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PEOPLE'S FOOD HOLDINGS LIMITED

大众食品控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 708)

ANNOUNCEMENT

This announcement is made by People's Food Holdings Limited (the "Company") in respect of its unaudited financial results for the three months ended 31 March 2004. Pursuant to Rule 705(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "Listing Manual"), the Company is required to announce its financial statements for each of the first three quarters of the its financial year. This announcement is made by the Company pursuant to rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and contains a reproduction of the announcement made by the Company in Singapore pursuant to Rule 705(2) of the Listing Manual. This announcement is simultaneously announced by the Company in Singapore and in Hong Kong on 12 May 2004.

This announcement is made by People's Food Holdings Limited (the "Company") in respect of the unaudited financial results for the three months ended 31 March 2004. Pursuant to Rule 705(2) of the Listing Manual, the Company is required to announce its financial statements for each of the first three quarters of the its financial year. This announcement is made by the Company pursuant to rule 13.09(2) of the Listing Rules and contains a reproduction of the announcement made by the Company in Singapore pursuant to Rule 705(2) of the Listing Manual. This announcement is simultaneously announced by the Company in Singapore and in Hong Kong on 12 May 2004.

FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

PART I — INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

		Group	
		Three months period ended 31.3.2004 (Unaudited) RMB'000	Three months period ended 31.3.2003 (Unaudited) RMB'000
	<i>Notes</i>		
Revenue	(1)	1,598,815	1,407,519
Cost of sales		<u>(1,263,944)</u>	<u>(1,073,586)</u>
Gross profit		334,871	333,933
Other revenue		3,613	3,019
Selling and distribution costs		(30,527)	(30,272)
Administrative expenses		(34,545)	(39,864)
Other operating expenses		<u>(5,904)</u>	<u>(6,542)</u>
Profit from operating activities	(2)	267,508	260,274
Finance costs		<u>(2,998)</u>	<u>(3,062)</u>
Profit before tax		264,510	257,212
Tax		<u>(39,500)</u>	<u>(36,811)</u>
Net profit from ordinary activities attributable to shareholders		<u>225,010</u>	<u>220,401</u>

Notes:

1. Revenue

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts, and after elimination of all significant intra-group transactions. The Group's revenue is principally derived in the People's Republic of China ("PRC").

A further analysis of the Group's revenue by products is set out in Item (13).

2. Profit from operating activities

Profit from operating activities is arrived at after charging/(crediting):

	Group	
	Three months period ended 31.3.2004 (Unaudited) RMB'000	Three months period ended 31.3.2003 (Unaudited) RMB'000
Depreciation	35,492	30,219
Research and development costs	1,204	2,042
Provision for doubtful debts	<u>4,700</u>	<u>4,500</u>
Interest income	<u>(3,613)</u>	<u>(3,019)</u>

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31.3.2004 (Unaudited) RMB'000	31.12.2003 (Audited) RMB'000	31.3.2004 (Unaudited) RMB'000	31.12.2003 (Audited) RMB'000
Note				
NON-CURRENT ASSETS				
Investments in subsidiaries	—	—	497,043	497,043
Fixed assets (1)	1,399,910	1,370,811	—	—
Deposits	<u>160,208</u>	<u>166,461</u>	—	—
	<u>1,560,118</u>	<u>1,537,272</u>	<u>497,043</u>	<u>497,043</u>
CURRENT ASSETS				
Inventories	290,638	340,899	—	—
Trade debtors	449,567	507,938	—	—
Due from subsidiaries	—	—	671,934	665,602
Deposits, prepayments and other receivables	10,170	8,869	—	—
Cash and bank balances	<u>1,125,924</u>	<u>807,858</u>	<u>51</u>	<u>51</u>
	<u>1,876,299</u>	<u>1,665,564</u>	<u>671,985</u>	<u>665,653</u>
CURRENT LIABILITIES				
Trade creditors	71,189	74,985	—	—
Accruals and other creditors	104,284	99,717	787	625
Interest-bearing bank loans	200,000	200,000	—	—
Provision for tax	<u>41,800</u>	<u>34,000</u>	—	—
	<u>417,273</u>	<u>408,702</u>	<u>787</u>	<u>625</u>

NET CURRENT ASSETS	<u>1,459,026</u>	<u>1,256,862</u>	<u>671,198</u>	<u>665,028</u>
	<u>3,019,144</u>	<u>2,794,134</u>	<u>1,168,241</u>	<u>1,162,071</u>
CAPITAL AND RESERVES				
Share capital	603,343	603,343	603,343	603,343
Proposed final dividend	92,933	92,933	92,933	92,933
Reserves	<u>2,322,868</u>	<u>2,097,858</u>	<u>471,965</u>	<u>465,795</u>
	<u>3,019,144</u>	<u>2,794,134</u>	<u>1,168,241</u>	<u>1,162,071</u>

Note:

1. Fixed Assets

As at 31 March 2004, the Group's fixed assets included construction in progress amounted to approximately RMB221 million (31 December 2003: approximately RMB252 million).

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/3/2004		As at 31/12/2003	
Secured	Unsecured	Secured	Unsecured
Nil	RMB200,000,000	Nil	RMB200,000,000

Amount repayable after one year

As at 31/3/2004		As at 31/12/2003	
Secured	Unsecured	Secured	Unsecured
	Nil	Nil	Nil
	Nil	Nil	Nil

Details of any collateral

Not applicable

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	Three months period ended 31.3.2004 (Unaudited) RMB'000	Three months period ended 31.3.2003 (Unaudited) RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	264,510	257,212
Adjustments for:		
Depreciation	35,492	30,219
Provision for doubtful debts	4,700	4,500
Loss on disposal of fixed assets	3,501	1,971
Interest expenses	2,998	3,062
Interest income	(3,613)	(3,019)
	<hr/>	<hr/>
Operating profit before working capital changes	307,588	293,945
Working capital adjustments:		
Decrease/(increase) in trade debtors	53,671	(59,828)
Decrease/(increase) in inventories	50,261	(76,507)
Decrease/(increase) in deposits, prepayments and other receivables	(1,301)	3,240
Increase/(decrease) in trade creditors	(3,796)	8,572
Increase/(decrease) in accruals and other creditors	4,567	(5,103)
	<hr/>	<hr/>
	410,990	164,319
Interest paid	(2,998)	(3,062)
Interest received	3,613	3,019
Tax paid	(31,700)	(22,042)
	<hr/>	<hr/>
Net cash generated from operating activities	379,905	142,234
NET CASH USED IN INVESTING ACTIVITIES		
Purchases of fixed assets	(68,092)	(69,345)
Decrease in deposits for acquisition of fixed assets	6,253	52,499
Increase in time deposits with original maturity of more than three months when acquired	(17,180)	(256,680)
	<hr/>	<hr/>
	(79,019)	(273,526)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank loans	3,000	3,000

Repayment of bank loans	<u>(3,000)</u>	<u>(3,000)</u>
Net cash inflow/(outflow) from financing activities	<u>—</u>	<u>—</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	300,886	(131,292)
Cash and cash equivalents at beginning of period	<u>212,418</u>	<u>484,822</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>513,304</u>	<u>353,530</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	1,125,924	1,060,691
Time deposits with original maturity of more than three months when acquired	<u>(612,620)</u>	<u>(707,161)</u>
	<u>513,304</u>	<u>353,530</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Note: Figures as disclosed in the below statements are unaudited.

Group

	Issued share capital <i>RMB'000</i>	Share premium account <i>RMB'000</i>	Statutory reserves <i>RMB'000</i>	Retained profits <i>RMB'000</i>	Proposed dividend <i>RMB'000</i>	Total <i>RMB'000</i>
Balance at 1 January 2003	603,343	557,229	85,045	1,068,993	215,332	2,529,942
Transfer to statutory reserves	—	—	12,600	(12,600)	—	—
Net profit for the period	<u>—</u>	<u>—</u>	<u>—</u>	<u>220,401</u>	<u>—</u>	<u>220,401</u>
Balance at 31 March 2003	<u>603,343</u>	<u>557,229</u>	<u>97,645</u>	<u>1,276,794</u>	<u>215,332</u>	<u>2,750,343</u>

Group

	Issued share capital <i>RMB'000</i>	Share premium account <i>RMB'000</i> <i>(Note 2)</i>	Statutory reserves <i>RMB'000</i> <i>(Note 1,2)</i>	Retained profits <i>RMB'000</i> <i>(Note 2)</i>	Proposed dividend <i>RMB'000</i>	Total <i>RMB'000</i>
Balance at 1 January 2004	603,343	557,229	141,069	1,399,560	92,933	2,794,134
Transfer to statutory reserves	—	—	17,624	(17,624)	—	—
Net profit for the period	—	—	—	225,010	—	225,010
Balance at 31 March 2004	<u>603,343</u>	<u>557,229</u>	<u>158,693</u>	<u>1,606,946</u>	<u>92,933</u>	<u>3,019,144</u>

Company

	Issued share capital <i>RMB'000</i>	Share premium account <i>RMB'000</i>	Accumulated losses <i>RMB'000</i>	Proposed dividend <i>RMB'000</i>	Total <i>RMB'000</i>
Balance at 1 January 2003	603,343	557,229	(215,281)	215,332	1,160,623
Net profit for the period	—	—	344	—	344
Balance at 31 March 2003	<u>603,343</u>	<u>557,229</u>	<u>(214,937)</u>	<u>215,332</u>	<u>1,160,967</u>

Company

	Issued share capital <i>RMB'000</i>	Share premium account <i>RMB'000</i> <i>(Note 2)</i>	Accumulated losses <i>RMB'000</i> <i>(Note 2)</i>	Proposed dividend <i>RMB'000</i>	Total <i>RMB'000</i>
Balance at 1 January 2004	603,343	557,229	(91,434)	92,933	1,162,071
Net profit for the period	—	—	6,170	—	6,170
Balance at 31 March 2004	<u>603,343</u>	<u>557,229</u>	<u>(85,264)</u>	<u>92,933</u>	<u>1,168,241</u>

Notes:

- In accordance with relevant PRC regulations, the Group's wholly owned subsidiaries: Linyi Xincheng Jinluo Meat Products Co., Ltd ("Linyi Xincheng"), Linyi Minsheng Food Development Co., Ltd ("Linyi Minsheng"), Tongliao Jinluo Food Co., Ltd ("Tongliao Jinluo"), Xiangtan Jinluo Food Co., Ltd ("Xiangtan Jinluo"), Meishan Jinluo Food Co., Ltd ("Meishan Jinluo"), Daqing Jinluo Meat Products Co., Ltd ("Daqing Jinluo"), Qiqihaer Jinluo Meat Products Co., Ltd. ("Qiqihaer Jinluo") and Dezhou Jinluo Meat Products Co., Ltd, being wholly foreign-owned enterprises established in the PRC, are required to appropriate not less than 10% of their profits after tax to the respective statutory reserves, until the respective balances of the fund reach 50% of the respective registered capitals. Subject to certain restrictions as set out in the relevant PRC regulations, their statutory reserves may be used to offset against their respective accumulated losses, if any.
- As at 31 March 2004, these consolidated reserve accounts comprised the consolidated reserves of approximately RMB2,322,868,000 (31 December 2003: approximately RMB2,097,858,000) in the consolidated balance sheet. As at 31 March 2004, these reserve accounts of the Company comprised the Company's reserves of approximately RMB471,965,000 (31 December 2003: approximately RMB465,795,000) in the Company's balance sheet.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Not applicable

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial statements have been prepared in accordance with the accounting policies consistent with those adopted by the Group in its financial statements for the year ended 31 December 2003.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

EARNINGS PER SHARE

	Three months period ended 31.3.2004 (Unaudited)	Three months period ended 31.3.2003 (Unaudited)
Basic	<u>RMB0.20</u>	<u>RMB0.19</u>
Diluted	<u>N/A</u>	<u>N/A</u>

Basic earnings per share for the three months period ended 31 March 2004 are calculated based on the Group's net profit attributable to shareholders of approximately RMB225,010,000 (1Q 2003: approximately RMB220,401,000) divided by 1,133,324,723 ordinary shares of HK\$0.50 each (1Q 2003: 1,133,324,723 ordinary shares of HK\$0.50 each) in issue during the period.

Diluted earnings per share for the three months ended 31 March 2004 and 2003 have not been calculated as no diluting events existed during these periods.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

	Group		Company	
	31.3.2004 (Unaudited)	31.12.2003 (Audited)	31.3.2004 (Unaudited)	31.12.2003 (Audited)
Net asset value backing per ordinary share	RMB2.66	RMB2.47	RMB1.03	RMB1.03
Net tangible asset backing per ordinary share	RMB2.66	RMB2.47	RMB1.03	RMB1.03

Net asset value and net tangible asset backing per ordinary share as at 31 March 2004 and 31 December 2003 were both based on issued share capital of 1,133,324,723 ordinary shares of HK\$0.50 each.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) *any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and*

GENERAL

Founded in 1994, People's Food Holdings Limited (the "Company" or "People's Food") and its subsidiaries (collectively the "Group") is one of the leading producers of fresh and frozen meat and processed meat products in the PRC. The Group currently operates seven production bases, respectively in Linyi of Shandong Province, Meishan of Sichuan Province, Xiangtan of Hunan Province, Tongliao of Inner Mongolia Autonomous Region, Daqing of Heilongjiang Province, Shangqiu of Henan Province and Xinglong of Heilongjiang Province.

The Group has announced in November 2003 the establishment of a new production plant in Dezhou, Shandong Province, and the same was expected to commence production in mid 2004. Having considered the progress of establishment, management is optimistic

that commercial production could start in June 2004. This plant will have an annual pig slaughtering capacity of approximately 250,000 tonnes and an annual fresh pork production capacity of approximately 100,000 tonnes. The Group has also entered into an agreement on 25 November 2003 to acquire a production plant located at Qiqihaer, Heilongjiang Province. The acquisition was completed on 15 February 2004 and commercial production has commenced in April 2004. The Qiqihaer plant has an annual capacity to slaughter approximately 40,000 tonnes of pigs and 90,000 tonnes of chicken respectively. In addition, the Group has also expanded its current production capacities in Linyi and Tongliao plant.

The Group's meat products are distributed primarily in the PRC and marketed under the "Jinluo" brand name and trade mark.

RESULTS OF OPERATIONS

The Group's business and operations experienced healthy growth since the start of FY2004, as evidenced by the increase in both revenue and profit from first quarter of FY2004.

Revenue

As compared to 1Q 2003, revenue for 1Q 2004 increased by 13.6% to approximately RMB1.60 billion. This was due to an increase in revenue contribution from most of its plants, as compared to that in 1Q 2003. In addition, the plants in Shangqiu and Xinglong have also contributed to overall revenue, as compared to 1Q 2003 when they have not started production.

High Temperature Meat Products ("HTMP")

Sales of HTMP increased by 8.4%, from RMB438.25 million in 1Q 2003 to RMB474.92 million in 1Q 2004 and was mainly attributable to higher market demand for the Group's HTMP.

Fresh Pork and Low Temperature Meat Products ("LTMP")

Sales of Fresh Pork and LTMP continue to show strong demand as both product segments recorded an increase of 18.6% and 28.6%, from 1Q 2003 to 1Q 2004 respectively. Fresh Pork's contribution to sales in 1Q 2004 was RMB211.46 million as compared to RMB178.30 million in the previous corresponding period, whilst LTMP's contribution to sales in 1Q 2004 was RMB120.90 million as compared to RMB94.04 million in 1Q 2003. The Group's premium products have been growing consistently due largely to the growing affluence of the economy, resulting in a demand for higher quality pork products, as well as the Group's concerted effort to increase its production capacities in producing these products.

Frozen Pork, Frozen Chicken and Pig's By-Products

Sales of Frozen Pork's decreased slightly by 6.4% in 1Q 2004 as compared to 1Q 2003, due largely to a slight decrease in production volume of Frozen Pork as more pork was dedicated to the production of LTMP & Fresh Pork. The sales of Frozen Chicken also saw a decline of 39.8% due to a corresponding decline in production volume of Frozen Chicken. On the other hand, revenue contribution from Pig's By-Products increased by 46.2%, exhibiting the strong market demand for these products.

Gross Profit

Gross Profit improved by 0.3% to RMB334.87 million in 1Q 2004, as compared to RMB333.93 in 1Q 2003.

Expenses

Selling and distribution costs increased marginally by 0.8% from RMB30.27 million in 1Q 2003 to RMB30.53 million in 1Q 2004. On the other hand, administrative expenses fell by 13.3% to RMB34.55 million due to tighter cost controls. Other operating expenses fell by 9.8% to RMB5.90 million with reduction in research and development costs from RMB2.04 million in 1Q 2003 to RMB1.20 million in 1Q 2004.

Net Financial Income

Interest income increased by 19.7% to RMB3.61 million in 1Q 2004, from RMB3.02 million in 1Q 2003 due to the relatively higher bank balances maintained in 1Q 2004. Interest expense decreased by 2.1% to RMB3.00 million due to lower interest rates on the unchanged outstanding debt of RMB200 million as at 31 March 2004.

Tax

In accordance with the various approval documents issued by the State Tax Bureau and the Local Tax Bureau of the PRC, the Group's operating subsidiaries Linyi Xincheng, Linyi Minsheng, Daqing Jinluo, Tongliao Jinluo, Meishan Jinluo, and Qiqihaer Jinluo are entitled to be exempted from the PRC state and local corporate income tax of the first two profitable financial years of their operations and thereafter to a 50% relief from the state corporate income tax of the PRC for the following three financial years ("Tax Holiday"). Xiangtan Jinluo is also entitled to be exempted from the PRC state and local corporate income tax for the first two profitable years of their operations and thereafter to a 50% relief from the state corporate income tax of the PRC for the following six financial years. With effect from 1 January 2001, Linyi Xincheng was subject to corporate income tax of 33% on its taxable profit upon expiry of the Tax Holiday on 31 December 2000. With effect from 1 January 2003, Linyi Minsheng was subject to corporate income tax of 18% on its taxable profit upon expiry of the first two years' tax exemption of the Tax Holiday on 31 December 2002. With effect from 1 January 2004, Daqing Jinluo was subject to corporate income tax of 18% on its taxable profit upon expiry of the first two years' exemption of the Tax Holiday on 31 December 2003. Tongliao Jinluo, Xiangtan Jinluo and Meishan Jinluo have commenced their first year's tax exemption period in the financial year ended 31 December 2003.

The effective income tax rate of the Group for 1Q 2004 was approximately 14.9% as compared to 14.3% in 1Q 2003.

Net Profit

The Group recorded an increase of 2.1% in its profit after tax for 1Q 2004, from RMB220.40 million in 1Q 2003 to RMB225.01 million in 1Q 2004. This was equivalent to an earnings per share of RMB0.20, based on its share capital of 1,133.3 million shares.

- (b) *any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.*

Balance Sheet

As at 31 March 2004

The Group's fixed assets rose to approximately RMB1.40 billion as at end of March 2004. Its cash position also increased to RMB1.13 billion as a result of strong cash generation from operating activities. Shareholders' equity rose to RMB3.02 billion as at end of March 2004, from RMB2.79 billion as at end December 2003. The Group's net tangible asset per share increased to RMB2.66 as at end March 2004, from RMB2.47 as at end of December 2003.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The results reported are in line with the prospect statement made in the full year results announcement that Management expects to see growth in demand and turnover for 2004.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group's newly established Dezhou plant in Shandong Province is expected to commence commercial production in June 2004 and the Qiqihaer plant in Heilongjiang Province, acquired in November 2003, has already commenced production in April 2004. These new plants coming onstream has increased the pig and chicken slaughtering capacity of the Group and Management expects it will contribute to the overall revenue for the Group in FY2004.

Management also expects the expanded facilities in Linyi and Tongliao, as well as a ramping up of utilisation rates in Shangqiu and Xinglong, to increase the overall production capacity of the Group, which will also further enhance the overall performance of the Group in FY2004.

Although a rise in raw material costs is expected, as currently evidenced in the People's Republic of China, Management would continue to closely monitor the situation.

11. Dividend

(a) *Current Financial Period Reported On*

Any dividend declared for the current financial period reported on? NIL

(b) *Corresponding Period of the Immediately Preceding Financial Year*

Any dividend declared for the corresponding period of the immediately preceding financial year?
NIL

(c) *Date payable*

Not applicable

(d) *Books closure date*

Not applicable

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable

PART II — ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Please see below for the revenue and profit before tax by products.

	Three months period ended 31.3.2004 RMB'000	Share of total	Three months period ended 31.3.2003 RMB'000	Share of total	% Change
Revenue					
Frozen Pork	357,556	22.4%	381,829	27.1%	(6.4%)
Fresh Pork	211,457	13.2%	178,304	12.7%	18.6%
HTMP	474,924	29.7%	438,249	31.1%	8.4%
LTMP	120,895	7.5%	94,042	6.7%	28.6%
Pig's By-Products	415,354	26.0%	284,142	20.2%	46.2%
Chicken	<u>18,629</u>	1.2%	<u>30,953</u>	2.2%	(39.8%)
	<u>1,598,815</u>	100.0%	<u>1,407,519</u>	100.0%	13.6%
Profit before tax					
Frozen Pork	42,960	16.2%	54,957	21.4%	(21.8%)
Fresh Pork	43,829	16.6%	45,130	17.5%	(2.9%)
HTMP	93,500	35.4%	91,302	35.5%	2.4%
LTMP	28,371	10.7%	25,915	10.1%	9.5%
Pig's By-Products	55,139	20.8%	35,825	13.9%	53.9%
Chicken	<u>711</u>	0.3%	<u>4,083</u>	1.6%	(82.6%)
	<u>264,510</u>	100.0%	<u>257,212</u>	100.0%	2.8%

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable

15. A breakdown of sales.

Not applicable

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Latest Full Year (RMB'000)	Previous Full Year (RMB'000)
Ordinary	Nil	165,466
Preference	N/A	N/A
Total:	Nil	165,466

BY ORDER OF THE BOARD
PEOPLE'S FOOD HOLDINGS LIMITED
Ming Kam Sing,
Chairman

Dated this 12 May 2004

** for identification purposes only*

As at the date of this announcement, the board of directors of the Company comprises of Mr. Ming Kam Sing, Mr. Zhou Lian Kui and Mr. Zhou Lian Liang being the Executive Directors, and Mr. Chng Hee Kok, Mr. Chan King Sang and Dr. Ow Chin Hock being the Independent Non-Executive Directors.

Please also refer to the published version of this announcement in the (China Daily)