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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Sino Distillery Group Limited, you should at once pass this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Sino Distillery Group Limited

中國釀酒集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00039)

**PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Sino Distillery Group Limited to be held at 2509, Tower One, Lippo Centre, 89 Queensway, Hong Kong on Thursday, 26 June 2014 at 11:00 a.m. is set out on pages 14 to 18 of this circular. Whether or not you intend to attend the annual general meeting in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof (as the case may be) should you so wish.

29 April 2014

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held on Thursday, 26 June 2014 at 11:00 a.m. at 2509, Tower One, Lippo Centre, 89 Queensway, Hong Kong, or any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Companies Law”	the Companies Law, Cap. 22 (as amended) of the Cayman Islands
“Company”	Sino Distillery Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	25 April 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the memorandum of association of the Company, as amended from time to time

DEFINITIONS

“Option(s)”	a right to subscribe for Shares pursuant to the Share Option Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme adopted by the Company on 23 May 2007
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



Sino Distillery Group Limited
中國釀酒集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00039)

Executive Directors:

Mr. Jiang Jianjun (*Chairman*)
Mr. Li Jianqing (*Chief Executive Officer*)
Mr. Qu Shunca
Mr. Song Shaohua
Mr. Jiang Jiancheng

Registered Office:

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

Non-executive Director:

Mr. Huang Qingxi

*Head Office and Principal Place
of Business in Hong Kong:*

2509, Tower One
Lippo Centre
89 Queensway
Hong Kong

Independent Non-executive Directors:

Dr. Loke Yu
Mr. Zhang Yonggen
Mr. Li Xiaofeng

29 April 2014

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information on the following matters to be dealt with at the AGM: (i) re-election of retiring Directors; (ii) grant of general mandate to issue Shares; and (iii) grant of general mandate to repurchase Shares.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 116 of the Articles of Association, Mr. Qu Shuncaï, Mr. Huang Qingxi and Mr. Li Xiaofeng will retire by rotation and being eligible, will offer themselves for re-election at the AGM.

In accordance with Article 99 of the Articles of Association, Mr. Li Jianqing and Mr. Jiang Jiancheng will retire and being eligible, will offer themselves for re-election at the AGM.

Requisite details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

GENERAL MANDATE TO ISSUE SHARES

On 7 May 2013, a general mandate was granted to the Directors to exercise the powers of the Company to issue Shares. Such mandate was fully utilised upon the issue and allotment of 239,032,479 Shares on 7 February 2014 pursuant to the Subscription Agreements dated 21 January 2014 (details of which are set out in the Company's announcement dated 21 January 2014).

At the extraordinary general meeting of the Company held on 2 April 2014, the Shareholders approved the ordinary resolution in relation to refreshment of the general mandate of 7 May 2013. As at the date of passing such resolution, there were 1,453,519,876 Shares in issue and the Directors were authorised to issue and allot 20% of the issued Shares, being 290,703,975 Shares under the refreshed general mandate. Such refreshed general mandate will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution as set out in Resolution 9 of the notice of AGM will be proposed, inter alia, to grant to the Directors a general mandate to allot, issue and deal with additional Shares, and to make or grant offers, agreements and options which might require securities to be issued. Such mandate is subject to the aggregate nominal value of the additional Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the resolution, except where the additional Shares are issued pursuant to a rights issue, any share option scheme or similar arrangement, or any scrip dividend scheme or similar arrangement. The proposed mandate is intended to give the Directors greater flexibility to issue securities when it is in the interests of the Company to do so.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

Under the Companies Law and the Listing Rules, listed companies are allowed to repurchase their own issued shares. The Articles of Association also permit such repurchase of Shares. The Directors consider that these provisions increase the flexibility in the conduct of the Company's affairs in the interests of the Shareholders, and that the appropriate arrangements shall continue to be adopted by the Company.

On 7 May 2013, a general mandate was granted to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will also be proposed to grant to the Directors a general mandate to exercise all powers of the Company to repurchase Shares subject to the criteria set out in the relevant resolutions sanctioning such mandate. Shareholders should note that the maximum number of Shares that may be repurchased pursuant to the mandate as set out in Resolution 10 of the notice of AGM will be such number of Shares representing up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution. A resolution authorising the extension of the general mandate to the Directors to issue Shares to include the aggregate nominal amount of such Shares (if any) repurchased under the mandate is to be proposed as Resolution 11 at the AGM.

An explanatory statement, required by the Listing Rules to be sent to the Shareholders in relation to the repurchase mandate which will be proposed for the consideration and approval by the Shareholders in the AGM, is set out in Appendix II to this circular.

AGM

A notice convening the AGM to be held at 2509, Tower One, Lippo Centre, 89 Queensway, Hong Kong on Thursday, 26 June 2014 at 11:00 a.m. is set out on pages 14 to 18 of this circular. Resolutions will be proposed to approve, inter alia, the re-election of retiring Directors and the general mandates as referred to above at the AGM.

You will find enclosed a form of proxy for use at the AGM. Whether or not you intend to attend the AGM in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish.

LETTER FROM THE BOARD

VOTING BY POLL

Notwithstanding that Article 80 of the Articles of Association provides that at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded, under Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the Directors intend that the Chairman of the AGM shall demand voting of the resolutions put forward at the AGM by way of poll.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the re-election of retiring Directors, the granting of general mandates to issue and repurchase Shares, and the extension of the general mandate to issue Shares are each in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolutions to be proposed at the AGM.

Yours faithfully,
For and on behalf of the Board
Sino Distillery Group Limited
Jiang Jianjun
Chairman

The following are the particulars of the retiring Directors proposed to be re-elected at the AGM:

Mr. QU Shuncaï, aged 51, was appointed as executive Director in June 2012. He is responsible for the development of the Group's ethanol business and animal feed business. Mr. Qu is a director of certain subsidiaries of the Company. He was the director of the Group's development division. Mr. Qu has been engaged in trading of wine and liquor, nanotechnology development, and production and sale of automotive fine chemicals. Mr. Qu holds a Bachelor of Education degree from Qiqihar University. Other than his executive directorship with the Company, Mr. Qu did not hold any directorship in any listed public companies in the last three years. He does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company for the purpose of the Listing Rules. As at the Latest Practicable Date, Mr. Qu has a personal interest of 3,680,000 Shares and holds 4,500,000 Options granted by the Company under the Share Option Scheme. Save as disclosed above, Mr. Qu has no interest in the Shares within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Qu. He is entitled to an annual emolument of HK\$100,000 as executive Director which is determined by the Board by reference to his duties and responsibilities with the Company, the Company's remuneration policy and the remuneration committee's recommendation. Mr. Qu is subject to retirement by rotation and re-election pursuant to the Articles of Association.

There is no information required to be disclosed pursuant to the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in respect of Mr. Qu's re-election.

Mr. HUANG Qingxi, aged 40, was appointed as non-executive Director in June 2012. He is currently the chairman of Hunan Anson Nano-Biotechnology Company Limited. Mr. Huang has made investments in biomedical industries since 2004. He is concurrently the chairman of Hunan Medical Instrument Trade Association, a standing committee member of Hunan Federation of Industry and Commerce and the deputy secretary general of United Front Work Department of Hunan Provincial Committee Intellectual Friendship Association. Mr. Huang has studied mathematics at Hunan Normal University. Other than his non-executive directorship with the Company, Mr. Huang did not hold any directorship in any listed public companies in the last three years. He does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company for the purpose of the Listing Rules. As at the Latest Practicable Date, Mr. Huang does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Huang entered into a letter of appointment with the Company for a term of 3 years commencing from 1 June 2012 and is subject to retirement by rotation and re-election pursuant to the Articles of Association. He is entitled to an annual emolument of HK\$100,000 as non-executive Director which is determined by the Board by reference to his duties and responsibilities with the Company, the Company's remuneration policy and the remuneration committee's recommendation.

There is no information required to be disclosed pursuant to the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in respect of Mr. Huang's re-election.

Mr. LI Xiaofeng, aged 36, was appointed as independent non-executive Director in December 2012. He is currently a supervisor of the credit department of Shenzhen Rural Commercial Bank Shajing branch. Mr. Li has been engaged in financial services industry since 1998. Mr. Li graduated from Department of Finance of Jinan University. Other than his independent non-executive directorship with the Company, Mr. Li did not hold any directorship in any listed public companies in the last three years. He does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company for the purpose of the Listing Rules. As at the Latest Practicable Date, Mr. Li does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Li entered into a letter of appointment with the Company for a term of 3 years commencing from 1 December 2012 and is subject to retirement by rotation and re-election pursuant to the Articles of Association. He is entitled to an annual emolument of HK\$50,000 as independent non-executive Director which is determined by the Board by reference to his duties and responsibilities with the Company, the Company's remuneration policy and the remuneration committee's recommendation.

There is no information required to be disclosed pursuant to the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in respect of Mr. Li's re-election.

Mr. LI Jianqing, aged 51, was appointed as the chief executive officer of the Company in March 2014 and as executive Director in April 2014. He is currently the president of Dongguan ZhiRui Industrial Investment Co., Ltd. Mr. Li has over 20 years of experience in the operation and management of financial institutions and banks. He graduated from Beijing School of Economics and Management majoring in Economy Administration Specialty, and also holds a Degree of Finance from Southwestern University of Finance And Economics and an Executive Master of Business Administration from Sun Yat-sen University. Other than his executive directorship with the Company, Mr. Li did not hold any directorship in any listed public companies in the last three years. He does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company for the purpose of the Listing Rules. As at the Latest Practicable Date, Mr. Li does not have any interest in the Shares within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Li. He is entitled to an annual emolument of HK\$360,000 as executive Director which is determined by the Board by reference to his duties and responsibilities with the Company, the Company's remuneration policy and the remuneration committee's recommendation. Mr. Li is subject to retirement by rotation and re-election pursuant to the Articles of Association.

There is no information required to be disclosed pursuant to the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in respect of Mr. Li's re-election.

Mr. JIANG Jiancheng, aged 42, was appointed as executive Director in April 2014. He is currently the general manager of Shenzhen Jiangshi Longhui Trading Limited. He has been engaged in real estate leasing industry since 1993 and has extensive experience in marketing and management. Mr. Jiang graduated from Department of Industrial Control And Automation of Hefei University of Technology. Mr. Jiang was previously a consultant of the Company from 13 September 2010 to 15 March 2014. Other than his executive directorship with the Company, Mr. Jiang did not hold any directorship in any listed public companies in the last three years. Saving as being a brother of Mr. Jiang Jianjun, the Chairman and an executive Director of the Company, Mr. Jiang Jiancheng does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company for the purpose of the Listing Rules. As at the Latest Practicable Date, Mr. Jiang does not have any interests in the Shares within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Jiang. He is entitled to an annual emolument of HK\$360,000 as executive Director which is determined by the Board by reference to his duties and responsibilities with the Company, the Company's remuneration policy and the remuneration committee's recommendation. Mr. Jiang is subject to retirement by rotation and re-election pursuant to the Articles of Association.

There is no information required to be disclosed pursuant to the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in respect of Mr. Jiang's re-election.

This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the proposed repurchase mandate.

(A) SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was 1,464,694,876 Shares. Subject to the passing of the relevant resolution at the AGM, the Company will be allowed under the general mandate to repurchase a maximum of 146,469,487 Shares, assuming that no further Shares are issued or repurchased prior to the date of the AGM.

Shareholders should note that the repurchase mandate only covers purchases made during the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting is required by the Articles of Association or any applicable laws to be held or the date upon which such authority is revoked or varied by the Shareholders in general meeting.

(B) REASONS FOR REPURCHASES

Although the Directors have no present intention of repurchasing Shares, they believe that the repurchase mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

(C) FUNDING OF REPURCHASES

Repurchases must be financed out of funds legally available for the purpose in accordance with the Memorandum and Articles of Association and the Companies Law. Such funds include but are not limited to profits available for distribution.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the annual report of the Company in respect of the year ended 31 December 2013) in the event that the repurchase mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the repurchase mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

(D) SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of previous twelve months preceding the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April 2013	0.670	0.590
May 2013	0.660	0.580
June 2013	0.610	0.520
July 2013	0.600	0.495
August 2013	0.600	0.480
September 2013	0.560	0.430
October 2013	0.530	0.390
November 2013	0.480	0.445
December 2013	0.500	0.430
January 2014 (<i>Note a</i>)	0.920	0.435
February 2014 (<i>Note b</i>)	0.980	0.730
March 2014	0.980	0.780
April 2014 (up to the Latest Practicable Date) (<i>Note c</i>)	0.880	0.780

Notes:

- a. Trading in the Shares on the Stock Exchange was suspended from 1:00 p.m. on 28 January 2014 and resumed with effect from 9:00 a.m. on 29 January 2014.
- b. Trading in the Shares on the Stock Exchange was suspended from 9:00 a.m. on 25 February 2014 and resumed with effect from 9:00 a.m. on 3 March 2014.
- c. Trading in the Shares on the Stock Exchange was suspended from 9:00 a.m. on 16 April 2014 and resumed with effect from 9:00 a.m. on 22 April 2014.

(E) GENERAL

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases in accordance with the Listing Rules, the Companies Law and the Articles of Association.

None of the Directors, nor to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries if the repurchase mandate is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell any Shares held by them to the Company or have undertaken not to sell any of the Shares held by them to the Company in the event that the Company is authorised to make repurchase of Shares.

(F) TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the repurchase mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and, depending on the level of increase of the Shareholder's interest, may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders were interested in more than 10% of the Shares in issue:

Name	Capacity and nature of interest	Number of Shares held	Shareholding as at the Latest Practicable Date	Shareholding upon exercise in full of the repurchase mandate
Chen Hua	Interest of controlled corporations	179,938,000 ^(a)	12.29%	13.65%
Lin Xi	Interest of controlled corporations	179,938,000 ^(b)	12.29%	13.65%
Able Turbo Enterprises Limited ("Able Turbo")	Beneficial owner	102,945,737	7.03%	7.81%
	Interest of controlled corporation	76,992,263 ^(c)	5.26%	5.84%

Notes:

- (a) The Shares are held by Able Turbo as to 102,945,737 Shares and China Food and Beverage Group Limited (“China Food”) as to 76,992,263 Shares. China Food is 100% owned by Able Turbo. As Able Turbo is 60.31% owned by Chen Hua, Chen Hua is deemed to be interested in the 76,992,263 Shares owned by China Food by virtue of SFO.
- (b) The Shares are held by Able Turbo as to 102,945,737 Shares and China Food as to 76,992,263 Shares. China Food is 100% owned by Able Turbo. As Able Turbo is 39.69% owned by Lin Xi, Lin Xi is deemed to be interested in the 76,992,263 Shares owned by China Food by virtue of SFO.
- (c) The Shares are beneficially owned by China Food. As China Food is 100% owned by Able Turbo, Able Turbo is deemed to be interested in the 76,992,263 Shares owned by China Food by virtue of the SFO.

In the event that the Directors exercised in full the power to repurchase Shares under the repurchase mandate, the interest of the above Shareholders would be increased to such percentages shown in the last column above. The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the repurchase mandate. The Directors have no present intention to exercise the repurchase mandate to such an extent that would result in the number of Shares held by the public falling below 25% of total number of Shares in issue.

(G) SHARE REPURCHASE MADE BY THE COMPANY

No purchases of Shares had been made by the Company during the six months preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



Sino Distillery Group Limited **中國釀酒集團有限公司** *(Incorporated in the Cayman Islands with limited liability)* **(Stock Code: 00039)**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Sino Distillery Group Limited (the “Company”) will be held at 2509, Tower One, Lippo Centre, 89 Queensway, Hong Kong on Thursday, 26 June 2014 at 11:00 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the Audited Consolidated Financial Statements and the Reports of the Directors and the Auditor for the year ended 31 December 2013;
2. To re-elect Mr. Qu Shuncai as Executive Director;
3. To re-elect Mr. Huang Qingxi as Non-executive Director;
4. To re-elect Mr. Li Xiaofeng as Independent Non-executive Director;
5. To re-elect Mr. Li Jianqing as Executive Director;
6. To re-elect Mr. Jiang Jiancheng as Executive Director;
7. To authorise the Board of Directors to fix the Directors’ remuneration;
8. To re-appoint Cheng & Cheng Limited as Auditor and to authorise the Board of Directors to fix their remuneration;

NOTICE OF ANNUAL GENERAL MEETING

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

“THAT

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements and options 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 in paragraph (d) 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 (a) above;
- (c) the aggregate nominal value of the shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approvals in paragraphs (a) and (b) above, otherwise than pursuant to (i) a rights issue (as defined in paragraph (d) below) 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, shall not in total exceed 20% of the aggregate 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;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company's shareholders in general meeting; or
- (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; and

“rights issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (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, or of the requirements of any recognised regulatory body or any stock exchange in, or in any territory outside Hong Kong).”;

10. 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 of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to purchase its own 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 aggregate nominal amount of shares of the Company which may be repurchased by the Company 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
- (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;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company's shareholders in general meeting; or
 - (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.”; and
11. 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. 9 and 10 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. 9 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 an amount represented by the aggregate nominal amount of shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution no. 10 as set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this resolution.”.

By order of the Board
CHAN Kwong Leung, Eric
Company Secretary

Hong Kong, 29 April 2014

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his/her/its proxy to attend and vote on his/her/its behalf. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it and vote on his/her/its 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.
2. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notorially certified copy of such power of authority, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof (as the case may be).

NOTICE OF ANNUAL GENERAL MEETING

3. 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.
4. The Register of Members of the Company will be closed from Tuesday, 24 June 2014 to Thursday, 26 June 2014 (both days inclusive) during which period no transfer of shares of the Company will be registered and effected. In order to qualify for attending and voting at 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, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 23 June 2014.
5. An Explanatory Statement containing further details regarding ordinary resolution no. 10 as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited will be dispatched to the shareholders of the Company together with this notice of meeting.
6. As at the date of hereof, the Executive Directors of the Company are Mr. Jiang Jianjun, Mr. Li Jianqing, Mr. Qu Shuncai, Mr. Song Shaohua and Mr. Jiang Jiancheng; the Non-executive Director of the Company is Mr. Huang Qingxi; and the Independent Non-executive Directors of the Company are Dr. Loke Yu alias Loke Hoi Lam, Mr. Zhang Yonggen and Mr. Li Xiaofeng.