In addition to other information in this prospectus, you should carefully consider the following risk factors before making any investment decision in relation to the Offer Shares. If any of the possible events described below occur, our business, financial condition or results of operations could be materially and adversely affected and the market price of the Offer Shares could fall significantly.

RISKS RELATING TO OUR BUSINESS

If we are unable to gain market acceptance or significant market share for any new products we introduce, then we would have incurred development, production and marketing costs which we would not be able to recover, which would affect our profitability.

Our success arises, in part, from our ability to introduce new products, flavours and packaging successfully. The success of the new products we introduce depends on our ability to anticipate the tastes and dietary habits of consumers and to offer products that appeal to their preferences. We cannot assure you that our new products or flavours will be able to gain market acceptance. Consumer preferences change, and any new products that we introduce may fail to meet the particular tastes or requirements of consumers, or may be unable to replace their existing preferences. Our failure to anticipate, identify or react to these particular tastes or changes could result in reduced demand for our products, which could in turn cause us to be unable to recover our development, production and marketing costs, thereby leading to a decline in our profitability.

Our business depends on a stable and adequate supply of raw materials, which are subject to price volatility and other risks.

Our production volume and production costs are dependent on our ability to source at acceptable prices and maintain a stable and sufficient supply of raw materials, including rice, milk powder, sugar and other raw materials. We procure a majority of our raw materials in domestic markets, with the remaining raw materials being procured from certain overseas markets. The amount of raw materials that we purchased from suppliers in China for the years ended December 31, 2004, 2005 and 2006 and the nine months ended September 30, 2007 amounted to 73.9%, 70.5%, 71.6% and 80.8%, respectively, of our total raw materials costs, with the remainder being procured from overseas. If we are unable to obtain raw materials in the quantities and of a quality that we require, our volume or quality of production and revenue may be adversely affected.

We source a substantial majority of our rice from various suppliers in the north-eastern region of China. We source the majority of our milk powder from one supplier in New Zealand. If supplies in these locations are affected by natural disasters, adverse weather conditions, communicable diseases, pest infestations, disruptions in transportation infrastructure or other inclement factors, the supply of raw materials from these areas may be adversely affected, and we may not be able to locate alternative supplies of raw materials in sufficient quantities, of suitable quality or at an acceptable price.

Raw material costs (including packaging materials and consumables used) represent approximately three quarters of the cost of goods sold and approximately half of the turnover of our Core Operations. Raw materials we use in our production are subject to price volatility caused by external conditions, such as climate and environmental conditions, commodity price fluctuations, currency fluctuations and changes in governmental and agricultural policies. Our total raw material costs have increased by 47.0% and 31.7% from 2004 to 2005 and 2005 to 2006, respectively, and are expected to increase further by 22.4% from 2006 to 2007, consistent with a general trend of rising domestic prices in China. We expect that our raw material prices will continue to fluctuate and be affected by inflation in the future. Price changes to our raw materials may result in unexpected increases in production and packaging costs, and if we are unable to manage these costs or to increase the prices of our products to offset these increased costs, our profitability will decrease. For details of industry trends with respect to raw materials, please refer to the section headed "Industry Overview — Prices of Raw Materials in China".

Delays in delivery or poor handling by distributors and independent third-party transport operators may affect our sales and damage our reputation.

We rely on independent third-party distributors and logistics companies for the distribution and transportation of our products. For the years ended December 31, 2004, 2005 and 2006 and the nine months ended September 30, 2007, the amount of our sales made to our distributors were US$427.0 million, US$571.6 million, US$724.9 million and US$642.7 million, respectively, which accounted for 83.3%, 85.0%, 85.3% and 85.0%, respectively, of total sales. The services provided by these distributors and logistics companies could be suspended and could cause interruption to the supply of our products to retailers due to unforeseen events. Delivery disruptions may occur for various reasons beyond our control, including poor handling by distributors or independent third-party transport operators, transportation bottlenecks, natural disasters and labour strikes, and could lead to delayed or lost deliveries. Poor handling by distributors and third-party transport operators could also damage our products. If our products are not delivered on time, or are delivered damaged, we may have to pay compensation, we could lose business and our reputation could be harmed. The insurance coverage we have in respect of these risks may not be sufficient to cover these losses. For further information on our transportation, please refer to the section headed "Business — Logistics and Inventory — Transportation".

Sales of some of our products are subject to seasonality.

The sales of some of our products are subject to seasonality. For example, we typically experience higher sales of our rice crackers, snack foods and gift packs during traditional Chinese festive and holiday seasons, including Chinese New Year and Mid-Autumn festival. Our beverage and popsicle products have higher sales during summer. Sales can also fluctuate during the course of a financial year for a number of other reasons, including timing of the launch of new products and the timing of advertising and promotional campaigns. As a result, we may not be able to utilise all our production capacity during non-peak periods, or we may not have sufficient production capacity to meet demand during certain peak seasons.

Our success and normal operations are largely dependent on certain key personnel and our ability to attract and retain talented personnel.

Our Chairman, Mr. Tsai, together with other members of our senior management, has been responsible for the development of our Company and business and has been one of the key drivers of our strategies and achievements to date. The continued successful management of our business is, to a considerable extent, dependent on the services of our senior management. The loss of the services of any key member of our senior management or failure to recruit a suitable replacement may have a significant impact upon our ability to manage our business effectively and our business and future growth may be adversely affected.

Our future success is further dependent upon our ability to attract and retain personnel who have the necessary experience and expertise. Competition for qualified personnel in China is intense. If we cannot recruit and retain the employees necessary to maintain our operations, our capabilities may be limited, which could reduce our profitability and limit our ability to grow. In addition, the competition for qualified personnel in China may drive up our labour costs, in turn increasing our costs of operations and affecting our profitability.

We do not possess valid title to certain properties that we occupy.

For some of the properties we occupy in the PRC, we, or our landlords, have not yet obtained valid title certificates that allow us to use or transfer the properties freely. For our owned properties, as at February 5, 2008, we had not obtained proper building ownership certificates for 51 buildings with an aggregate area of approximately 38,391.13 square meters. For our leased properties, as at February 5, 2008, our landlords had not obtained or produced to us proper building ownership certificates and had not registered the leases for 142 buildings with an aggregate area of approximately 175,594.26 square meters. These properties are used for various purposes, including offices, production facilities and ancillary facilities such as warehouses and staff quarters. The percentage of our turnover contributed by our owned property with defective title used as production facilities for the years ended December 31, 2004, 2005 and 2006 and the nine months ended September 30, 2007 was 0.5%, 0.7%, 0.2% and 0.3% respectively, with gross profit contribution amounting to 0.1%, 0.1%, nil and 0.7%, respectively, for the same periods. Our operations carried out on or from these properties may be adversely affected as a result of the absence of vested legal title or right to lease these properties. We may be required to relocate our business operations carried out on properties that we do not have unassailable legal rights to use or occupy temporarily or permanently, and such relocation could adversely affect our financial condition and results of operations. For further information on our properties, please refer to the section headed "Business — Our Properties".

Our products and brand names may be subject to counterfeiting or imitation, which could impact upon our reputation, leading to loss of consumer confidence, reduced sales and/or higher administrative costs.

Counterfeiting and imitation have occurred in the past in China for many consumer and branded products. As "Want Want" is a well-known brand in China, we have in the past experienced, on limited occasions, counterfeiting and imitation of our products, such as rice crackers, flavoured milk and popsicles, as well as imitation of our Company name and trademarks. The scale of counterfeiting of our products has been limited and the amounts involved were minimal. The counterfeiting of our products, therefore, has not had any material impact on our trading and financial position in the past. However, as with all operators in the food and beverage industry in China, we are unable to guarantee that counterfeiting and imitation will not occur in the future and, if it does occur, whether we will be able to detect and deal with it effectively. Any occurrence of counterfeiting or imitation could impact negatively upon our reputation and brand name, and lead to loss of consumer confidence in our brand. In addition, counterfeit and imitation products could result in a reduction of our market share, causing a long-term or even permanent decline in our sales and profitability as well as increasing our administrative costs in respect of detection and prosecution.

If we are unable to obtain an adequate supply of water of adequate quality, or if the price of water rises dramatically, our operations could be adversely affected.

Water is one of the primary raw materials in the production of our dairy products and beverages and, to a lesser extent, our other products. We obtain our water supply from tap water supplied by water supply companies controlled by relevant local governments. Any increase or decrease in the price of water is also subject to the approval of local price control bureau. As water is a public utility regulated by the PRC government, its supply to us has been highly reliable as of the Latest Practicable Date. There can be no assurance that this will continue in future. In addition, though we have not experienced any problems with water quality in the past, there can be no assurance we will not experience such problems in the future. If we experience water shortage or quality problems or the price of water rises dramatically, our results of operations could be materially and adversely affected.

RISKS RELATING TO THE FOOD AND BEVERAGE INDUSTRY IN CHINA

Our business and reputation may be affected by product liability claims, litigation, customer complaints, product tampering, quality control concerns or adverse publicity in relation to our products.

Like other consumer product manufacturers, our sale of food and beverage products for human consumption involves an inherent risk of our products being found to be unfit for consumption or cause illness. Products may be rendered unfit for consumption due to product contamination or degeneration, illegal tampering by unauthorized third parties or other problems arising during the various stages of the procurement, production, transportation and storage processes. The occurrence of such problems may result in customer complaints or adverse publicity causing serious damage to our reputation and brand, as well as product liability claims and a loss of revenues. Under certain circumstances, we may be required to recall products. Even if a situation does not necessitate a product recall, we cannot assure you that product liability claims will not be asserted against us as a result. A product liability judgment against us, or a product recall, could have a material adverse effect on our business, financial condition or results of operations. In line with industry practice, we do not maintain product liability insurance in respect of our products sold inside China, and we would be liable for the full amount of any damages awarded against us in any product liability claim.

In addition, adverse publicity about these types of concerns, whether or not valid, may discourage consumers from buying our products. Even if a product liability claim is unsuccessful or is not fully pursued, the negative publicity surrounding any assertion that our products caused personal injury or illness could adversely affect our reputation and our corporate and brand image. If consumers were to lose confidence in our brand and reputation, we could suffer long-term or even permanent declines in our sales.

We could be adversely affected by a change in consumer preferences, perception and/or spending.

The food and beverage industry is subject to changes in consumer preferences, perceptions and spending habits. Our performance depends on factors which may affect the level and pattern of consumer spending in China. Such factors include consumer preferences, consumer confidence, consumer incomes and consumer perceptions of the safety and quality of our products. Media coverage regarding the safety or quality of, or diet or health issues relating to, snack food and beverages or the raw materials, ingredients or processes involved in their manufacturing, may damage consumer confidence in these products. A general decline in the consumption of our products could occur as a result of a change in consumer preferences, perceptions and spending habits at any time and future success will depend partly on our ability to anticipate or adapt to such changes and to offer, on a timely basis, new products that meet consumer preferences. Any failure to adapt our product offering to respond to such changes may result in a decrease in our sales, in particular if such changes related to certain of our products, for example "Hot-Kid milk" which accounted for 92.8% and 93.7% of our sales in our dairy products and beverages segment for the year ended December 31, 2006 and the nine months ended September 30, 2007, respectively. Any changes in consumer preferences could result in lower sales of our products, put pressure on pricing or lead to increased levels of selling and promotional expenses, resulting in a material adverse effect on our sales and profits.

We face competition from both domestic and foreign companies, which may affect our market share and profit margins.

The food and beverage industry in China is highly competitive, and we expect it to become even more competitive. Some of our competitors, in particular foreign companies, may have been in business longer than we have and may have substantially greater financial, research and development and other resources than we have. We cannot assure you that our current or potential competitors will not provide products comparable or superior to those we provide or adapt more quickly than we do to evolving industry trends or changing market requirements. It is also possible that there will be consolidation in the food and beverage industry among our competitors, or alliances may develop among competitors and these alliances may rapidly acquire significant market share, or that some of our competitors may commence production of products similar to those we sell.

Furthermore, competition may lead competitors to increase substantially their advertising expenditures and promotional activities or to engage in irrational or predatory pricing behaviour. We also cannot assure you that third parties will not actively engage in activities, whether legal or illegal, designed to undermine our brands and product quality or to influence consumer confidence in our products. Increased competition may result in price reductions, reduced margins and loss of market share, any of which could have a material adverse impact on our profit margins. We cannot assure you that we will be able to compete effectively against current and future competitors.

We require various licenses and permits to operate our business, and the loss of or failure to obtain or renew any or all of these licenses and permits could adversely affect our business.

In accordance with PRC laws and regulations, we are required to obtain and maintain various licenses and permits in order to commence and operate our business at each of our production facilities including, without limitation, hygiene permits and production permits. We are required to comply with applicable health and hygiene and production safety standards in relation to our production processes. Our production plants and the facilities used are subject to regular and random inspections by the regulatory authorities for compliance with the PRC Administrative Rules on Industrial Product Manufacturing Licenses and Measures for Quality Supervision and Administration of the Food Production and Process Enterprises. Failure to pass these inspections, or the loss of or failure to obtain or renew our licenses and permits, could require us to temporarily or permanently suspend some or all of our production activities, which could disrupt our operations and adversely affect our business.

Changes in existing food hygiene laws may cause us to incur additional costs to comply with the more stringent laws and regulations, which could have an adverse impact on our financial position.

Manufacturers within the food and beverage industry in China are subject to compliance with PRC food hygiene laws and regulations. These food hygiene laws require all enterprises engaged in the production of food and beverage products to obtain a hygiene license for each of their production facilities. They also set out hygiene standards with respect to food and food additives, packaging and containers, information to be disclosed on packaging as well as hygiene requirements for food production and sites, facilities and equipment used for the transportation and sale of food. Failure to comply with food hygiene laws in the PRC or other jurisdictions in which we manufacture, distribute, or sell our products may result in fines, suspension of operations, loss of hygiene licenses and, in more extreme cases, criminal proceedings against an enterprise and its management. In the event that the PRC or other relevant governments increase the stringency of such laws, our production and distribution costs may increase, and we may be unable to pass these additional costs on to our customers.

We are subject to various environmental, safety and health regulations in the PRC, the compliance with which may be difficult or expensive and any failure to comply with such regulations may render us subject to penalties, fines, governmental sanctions, proceedings and/or suspension or revocation of our licenses or permits to conduct our business.

The PRC government has published extensive environmental, safety and health regulations with which we are required to comply. Failure to comply with these regulations may result in fines and/or suspension or revocation of our licenses or permits to conduct our business. Given the magnitude and complexity of these regulations, compliance with them may be difficult or involve significant financial and other resources to establish efficient compliance and monitoring systems. In addition, these regulations are constantly evolving. There can be no assurance that the PRC government will not impose additional or stricter laws or regulations, compliance with which may cause us to incur significant costs, which we may be unable to pass on to our customers.

Certain countries may impose certain technical, hygiene or environmental requirements on our products. We cannot guarantee that we will be able to meet the relevant standards. If we fail to reach the relevant standards adopted by these countries and regions now or in the future, our business in these markets could be adversely affected.

RISKS RELATING TO THE PRC

We derive a substantial portion of our sales from China. Political and economic policies of the PRC government may affect our business and results of operations and may result in our inability to sustain our growth and expansion plans.

A substantial portion of our sales is generated from China. Domestic sales of our products accounted for approximately 85.6%, 88.0%, 90.8% and 91.0% of total sales of our Core Operations for the years ended December 31, 2004, 2005 and 2006 and the nine months ended September 30, 2007, respectively. Our business and profitability have been materially dependent on the China market.

The economy of the PRC differs from the economies of most developed countries in a number of respects, including the degree of government involvement, control of capital investment, and the overall level of development. Before its adoption of reform and open door policies in 1978, China was primarily a planned economy. Since then, the PRC government has been reforming the PRC economic system and the government structure. These reforms have resulted in significant economic growth and social progress. Economic reform measures, however, may be adjusted, modified or applied inconsistently from industry to industry or across different regions of the country. As a result, we may not continue to benefit from all, or any, of these measures.

We anticipate that sales of our products in China will continue to represent a substantial portion of our total sales in the near future. Any changes in the PRC's political, economic and social conditions, laws, regulations and policies or any significant decline in the condition of the PRC economy could adversely affect consumer buying power and reduce consumption of our products, which in turn would have a material adverse effect on our business and financial condition.

Government control of currency conversion and future movements in foreign exchange rates may adversely affect our financial condition and results of operations, and our ability to remit dividends.

We are a holding company that is financially dependent on distributions of dividends from subsidiaries and our results could be adversely affected if those distributions are not made in a timely manner or at all. Currently, the RMB cannot be freely converted into any other foreign currency, and conversion and remittance of foreign currencies are subject to PRC foreign exchange regulations. We cannot guarantee that we will have sufficient foreign exchange to meet our foreign exchange requirements. Under the current PRC foreign exchange control system, foreign exchange transactions under the current account conducted by us, including the payment of dividends, do not require advance approval from the State Administration of Foreign Exchange or its local branches, but we are required to present relevant documentary evidence of such transactions and conduct such transactions at designated foreign exchange banks within China that have the licenses to carry out foreign exchange business. Foreign exchange transactions under the capital account conducted by us, however, must be approved in advance by the State Administration of Foreign Exchange or its local branches. Any insufficiency of foreign exchange may restrict the ability of our subsidiaries to obtain sufficient foreign exchange for dividend payments to us or satisfy any other foreign exchange requirements. If we fail to obtain approval from the State Administration of Foreign Exchange or its local branches to convert RMB into any foreign exchange for any of the above purposes, our capital expenditure plans, and even our business results and financial condition, may be materially adversely affected.

PRC regulations of investment and loans by offshore holding companies to PRC entities may delay or prevent us from using the proceeds of this offering to make additional capital contributions or loans to members of our Group.

Any capital contributions or loans we, as an offshore entity, make to PRC members of our Group, including from the proceeds of this offering, are subject to PRC regulations. For example, the total of any offshore loans to PRC members of the Group cannot exceed the difference between certain regulatory limits prescribed by the competent authority of the Ministry of Commerce and the registered capital and total investment of the relevant member of the Group, and such loans must be registered with the State Administration of Foreign Exchange or its authorized organization. In addition, our capital contributions to PRC members of our Group must be approved by the competent authority of the Ministry of Commerce. We cannot assure you that we will be able to obtain these approvals on a timely basis, or at all. If we fail to obtain such approvals, our ability to capitalize the relevant PRC members of our Group or fund their operations or to utilize the proceeds of this offering in the manner described in the section headed "Future Plans and Use of Proceeds" may be adversely affected, which could adversely affect the liquidity of the relevant PRC member of our Group, our Group's ability to grow through our subsidiaries' operations and our financial condition and results of operations.

The legal system of the PRC is still developing, and there are inherent uncertainties which may affect the protection afforded to our business and our shareholders.

Our business and operations in China are governed by the legal system of China. The PRC legal system is based on written statutes. Prior court decisions may be cited for reference but have limited precedential value. Since the late 1970s, the PRC government has promulgated laws and regulations dealing with such economic matters as foreign investment, corporate organization and governance, commerce, taxation and trade. However, as these laws and regulations are relatively new and continue to evolve, interpretation and enforcement of these laws and regulations involve significant uncertainties and certain degrees of inconsistencies. Some of the laws and regulations are still at a developing stage and are therefore subject to policy changes. Many laws, regulations, policies and legal requirements have only been recently adopted by PRC central or local government agencies, and their implementation, interpretation and enforcement may involve uncertainty due to the lack of established practice available for reference. We cannot predict the effect of future legal developments in China, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, or the pre-emption of local regulations by national law. As a result, there is substantial uncertainty as to the legal protection available to us and investors in our shares. Furthermore, due to the limited volume of published cases and the non-binding nature of prior court decisions, the outcome of dispute resolution may not be as consistent or predictable as in other more developed jurisdictions, which may limit the legal protection available to us. In addition, any litigation in China may be protracted and result in substantial costs and the diversion of resources and management attention.

As an investor holding our Shares, you hold an indirect interest in our operations in China through our Company. Our operations in China are subject to PRC regulations governing PRC companies. These regulations contain provisions that are required to be included in the articles of association of PRC companies and are intended to regulate the internal affairs of these companies. The PRC Company Law and these regulations, in general, and the provisions for the protection of shareholders' rights and access to information, in particular, may be considered less developed than those applicable to companies incorporated in Hong Kong, the United States and other developed countries or regions.

We may not be able to protect our intellectual property rights successfully.

We have developed trademarks, patents, design patents, know-how, processes, technologies and other intellectual property rights that are of significant value to us. There can be no assurance that any of our intellectual property will not be challenged, misappropriated or circumvented by third parties. In addition, the legal regime governing intellectual property in

China is still evolving and the level of protection of intellectual property rights in China may differ from those in other jurisdictions. In the event that the steps we have taken and the protection provided by law do not adequately safeguard our intellectual property rights, we could suffer losses in profits due to the sales of competing products, which exploit our intellectual property rights.

The outbreak of any severe contagious diseases in the PRC, if uncontrolled, could adversely affect our business and results of operations.

The outbreak of any severe communicable disease in China, if uncontrolled, could adversely affect the overall business sentiments and environment in China, which in turn may lead to slower overall economic growth in China. As a substantial portion of our sales are currently derived from China, any contraction or slow down in the economic growth of China will adversely affect our financial condition, results of operations and future growth.

In addition, if any of our employees is infected or affected by any severe communicable diseases outbreak, it could adversely affect or disrupt our production at the relevant production facility and adversely affect our business operations as we may be required to close our production facilities to prevent the spread of the disease. The spread of any severe communicable disease in China may also affect the operations of our customers and suppliers, causing delivery disruptions, which could in turn adversely affect our operating results.

It may be difficult to effect service of process upon, or to enforce against, us or our Directors or our senior management members who reside in the PRC, in connection with judgments obtained in non-PRC courts.

Almost all of our assets and our subsidiaries are located in China. In addition, most of our Directors and officers reside within China, and the assets of our Directors and officers may also be located within China. As a result, it may not be possible to effect service of process outside China upon most of our Directors and officers, including matters arising under applicable securities laws. Moreover, a judgment of a court of another jurisdiction may only be reciprocally recognized or enforced if the jurisdiction has a treaty with China or if judgments of the PRC courts have been recognized before in that jurisdiction, subject to the satisfaction of other requirements. However, China does not have treaties providing for the reciprocal enforcement of judgments of courts with Japan, the United Kingdom, the United States and most other western countries. In addition, Hong Kong has no arrangement for the reciprocal enforcement of judgments with the United States. As a result, recognition and enforcement in the PRC or Hong Kong of judgments of a court in these jurisdictions is subject to uncertainties.

We may be deemed a Chinese resident enterprise under the new PRC Enterprise Income Tax Law and be subject to the PRC taxation on our worldwide income.

Under the new PRC Enterprise Income Tax Law that took effect on January 1, 2008, enterprises established outside of China whose "de facto management bodies" are located in China are considered "resident enterprises" and will generally be subject to the uniform 25% enterprise income tax rate as to their global income. It is, however, currently unclear under what situations an enterprise's "de facto management body" would be considered to be located in China. Substantially all of our management is currently based in China, and may remain in China after the effectiveness of the new PRC Enterprise Income Tax Law. Therefore, we may be treated as a Chinese resident enterprise for enterprise income tax purposes. The tax consequences of such treatment are currently unclear, as they will depend on the implementation regulations and on how local tax authorities apply or enforce the new PRC Enterprise Income Tax Law or the implementation regulations. See "Dividends payable by us to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under PRC tax laws" below.

Dividends payable by us to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under PRC tax laws.

Under the new PRC Enterprise Income Tax Law and implementation regulations issued by the State Council, PRC income tax at the rate of 10% is applicable to dividends payable to investors that are "non-resident enterprises" (and that do not have an establishment or place of business in the PRC, or that have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business) to the extent such dividends have their source within the PRC. Similarly, any gain realized on the transfer of shares by such investors is also subject to 10% PRC income tax if such gain is regarded as income derived from sources within the PRC. If we are considered a PRC "resident enterprise", it is unclear whether the dividends we pay with respect to our Shares, or the gain you may realize from the transfer of our Shares, would be treated as income derived from sources within the PRC and be subject to PRC tax. If we are required under the new PRC Enterprise Income Tax Law to withhold PRC income tax on our dividends payable to our foreign Shareholders, or if you are required to pay PRC income tax on the transfer of your Shares, the value of your investment in our Shares may be materially and adversely affected.

We rely principally on dividends paid by our subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our PRC subsidiaries to pay dividends to us could have a material adverse effect on our ability to conduct our business.

We are a holding company and rely principally on dividends paid by our subsidiaries for cash requirements, including the funds necessary to service any debt we may incur. If any of our subsidiaries incurs debt in its own name in the future, the instruments governing the debt may restrict dividends or other distributions on its equity interest to us.

Furthermore, applicable PRC laws, rules and regulations permit payment of dividends by our combined PRC entities only out of their retained earnings, if any, determined in accordance with PRC accounting standards. Our combined PRC entities are required to set aside a certain percentage of their after-tax profit based on PRC accounting standards each year to their reserve fund in accordance with the requirements of relevant laws and provisions in their respective articles of associations, As a result, our combined PRC entities may be restricted in their ability to transfer a portion of their net income to us whether in the form of dividends, loans or advances. Any limitation on the ability of our subsidiaries to pay dividends to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our businesses, pay dividends or otherwise fund and conduct our business. Under the new PRC Enterprise Income Tax Law and implementation regulations issued by the State Council, PRC income tax at the rate of 10% is applicable to dividends paid by Chinese enterprises to "non-resident enterprises" (enterprises that do not have an establishment or place of business in the PRC, or that have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business) subject to the application of any relevant income tax treaty that the PRC has entered into. If we or our non-PRC subsidiaries are considered "non-resident enterprises", any dividend that we or any such subsidiary receive from our PRC subsidiaries may be subject to PRC taxation at the 10% rate (or lower treaty rate).

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior market for our shares, and the liquidity and market price of our shares following the Global Offering may be volatile.

Prior to the completion of the Global Offering, there has been no public market for our Shares. The initial offer price range of the Offer Shares, and the Offer Price, will be the result of negotiations between the Joint Bookrunners (on behalf of the Underwriters) and us. The Offer Price may not be indicative of the price at which our Shares will be traded following the completion of the Global Offering. In addition, there can be no guarantee that (i) an active trading market for our Shares will develop, or (ii) if it does develop, that it will be sustained following the completion of the Global Offering, or (iii) that the market price of our Shares will not decline below the Offer Price.

Our controlling shareholder may exert substantial influence over us and may not act in the best interest of our independent shareholders.

Following the completion of the Global Offering, our chairman Mr. Tsai will own, directly and indirectly, approximately 50.93% of our total issued share capital (assuming that the Over-allotment Option is not exercised). Mr. Tsai and his associates acting together, should they choose to do so, will be in a position to exert significant influence over the affairs of our Company, and will be able to influence the outcome of any shareholders' ordinary resolutions, irrespective of how other shareholders vote. The interest of these shareholders may not necessarily be aligned with those of independent shareholders, and this concentration of ownership may also have the effect of delaying, deferring or preventing a change in control of our Company.

As the Offer Price of our Offer Shares is higher than our net tangible book value per Share, you will experience immediate dilution to your attributable net tangible book value per Share.

On the assumption that the Over-allotment Option is not exercised and without taking into account any changes in our net tangible assets after the Global Offering, other than to give effect to the sale of our Shares pursuant to the Global Offering, assuming an Offer Price of HK$3.00 to HK$4.10 per Share (being the indicative Offer Price range), and after deduction of estimated underwriting fees and expenses, the unaudited pro forma adjusted net tangible assets of the Group attributable to our equity holders as at September 30, 2007 would have been approximately US$765.3 million (assuming an Offer Price of HK$3.00) or US$819.5 million (assuming an Offer Price of HK$4.10) , or an unaudited pro forma adjusted net tangible assets value per Share of HK$0.4495 (assuming an Offer Price of HK$3.00) or HK$0.4814 (assuming an Offer Price of HK$4.10). Therefore, purchasers of our Shares in the Global Offering will experience an immediate dilution of HK$2.5505 (assuming an Offer Price of HK$3.00) or HK$3.6186 (assuming an Offer Price of HK$4.10) per Share, representing the difference between the Offer Price and the unaudited pro forma adjusted net tangible assets per Share. If we issue additional Shares in the future, purchasers of our Shares may experience further dilution.

Facts and statistics in this prospectus relating to the PRC, the Chinese economy and the food and beverage industry in China derived from official government publications may not be reliable.

Facts and other statistics in this prospectus relating to PRC, the Chinese economy and the food and beverage industry in China have been derived from various official government publications we generally believe to be reliable. However, we cannot guarantee the quality or reliability of such source materials. They have not been prepared or independently verified by us, the Joint Sponsors, the Underwriters or any of our or their respective affiliates or advisors and, therefore, we make no representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside China.

We have, however, taken reasonable care in the reproduction or extraction of the official government publications for the purpose of disclosure in this prospectus. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, these facts and statistics in this prospectus may be inaccurate or may not be comparable to facts and statistics produced with respect to other economies. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as the case may be in other jurisdictions.

You should not rely on any information contained in press articles or other media regarding the Group and the Global Offering.

Prior to the publication of this prospectus, there has been press and media coverage regarding the Group and the Global Offering, including those in (i) the Hong Kong Economic Times and Hong Kong Economic Journal, both dated February 21, 2008, (ii) the South China Morning Post and Apple Daily, both dated February 22, 2008, (iii) the Apple Daily, Hong Kong Daily News, Hong Kong Economic Journal, Metro Hong Kong, Ming Pao Daily News and Sing Tao Daily, all dated March 3, 2008, and (iv) the South China Morning Post dated March 4, 2008 which included certain information about the Group that does not appear in this prospectus. The Company has not authorized the disclosure of any such information in the press or media and does not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any information appearing in any publication is inconsistent or conflicts with the information in this prospectus, we disclaim it. Prospective investors should not rely on any such information and should only rely on information included in this prospectus in making any decision as to whether to purchase the Shares.

Any potential sale of Shares by our existing shareholders could have an adverse effect on our share price.

Future sales of a substantial number of our Shares by our existing shareholders, or the possibility of such sales, could negatively impact the market price of our Shares in Hong Kong and our ability to raise equity capital in the future at a time and price that we deem appropriate.

The Shares held by HKHL, our controlling shareholder, and certain of our other existing shareholders, including the Tsai Entities and Tsai Family Interests, as well as our corporate investors, are subject to certain lock-up periods beginning on the date on which trading in our Shares commences on the Hong Kong Stock Exchange. While we are not aware of any intentions of these shareholders to dispose of significant amounts of their shares after the completion of the lock-up periods, we are not in a position to give any assurances that they will not dispose of any Shares they may own. In the event that any of these shareholders disposes of Shares following the completion of the relevant lock-up periods, this would lead to an increase in the number of our Shares in public hands, and could negatively impact the market price of our Shares or lead to volatility in the market price or trading volume of our Shares, affecting the value of your investment.

Forward-looking statements contained in this prospectus are subject to risks and uncertainties.

This prospectus contains certain forward-looking statements and information relating to us and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this prospectus, the words “anticipate”, “believe”, “could”, “expect”, “going forward”, “intend”, “may”, “ought to”, “plan”, “project”, “seek”, “should”, “will”, “would” and similar expressions, as they relate to our Company or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our Company’s management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing our Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our business prospects;

- future developments, trends and conditions in the industry and markets in which we operate;
- our strategies, plans, objectives and goals;
- general economic conditions;
- changes to regulatory and operating conditions in the industry and markets in which we operate;
- our ability to reduce costs;
- our dividend policy;
- the amount and nature of, and potential for, future development of our business;
- capital market developments;
- the actions and developments of our competitors; and
- certain statements in the section headed "Financial Information" in this prospectus with respect to trend in prices, volumes, operations, margins, overall market trends, risk management and exchange rates.

Subject to the requirements of the Listing Rules, we do not intend publicly to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this prospectus are qualified by reference to this cautionary statement.

We cannot assure you that any amount of dividends we declare in the future will be at a similar level to that declared and paid by us for each of the three financial years ended December 31, 2004, 2005 and 2006.

For each of the three financial years ended December 31, 2004, 2005 and 2006, dividends were declared by us to the then shareholders in the amount of US$38.67 million, US$25.78 million, and US$25.78 million, respectively.

In the future, the amount of dividends that we may declare and pay will be subject to, among other things, the full discretion of our Directors, and would depend upon our future operations and earnings, capital requirements and surplus, the general financial condition and any other factors which our Directors may consider relevant. Accordingly, our historical dividend distributions are not indicative of our future dividend distribution policy and potential investors should be aware that the amount of dividends paid previously should not be used as a reference or basis upon which our future dividends are determined.

Due to a gap of up to five business days between pricing and trading of the Offer Shares, the initial trading price of the Offer Shares could be lower than the Offer Price.

The Offer Price will be determined on the Price Determination Date. However, our Shares will not commence trading on the Hong Kong Stock Exchange until the day they are delivered, which is expected to be five business days after the Price Determination Date. As a result, you may not be able to sell or otherwise deal in our Shares during such period, and thus are subject to the risk that the market price of our Shares could fall before trading begins as a result of adverse market conditions or other adverse developments occurring during such period.