

Report of the Auditors

To the members of People's Food Holdings Limited (Incorporated in Bermuda with limited liability)

We have audited the financial statements of People's Food Holdings Limited (the "Company") and its subsidiaries (the "Group"). These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Company's directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the financial position of the Company and of the Group as at 31 December 2005 and of the profit of the Company and of the Group and the cash flows of the Group for the year then ended in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance.



Grant Thornton
Certified Public Accountants

Hong Kong
21 February 2006