulations or these Articles, thereby causing serious losses to the Company, the directors who took part in such a resolution shall be liable to compensate the Company. However, if a director can prove that he had expressed his opposition to such resolution when it was put to the vote, and such opposition is recorded in the minutes of the meeting , the director may be relieved of such liability."

Existing Article 103 is renumbered accordingly as Article 113 and amended as follows:

"**Article 113** The board of directors shall keep minutes of its decisions on the matters considered. Directors attending the meeting , the secretary of the board of directors and the person taking the minutes shall sign their names on the minutes of the meeting. Directors shall be responsible for the resolutions of the board of directors. Where a resolution of the board of directors violates laws, administrative regulations or these Articles, thereby causing serious losses to the Company, the directors who took part in such a resolution shall be liable to compensate the Company. However, if a director can prove that he had expressed his opposition to such resolution when it was put to the vote, and such opposition is recorded in the minutes of the meeting , the director may be relieved of such liability."

14. Existing Article 139:

"The Company shall prepare financial reports at the end of each fiscal year. Such reports shall be examined and verified according to law.

Accounting reports of the Company shall include the following financial and accounting statement and annexed schedules:

(1) balance sheet;

(2) profit and loss statement;

(3) statement of changes in financial position;

(4) explanatory statement on financial condition;

(5) profit distribution statement."

Existing Article 139 is renumbered accordingly as Article 149 and amended as follows:

"**Article 149** The Company shall prepare quarterly financial reports within 30 days after the end of the first three months and after the end of the first nine months of each fiscal year respectively, an interim financial report within 60 days after the end of the first six months of each fiscal year, and an annual financial report within 120 days after the end of each fiscal year. Such reports shall be examined and verified according to law.

The Company's annual financial reports shall include the following information:

(1) balance sheet;

(2) profit and loss account and profits distribution statement;

(3) cash flows statement; and

(4) notes to the financial statements."

15. Existing Article 144:

"The Company shall announce two financial reports in every fiscal year. The interim financial report shall be announced within 60 days of the end of the first 6 months of the fiscal year, and the annual financial report shall be announced within 120 days of the end of the fiscal year."

Existing Article 144 is renumbered accordingly as Article 154 and amended as follows:

"**Article 154** The Company shall announce four financial reports in every fiscal year. The quarterly reports shall be announced within 30 days of the end of the first 3 months and the end of the first nine months of the fiscal year, the interim financial report shall be announced within 60 days of the end of the first 6 months of the fiscal year, and the annual financial report shall be announced within 120 days of the end of the fiscal year."

16. The first paragraph of the existing Article 152:

"The dividends of the Company shall be distributed once a year. The dividends for the relevant year shall be distributed in the second quarter of the following year. When the Company distributes dividends, a public announcement to the shareholders shall be made."

Existing Article 152 is renumbered accordingly as Article 162 and its first paragraph is amended as follows:

"The dividends of the Company shall be distributed once a year. The dividends for the relevant year shall be distributed within two months after the resolution concerning the distribution of dividends is passed at the shareholders' general meeting of that fiscal year to be held in the subsequent year. When the Company distributes dividends, a public announcement to the shareholders shall be made."

The 4th session Section of the Board of Directors and the Supervisory Committee will be elected at the AGM, introduction to candidates for the Board of Directors and the Supervisory Committee are set out in Appendices I and II respectively.

The notice convening the annual general meeting of Tsingtao Brewery Company Limited to be held at the Conference Room, Tsingtao Beer Technology and Research Center, No. 195 Hong Kong Road East, Qingdao, the People's Republic of China on Monday 24th June, 2002, at 9:00 a.m. (the "**AGM**") is set out on pages 18 to 21 of this circular.

Yours faithfully,
Li Guirong,
Chairman

TSINGTAO BREWERY COMPANY LIMITED

(the "Company")

(a Sino-foreign joint stock limited company established in the People's Republic of China)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Board of Directors of Tsingtao Brewery Company Limited (the "Company") has resolved that the Annual General Meeting of the Company be held at the Conference Room, Tsingtao Beer Technology and Research Center, No. 195 Hong Kong Road East, Qingdao, the People's Republic of China on Monday 24th June, 2002, at 9:00 a.m. for the conduct of the following business:

1. To consider and approve the work report of the Board of Directors of the Company for the year 2001.

2. To consider and approve the work report of the Supervisory Committee of the Company for the year 2001.

3. To consider and approve the audited financial statements of the Company for the year 2001.

4. To consider and approve the proposal for the profit distribution (including cash dividends) for the year 2001.

5. To consider and approve the appointment of PriceWaterhouseCoopers as the Company's domestic auditors for the year 2002 and PriceWaterhouseCoopers in Hong Kong as the Company's international auditors for the year 2002, and to authorize the directors to fix their remuneration.

6. To elect the 4th session of the Board of Directors of the Company.

7. To elect the 4th session of the Supervisory Committee of the Company.

8. To consider and approve the aggregate annual remuneration for the Directors in their new tenure of office not exceeding RMB900,000 (of which the total fees for each Independent Director not exceeding RMB50,000, including tax); and those for the Supervisors not exceeding RMB500,000; and to authorize the Board and the Supervisors to fix the individual remuneration of the Directors and the Supervisors.

9. To consider and approve the insurance for the Directors, the Supervisors and other senior management of the Company against all liabilities; and to authorize the Board to transact the specific formalities.

10. To consider and, if thought fit, pass the following resolution as a special resolution:

“THAT:

(a) subject to paragraphs (c) and (d) below, the exercise by the Board of Directors of the Company during the Relevant Period (as defined in paragraph (e) below) of all the powers of the Company separately or concurrently to allot, issue and deal with overseas listed foreign shares be and is hereby approved;

(b) the approval in paragraph (a) above shall authorise the Board of Directors of the Company to make an offer or agreement or grant an option during the Relevant Period which would or might require overseas listed foreign shares to be allotted and issued either during or after the end of the Relevant Period;

(c) the aggregate nominal value of overseas listed foreign shares allotted or agreed to be allotted (whether pursuant to an option or otherwise) by the Board of Directors of the Company pursuant to the approval in paragraphs (a) and (b) above, otherwise than pursuant to (i) a rights issue (as defined in paragraphs (e) below); (ii) the exercise of the conversion rights under the terms of any securities currently in issue which are convertible into overseas listed foreign shares of the Company; (iii) the exercise of rights of subscription under the terms of any warrants issued by the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of overseas listed foreign shares in lieu of the whole or part of a dividend on overseas listed foreign shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal value of the overseas listed foreign shares in issue of the Company at the date of the passing of this resolution;

(d) the approval in paragraph (a) above shall be conditional upon the approval of the China Securities Regulatory Commission being obtained by the Company;

(e) for the purpose of this special resolution:

“Resolved Period” means the period from the passing of this special resolution until whichever is the earlier of:

(i) the conclusion of the next annual general meeting of the Company following the passing of this special resolution;

(ii) the expiration of a period of twelve months following the passing of this special resolution; or

(iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in general meeting.

"rights issue" means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company on the register of members of the Company on a fixed record date and, where appropriate, the holders of other equity securities of the Company entitled to be offered therein, in proportion to their then holdings of such shares or other equity securities (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any regulatory body or any stock exchange)."

11. To consider and, if thought fit, pass the following resolution as a special resolution:

"The proposal resolution by the Board of Directors of the Company regarding the proposed amendments to the Articles of Association is hereby considered and approved, and the Board of Directors is hereby authorized to modify the wordings as appropriate and to do all such things as necessary in respect of the amendments to the Articles of Association pursuant to the requirements (if any) of the relevant PRC authorities."

12. To deal with other matters (if required).

By order of the Board
Zhang Xue Ju/Yuan Lu
Company Secretaries

Qingdao, the People's Republic of China
9th May, 2002

Notes:

1. Holders of domestic shares (or A shares) and overseas listed foreign shares (or H shares) of the Company who at the close of trading in the afternoon on Friday, 24th May, 2002, are registered on the Register of Members of the Company shall have the right to attend the Annual General Meeting. In order to determine the list of shareholders who are entitled to attend the Annual General Meeting, the Register of Members for H Shares of the Company will be closed from 27th May, 2002 to 24th June, 2002 (both days inclusive). Any holder of H Shares of the Company who intends to obtain a distribution of cash dividends for the year 2001 must submit the transfer documents together with the relevant share certificate(s) to the Company's H Shares registrar, Hong Kong Registrars Limited at 2/F. Vicwood Plaza, 199 Des Voeux Road Central, Central, Hong Kong before 4:00 pm on Friday, 24th May, 2002. A separate announcement will be made in respect of the registration of entitlement for holders of A Shares, the timing and the arrangements for distribution of cash dividends.

2. Shareholders who intend to attend the Annual General Meeting are asked to lodge the completed and signed reply slip for attendance with the Secretarial Office of the Board of Directors of the Company on or before 4th June, 2002 by hand, by post or by facsimile. For the written reply, please use the "Reply Slip for Attending the Annual General Meeting" enclosed with this notice or a copy thereof. The written reply will not affect the right of the shareholders to attend and vote at the Annual General Meeting as mentioned in Note 1 above.

3. Each shareholder having the right to attend and vote at the Annual General Meeting may appoint one or more proxies (whether a shareholder or not) to attend and vote on his behalf. Should more than one proxy be appointed by a shareholder, such proxies shall only exercise their voting rights on a poll. Each shareholder (or his proxy) shall be entitled to one vote for each share held.

4. Shareholders shall appoint a proxy in writing (i.e. by using the "Proxy Form for use at Annual General Meeting" ("Proxy Form") enclosed with this notice or a copy thereof). The Proxy Form shall be signed by the person appointing the proxy or an attorney authorised by such person. If the Proxy Form is signed by an attorney, the power of attorney or other documents of authorisation shall be notarially certified. If the person appointing the proxy is a legal person, then the Proxy Form shall be under seal or be signed by its director or a duly authorised attorney. To be valid, the Proxy Form and notarially certified power of attorney or other documents of authorisation must be delivered either to the Secretarial Office of the Board of Directors of the Company or with the Company's H Shares registrar, Hong Kong Registrars Limited, at 2/F Vicwood Plaza, 199 Des Voeux Road Central, Central, Hong Kong not less than 24 hours before the time appointed for the holding of the Annual General Meeting.

5. Shareholders or their proxies shall present proofs of their identity upon attending the meeting. Should a proxy be appointed, the proxy shall also present his form of proxy.

6. The Annual General Meeting is expected to last half day. Those who attend the meeting shall bear their own travelling and accommodation expenses.

7. Details of the proposed amendments to the Articles of Association of the Company as referred to in resolution 11 above are set out in the Circular to holders of H Shares of the Company dated 9 May 2002.

Profiles of the candidates for the fourth Board of Directors of Tsingtao Brewery Company Limited

Four Executive Directors:

Mr. Li Gui Rong, aged 62, is the Chairman of the Company. Mr. Li has served as the Deputy Director and the Director of the Qingdao Municipal Planning Commission. In June 1996, Mr. Li joined the Company and became the Chairman of the Company. Mr. Li has been undertaking business management and economic management responsibilities for many years. He is knowledgeable on the state economic policies and regulations and has broad experience in corporate and business management.

Since assuming the post of the Chairman of the Company, Mr. Li has proposed a series of timely strategies for company development based on his vision, experience and knowledge accumulated over the years. With its so-called "Famous brandname strategy" and the strategy of "Developing from a high platform and expanding at low cost", the Company's annual production capacity of beer increased from around 300,000 tones at the very beginning to around 2,500,000 tones in the year 2001 ranking it the top beer manufacturer in China. During the Company's rapid expansion, Mr. Li has proposed the strategies of "System integration and innovation, raising core competitiveness" which offered measured pace to the Company's expansion, and carried out key integration on enterprises acquired so as to ensure that the Company maintains its steady and healthy development.

Mr. Li is masterful in strategic planning. He plays a key role in the Company's formation of its development strategies and plans.

Mr. Jin Zhi Guo, aged 45, is the General Manager of the Company. Mr Jin joined the Tsingtao Brewery Plant, the Company's predecessor, in 1975. He has served as clerk initially and head of Power Department later. In 1994, he was appointed as the assistant director of Tsingtao Brewery No.1 and the General Manager of Tsingtao Brewery Xian Company Limited in October of 1996. He became the Assistant General Manager of the Company in August 2000 and the General Manager of the Company in August 2001.

Mr. Jin has more than 20 years of experience working in Tsingtao and is well acquainted with the Company's management style and corporate culture. When he was the General Manager in Tsingtao Brewery Xian Company Limited, Mr. Jin expanded the company's operation, transforming the company into profit-making and maintaining persistent growth in earnings. Since then, Tsingtao Brewery Xian Company Limited has become a typical example of success among Tsingtao's overseas subsidiaries and a new profit centre. After undertaking the post of General Manager of the Northern District Division, he carried out strategic plans on the expansion of the northern market and internal integration. He has a strong sense about the markets and is innovative.

Mr. Liu Ying Di, aged 45, is a Director and the Deputy General Manager of the Company and has served as the Deputy Manager of Tsingtao Brewery. Mr. Liu has more than 20 years of experience in production, technical and operational management of enterprises. He is a senior engineer.

Mr. Liu has been actively involving in the internal management of the Tsingtao group. He has introduced modern and scientific management to the Company and has improved efficiency in the production and management systems. He has implemented strict cost control system as well as rewards and penalties system in the Company. He has made tremendous contribution in the application of computer networks and the promotion of enterprise management system.

Mr. Sun Yu Guo, aged 48, is the Director and Deputy General Manager of the Company. He is responsible for financial matters of the Company. He has served as Deputy Department Head of Finance Bureau and Department Head of State-owned Assets Administration of the city of Qingdao. Mr. Sun has been engaging in financial work in both the private and public sectors for more than 20 years and has extensive experience in financial management. He is familiar with and has practical experience in the rules relating to investment and financing of listed companies. He is a registered accountant and appraiser.

Mr. Sun has been responsible for the formulation of the Company's annual budgets and projections of the Company's profit and loss, and credit lines. He has also compiled proposals for fund raising and use of proceeds, and set up a sound auditing system for the Company. In order to enhance the Company's management of its subsidiaries, Mr. Sun implemented a comprehensive budget management and financial control system and set up a computer network for financial management which has eliminated the financial management risks of the subsidiaries.

Two Non-executive Directors:

Mr. Chu Zhen Gang, aged 53, is the Non-Executive Director of the Company. He is the General Manager and Senior Economist of Qingdao Enterprise Investment Company. Mr. Chu has served as the Deputy Manager of Qingdao Energy Company, the Deputy Head and Head of the Planning Management Office of Qingdao Economic Commission, Deputy Director of Qingdao Municipal Economic Commission and the Deputy Head of Southern District of the city of Qingdao. Mr. Chu has more than 20 years of experience in corporate and economic management.

Mr. Chu has carried out in-depth research in investment, finance and use of capital. He has published various articles, such as "Transformation in investment mechanism and the development of investment company" (《投資體制改革與投資公司的發展》), "Breakthrough in emphasis on use of capital" (《注重資本運作的創新突破》) focusing on state-owned enterprises reforms and operations of cities, and use of capital in practice. He is the Executive of State-owned Investment Committee of the Chinese Investment Association（中國投資協會國有投資公司委員會）and the Deputy Chairman of the Qingdao Sport Review Research Institute（青島體改研究會副會長）.

Wang Li Jun, aged 45, is a postgraduate student and senior economist. He is the General Manager of the Bank of China ("BOC"), Shandong branch. He is a part-time professor at the Ocean University in Tsingtao and Member of the Shandong Provincial Arbitration Committee. Mr. Wang has been working in BOC for many years. He has been the Deputy General Manager of the trust department of BOC, Qingdao branch, the Director of Financial Research Institute, Head of International Settlement Department of BOC, Shandong branch and Assistant to General Manager of BOC, Shandong branch. Mr. Wang has published over 70 research papers including "Settlement for International Trade and Trade Financing"（《國際貿易結算及貿易融資》）, "Processing Trade and Trade Financing"（《加工貿易與貿易融資》）and "Practice for Trust Management for Commercial Banks"（《商業銀行授信管理實務》）etc. Mr. Wang has also translated eight selected case studies concerning international trade management for the International Chamber of China. Mr. Wang is familiar with investment, credit and international settlement, foreign exchange and capital and relevant state laws, and is fluent in English.

Three Independent Directors:

Dr. Tam Lai Ling, aged 38, Doctor of Philosophy from Cambridge University, United Kingdom, in the area of Engineering, Bachelor of Science (Engineering) from University of London, and a Chartered Financial Analyst. He is a Managing Director of ICEA Capital Limited and held posts in the Investment Banking department of Merrill Lynch Asia Pacific Limited, Corporate Finance Department of Smith New Court Far East Limited, China Department of Shell Development (HK) Limited. He is familiar with the requirements of the Hong Kong Stock Exchange for listed companies and has a deep understanding in both the domestic and international capital markets. Dr. Tam has participated in the listing of shares and financial advisory for various companies in Hong Kong and PRC. He has extensive experience in the area of financing and investment in the domestic and international markets.

Mr. Wu Hai Hua, aged 35, is the independent Non-Executive Director of the Company. He is the Dean of the Faculty of Finance and the Associate Dean of the Faculty of International Commerce, of Qingdao University. Mr. Wu studied in Hunan Economics and Finance College, Economics Faculty of Wuhan University and holds a PhD in Economics. Mr. Wu conducted studies at University of Science and Technology of China and University of Dongbei. Dr. Wu has been engaging in studies relating to finance and economic development for many years. He was the organizer of the National Natural Science Fund（國家自然科學基金）and the National Social Science Fund（國家社會科學基金）and has published over 150 papers in academic journals. He is the author of 16 books in finance and economics. Professor Wu is also a tutor for doctorate students in the Engineering Department of the University of Hunan, a member of the Chinese Foreign Economics Society（中華外國經濟學會理事）, a committee member of the Financial Committee of the Qingdao People's Congress（青島市人大財經委員會委員） and a member of the Qingdao Expert Consultation Committee（青島市專家咨詢委員會委員）.

Ms. Pan Gui Rong, aged 52, is a Supervisor of the Company. Ms Pan is the Head of Shangdong Tianhua Accounting Firm. She has been the Division Head of the Audit Division of Qingdao Decoration Clothing Factory, and the Vice Chairman of the Qingdao Certified Public Accountants. She is a senior auditor and certified public accountant. She has extensive experience in corporate finance auditing and is member of the Association of Registered Accountants in China, a member of the Association of Registered Accountants in Shangdong and a council member of Qingdao Asset Appraisal Association.

Profiles of the candidates for the fourth Supervisory Committee of Tsingtao Brewery Company Limited

Mr. WU Yu Ting, aged 56, is the Chairman of the Supervisory Committee of the Company. Mr. Wu has been involved in supervisory work and corporate accounting for many years. He was the Head and the Deputy Head of Qingdao Discipline and Inspection Commission and the Deputy Head of Supervisory Bureau. Mr. Wu has gained substantial knowledge in law and in accounting supervision. He joined the Company in April 1998. He was the supervisor of the second and third Supervisory Committee.

Mr. Liu Qing Yuan, aged 53, is a Supervisor of the Company. He is the Director of Qingdao Tianhe Law Firm. Mr. Liu graduated from the School of Chemical Engineering of Qingdao and was a solicitor of the Southern District Law Firm of Qingdao. He has many years of experience in the legal profession. Mr. Liu is an associate professor of the School of Chemical Engineering of Qingdao as well as Deputy Director of the Liaison Sub-Committee to the Qingdao Municipal Committee of the China Democratic League Association (民盟青島市委員會聯絡委員會).

Mr. Zhong Ming Shan, aged 50, is the Chairman of the Shandong Desheng Certified Public Accountants and Senior Accountant. Mr. Zhong has attained tertiary level education. He was Head of Corporate Finance Department, Chairman of the Qingdao Certified Public Accountants, Deputy Director of the Representative Office of Qingdao Municipal Finance at the factory (青島市財政駐廠員處副主任). He has many years of experience in financial management and auditing. He is a certified public accountant in the securities industry.

Mr. Chen Jun, aged 34, is the Deputy General Manager of the CITIC Wantong Securities Co., Ltd. Mr. Chen graduated from University of Shandong and obtained a Master degree in Business Administration. He was the Assistant to the Director of Business Development of the People's Daily, Manager of the Shandong Investment Banking Department of the CITIC Securities. He is mainly engaged in investment banking and has many years of experience in corporate finance.