



TSINGTAO BREWERY COMPANY LIMITED

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

(Stock Code: 168)

ANNOUNCEMENT ON ADJUSTMENTS TO THE INCOME TAX RATE APPLICABLE FOR 2007

This announcement is made by the Company pursuant to the requirements of Rules 13.09(1) and 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. This announcement is also disseminated on the Shanghai Stock Exchange simultaneously. The information contained in this announcement is only a preliminary estimate by the Company and is not audited by the Company's certified public accountants. Detailed financial information of the Company for the entire financial year will be disclosed in the Annual Report for 2007 of the Company. Potential investors and shareholders of the Company should exercise caution when dealing in the shares of the Company.

The Company and all the members of the Board of Directors hereby confirm the truthfulness, accuracy and completeness of the contents of this announcement and jointly accept full responsibility for any false representation, misleading statement or material omission herein contained.

Tsingtao Brewery Company Limited (the "Company") received notice from the tax authority in Qingdao yesterday clarifying the income tax rate applicable to the Company for 2007: the enterprise income tax rate applicable to the Company for 2007 is 33% (the previous income tax rate applicable to the Company was 15%). Such adjustment will have relatively substantial impacts on the Company's 2007 annual results.

As the Annual Report for 2007 of the Company has not been completed, pursuant to the Offering Memorandum of the Proposed Issuance of Bonds with Warrants issued by the Company on 31 March 2008, if the adjustment is made based on the tax rate of 33%, the estimated impact on the first three quarters of 2007 of the Company's financial positions (unaudited according to the PRC accounting principles) will be as follows:

Unit: RMB'000

| Period for repayment | Consolidated net profits for January — September 2007 (adjusted) | Consolidated net profits for January — September 2007 (unadjusted) | Amount affected | Percentage of the amount affected (Note) |
|-----------------------------|---|---|------------------------|---|
| January — September 2007 | 560,208.8 | 695,440.3 | 135,231.5 | 19.45% |

Note: Percentage of the amount affected refers to the amount of tax to be repaid as a percentage of the consolidated net profits for the three quarters of 2007 before adjustment

At present there does not appear to be any decision from the tax authority regarding the treatment of the income tax for the financial years prior to 2007. The Company will continue to follow up and issue further announcement as and when appropriate upon receipt of any further information.

Pursuant to the new Enterprise Income Tax Law of the People's Republic of China which has become effective from 1 January 2008, the income tax rate applicable to the Company for 2008 is 25%.

Tsingtao Brewery Company Limited
Board of Directors

Qingdao, the People's Republic of China
16 April 2008

Directors of the Company as at the date hereof:

Executive Directors: Mr. LI Gui Rong (Chairman), Mr. JIN Zhi Guo (Vice Chairman), Mr. SUN Ming Bo, Mr. LIU Ying Di and Mr. SUN Yu Guo

Non-executive Directors: Mr. Stephen J. BURROWS (Vice Chairman) and Mr. Mark F. SCHUMM

Independent Directors: Mr. CHU Zhen Gang, Mr. FU Yang, Ms. LI Yan and Mr. POON Chiu Kwok