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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)

Financial Adviser



寶通資本亞洲有限公司

Boulton Capital Asia Limited

### PROPOSED VOLUNTARY WITHDRAWAL OF LISTING ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

#### Summary

On 9th December 2005, the Company submitted an application to the Stock Exchange for the voluntary withdrawal of the listing of the Shares on the Main Board of the Stock Exchange. The existing listing status on the SGX-ST will be retained and existing Shareholders will, subject to depositing of their Shares with CDP, be able to trade their Shares on the SGX-ST following the withdrawal of the Hong Kong listing.

A circular containing, among other things, further details of the Proposed Withdrawal and arrangements/steps required to be taken to enable Shares currently traded on the Stock Exchange to be traded on the SGX-ST following the withdrawal of the Hong Kong listing will be despatched to Shareholders as soon as practicable after the publication of this announcement.

**Shareholders should note that the Proposed Withdrawal is subject to, inter alia, approval from the Listing Committee of the Stock Exchange and Shareholders' approval in general meeting and as such Shareholders and investors should exercise caution when trading in the Shares. No Shareholder is required to abstain from voting at the general meeting to approve the Proposed Withdrawal.**

#### INTRODUCTION

The Shares were listed on the Main Board of the SGX-ST on 14th March 2001. The Company subsequently applied for the dual primary listing of the Shares on the Main Board of the Stock Exchange. The Shares were officially listed on the Stock Exchange by way of introduction on 28th October 2002.

On 9th December 2005, the Company submitted an application to the Stock Exchange for the voluntary withdrawal of the listing of the Shares on the Main Board of the Stock Exchange subject to the conditions set out in the paragraph headed "Conditions of the Proposed Withdrawal" below. The Company will continue to maintain its primary listing status on the Main Board of the SGX-ST. The Directors would like

to emphasize that the Proposed Withdrawal is at a preliminary stage and the exact timing of the Proposed Withdrawal has not been confirmed. There is also no assurance that the Company will proceed with the Proposed Withdrawal.

The Company currently has only one class of shares and the rights attached to the Shares, including voting rights and entitlement to dividends, are the same whether they are traded on the Stock Exchange or the SGX-ST.

## **REASONS FOR THE PROPOSED WITHDRAWAL**

The Company is principally engaged in the production and distribution of meat products in the PRC under the brand name “Jinluo”, through its dealership distribution network, its sales teams, sales outlets and specialty stores in the PRC.

After careful consideration by the Directors, the principal reasons for the Proposed Withdrawal are as follows:

- (a) the trading volume of the Shares on the Stock Exchange has been low compared to that on the SGX-ST. Since the listing of the Shares on the Stock Exchange in October 2002, more than 90% of the total trades have taken place on the SGX-ST; and
- (b) since the listing of the Shares on the Stock Exchange, the Company has not raised any funds from the Hong Kong capital markets. The Company is also unlikely to require financing from the Hong Kong capital markets in the foreseeable future.

Accordingly, for the above reasons the Directors are of the view that the costs of maintaining a dual listing on the Stock Exchange may not be financially justifiable.

## **CONDITIONS OF THE PROPOSED WITHDRAWAL**

The withdrawal of the Company’s listing on the Stock Exchange is conditional upon:

- (i) prior approval of Shareholders having been obtained by way of an ordinary resolution;
- (ii) prior approval of the Listing Committee of the Stock Exchange; and
- (iii) the Company having given its Shareholders and holders of any other classes of listed securities at least three months’ notice of the Proposed Withdrawal, and with the notice period for such running from the date on which Shareholders’ approval of the Proposed Withdrawal is obtained.

In this regard, a Special General Meeting will be convened at an appropriate time to seek the approval of Shareholders on the Proposed Withdrawal.

## **EFFECTS OF THE PROPOSED WITHDRAWAL**

The withdrawal of the listing of the Shares on the Stock Exchange and the continued listing of the Shares on the SGX-ST will not involve any change to the assets, earnings or underlying businesses of the Group. The Directors do not believe that the implementation of the Proposed Withdrawal will cause any diminution in the net asset value or earnings per Share or materially and adversely affect the business of the Group.

## **ARRANGEMENT FOR THE PROPOSED WITHDRAWAL**

No action needs to be taken if the Hong Kong Shareholders do not wish to trade on the SGX-ST but simply wish to hold their Shares. However, if a Shareholder wishes to trade on the SGX-ST, then he must first transfer the Shares from the Hong Kong branch register of members to the Bermuda principal register of members and thereafter deposit them into CDP.

For a period of 3 months from the date of the Proposed Withdrawal, Shareholders who wish to trade their Shares on the SGX-ST can take appropriate steps to transfer their shares into CDP at the administrative expense of the Company. After the 3 months period, all costs involved in the transfer of Shares to the

Bermuda principal register of members for trading on the SGX-ST will be borne by the Shareholder. After the 3 months period, all names on the branch register will automatically be transferred to the Bermuda register.

The Company will appoint UOB Kay Hian (Hong Kong) Limited to provide assistance to the Shareholders in Hong Kong to trade their shares on the SGX-ST upon the Proposed Withdrawal taking effective.

## GENERAL

A circular containing, among other things, further details of the Proposed Withdrawal and arrangements/steps required to be taken to enable Shares currently traded on the Stock Exchange to be traded on the SGX-ST following the Proposed Withdrawal will be despatched to Shareholders as soon as practicable after the publication of this announcement.

**Shareholders should note that the Proposed Withdrawal is subject to, inter alia, approval from the Listing Committee of the Stock Exchange and Shareholders' approval in general meeting and as such Shareholders and investors should exercise caution when trading in the Shares. No Shareholder is required to abstain from voting at the general meeting to approve the Proposed Withdrawal.**

As at the date of this announcement, the Board comprises three executive directors, Mr. Ming Kam Sing, Mr. Zhou Lian Kui and Mr. Zhou Lian Liang, and 3 independent non-executive directors Mr. Chng Hee Kok, Mr. Chan Kin Sang and Dr. Ow Chin Hock.

## DEFINITIONS

“Company”	People’s Food Holdings Limited, a company incorporated in Bermuda, the Shares of which are currently listed on the Main Board of the Stock Exchange and the Singapore Exchange Securities Trading Limited
“CDP”	the scripless clearing and securities settlement system operated by The Central Depository (Pte) Limited for the SGX-ST
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“PRC”	the People’s Republic of China which, for the purpose of this announcement, does not include Hong Kong, Macau and Taiwan
“Proposed Withdrawal”	the proposed voluntary withdrawal of the listing of the Shares on the Main Board of the Stock Exchange
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Share(s)”	ordinary share(s) of HK\$0.50 each in the share capital of the Company
“Shareholders”	registered holder(s) of the Shares
“Special General Meeting”	a special general meeting of the Company to be convened for the purpose of considering and approving, among others, the Proposed Withdrawal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board  
**People’s Food Holdings Limited**  
**Ming Kam Sing**  
*Chairman*

Hong Kong, 9th December 2005

\* For identification purpose only

Please also refer to the published version of this announcement in *China Daily*.