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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)

PROPOSED CHANGE OF AUDITORS

The Company had received a notice of nomination of auditors on 18 March 2005 from Maleque Limited, a controlling shareholder of the Company. Messrs. Grant Thornton, Certified Public Accountants, have been nominated for appointment as auditors of the Company in place of retiring auditors, Messrs. Ernst & Young. The appointment of Messrs. Grant Thornton as auditors of the Company is subject to shareholders' approval at the forthcoming Annual General Meeting.

The board of directors (the "Board") of People's Food Holdings Limited (the "Company") announces that the Company had, on 18 March 2005, received a notice of nomination of auditors given pursuant to Section 89(3) of the Companies Act 1981 (as amended) of Bermuda from Maleque Limited, a controlling shareholder of the Company holding approximately 46.41% of the issued share capital of the Company. Messrs. Grant Thornton, Certified Public Accountants, have been nominated for appointment as auditors of the Company in place of the retiring auditors, Messrs. Ernst & Young.

The Audit Committee of the Company has reviewed the matter and recommended the nomination of Messrs. Grant Thornton as the auditors of the Company for the financial year ending 31 December 2005 in support of a good corporate governance practice of rotating auditors. Messrs. Ernst & Young have been auditors of the Company for the last 4 financial years. With the change of auditors, the Company is also able to realise costs savings in professional fees. The appointment is subject to shareholders' approval at the forthcoming Annual General Meeting on 28 April 2005. A separate announcement will be made by the Company in respect of the proposed change of auditors after the conclusion of the Annual General Meeting on 28 April 2005.

Both Messrs. Ernst & Young and the Board have confirmed that there are no circumstances connected with the change of auditors that need to be brought to the attention of the holders of securities of the Company.

This announcement is made simultaneously in Hong Kong and in Singapore on 30 March 2005.

By order of the Board
People's Food Holdings Limited
Ming Kam Sing
Chairman

Hong Kong, 30 March, 2005

** for identification purpose 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**)*