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**WH Group Limited**  
**萬洲國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 288)**

**INSIDE INFORMATION**

This announcement is made by WH Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company announces that Smithfield Foods, Inc. (“**Smithfield**”), a wholly-owned subsidiary of the Company, has reached an agreement to settle all direct-purchaser class claims asserted against Smithfield in antitrust litigation currently pending in federal court in Minnesota, being one of the antitrust litigations which Smithfield has been named as the defendant (collectively, the “**Antitrust Litigations**”). Under the agreement, Smithfield will settle all direct-purchaser class claims for a single payment of US\$83 million. The terms of the settlement are subject to court approval following notice to all class members.

While the Group denies any liability in the Antitrust Litigations and believes that the Group’s conduct has always been lawful, the Group decided that it was in the best interests of the Group to negotiate a settlement at this time. The settlement eliminates a substantial portion of the Group’s exposure in the Antitrust Litigations for an amount that the Directors believe is in the best interests of the Company and its shareholders. It significantly reduces the distraction, expense, exposure and inconvenience of protracted litigation, and it allows the Group to focus on executing the long-term strategy of its business.

## **The Antitrust Litigations**

Smithfield has been named as one of 16 defendants in a series of purported class actions alleging antitrust violations in the pork industry. The purported class cases have been filed by three different groups of named plaintiffs: (i) direct purchasers (companies that purchase pork products directly from pork producers); (ii) commercial indirect purchasers (companies such as restaurants and hotels that purchase pork from wholesalers for resale); and (iii) individual indirect purchasers (such as people who purchase pork at grocery stores). In all of these cases, the plaintiffs allege that starting in 2009 and continuing through at least June 2018, the defendant pork producers (including Smithfield) agreed to reduce the supply of hogs in the United States in order to raise the price of hogs and all pork products. The plaintiffs in all of these cases also challenge the defendant pork producers' use of benchmarking reports from defendant Agri Stats, Inc., alleging that the reports allowed the pork producers to share proprietary information and monitor each producer's compliance with the supposed agreement to reduce supply. The plaintiffs seek treble damages, attorneys' fees, and costs under various antitrust laws and consumer-protection statutes of the United States.

In the fall of 2018, Smithfield joined with the other defendants in filing two joint motions to dismiss and also filed its own individual motion to dismiss. On 8 August 2019, the court dismissed all plaintiffs' claims in all cases, but granted the plaintiffs in all cases permission to file an amended complaint within 90 days. The plaintiffs filed amended complaints. Smithfield again joined with the other defendants in filing two joint motions to dismiss the amended complaints and additionally, Smithfield filed its own individual motion to dismiss the amended complaints.

On 16 October 2020, the court mostly denied the defendants' renewed motions to dismiss, except it dismissed all claims against Indiana Packers Corporation, damages claims arising from certain time periods as barred by the statute of limitations, certain state law claims in the indirect purchaser suits, and a claim under Puerto Rico law.

In addition to the putative class actions filed in 2018, Smithfield has been named as a defendant in similar antitrust lawsuits brought by a number of individual purchasers and not on behalf of a class. The plaintiffs in these non-class cases assert the same antitrust claims as the plaintiffs in the putative class actions. The Attorney General for the State of New Mexico has filed a similar complaint on behalf of the state, its agencies and its citizens.

The Group intends to continue to vigorously defend against the remaining Antitrust Litigations. Legal expenses incurred in the Group's defense of these claims and any payments made to plaintiffs through unfavorable verdicts or otherwise will negatively impact the cash flows and liquidity position of the Group.

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the board of  
**WH Group Limited**  
**Wan Long**  
*Chairman and Chief Executive Officer*

Hong Kong, 1 July 2021

*As at the date of this announcement, the executive Directors are Mr. WAN Long, Mr. GUO Lijun, Mr. Dennis Pat Rick ORGAN and Mr. MA Xiangjie; the non-executive Director is Mr. JIAO Shuge; and the independent non-executive Directors are Mr. HUANG Ming, Mr. LEE Conway Kong Wai and Mr. LAU, Jin Tin Don.*