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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)

**UNAUDITED FINANCIAL RESULTS FOR
THE SIX MONTHS ENDED 30 JUNE 2022 OF
HENAN SHUANGHUI INVESTMENT & DEVELOPMENT CO., LTD.**

On 16 August 2022 after trading hours (Hong Kong time), Shuanghui Development released its interim report for the six months ended 30 June 2022.

Henan Shuanghui Investment & Development Co., Ltd. (河南雙匯投資發展股份有限公司) (“**Shuanghui Development**”) is a company incorporated in the People’s Republic of China whose shares are listed on the Shenzhen Stock Exchange (the “**Shenzhen Stock Exchange**”). As at the date of this announcement, WH Group Limited (the “**Company**”) indirectly owns approximately 70.33% equity interest in Shuanghui Development. On 16 August 2022, Shuanghui Development filed its interim report with the Shenzhen Stock Exchange for the six months ended 30 June 2022 (the “**Shuanghui Development Interim Report**”). It is important to note that the unaudited consolidated financial results contained in the Shuanghui Development Interim Report have been prepared in accordance with the China Accounting Standards for Business Enterprises. The Company prepares its consolidated financial results in accordance with the International Financial Reporting Standards (the “**IFRS**”). Accordingly, Shuanghui Development’s results reported therein differ from Shuanghui Development’s results contained in the Company’s consolidated financial statements, which include certain adjustments in order to conform to the IFRS.

SUMMARY OF RESULTS OF SHUANGHUI DEVELOPMENT FOR THE SIX MONTHS ENDED 30 JUNE 2022

For the six months ended 30 June 2022, Shuanghui Development's external sales volume of meat products was 1.53 million metric tons, representing a decrease of 3.3% from the comparable period of 2021. Total operating income decreased by 19.9% from the comparable period of 2021 to RMB27,963 million. Net profit increased by 8.4% from the comparable period of 2021 to RMB2,767 million.

The unaudited consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2022 and the unaudited consolidated statement of financial position as at 30 June 2022 contained in the Shuanghui Development Interim Report are provided below:

SHUANGHUI DEVELOPMENT CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2022

	For the six months ended 30 June	
	2022	2021
	<i>RMB</i>	<i>RMB</i>
	(unaudited)	(unaudited)
I. Total operating income	27,962,908,581.15	34,909,906,881.06
Including: Operating income	27,902,038,703.88	34,841,777,479.44
Interest income	60,865,448.02	68,129,401.62
Handling and commission income	4,429.25	—
II. Total operating costs	24,602,286,669.40	31,420,364,847.12
Including: Operating costs	22,896,099,107.27	29,811,367,332.30
Interest expenses	13,166,052.55	11,737,059.69
Handling and commission charges	315,664.34	294,386.13
Tax and levies	164,345,806.76	150,606,480.69
Selling expenses	924,401,378.04	871,064,219.70
Administrative expenses	545,471,076.24	526,183,205.09
Research and development expenses	78,649,283.73	46,870,091.31
Financial expenses	-20,161,699.53	2,242,072.21
Including: Interest expenses	64,251,196.63	58,348,628.95
Interest income	87,136,970.22	55,785,685.55
Add: Other income	104,697,637.11	184,689,514.39
Investment income	58,102,455.06	106,253,114.59
Including: Income from investments in associates and joint ventures	20,675,146.49	10,161,470.03
(Loss)/gain on fair value change	-2,603,071.86	16,566,055.21
Reversal of credit impairment/(impairment for credit loss)	2,562,473.81	-5,917,008.59
Impairment losses of assets	-59,516,567.15	-653,919,048.74
Gain on disposal of assets	3,974,388.38	3,823,759.44

	For the six months ended 30 June	
	2022	2021
	RMB	RMB
	(unaudited)	(unaudited)
III. Operating profit	3,467,839,227.10	3,141,038,420.24
Add: Non-operating income	22,767,106.59	12,708,320.61
Less: Non-operating expenses	7,828,445.94	11,309,542.73
IV. Total profit	3,482,777,887.75	3,142,437,198.12
Less: Income tax expenses	715,696,425.19	589,318,687.44
V. Net profit	2,767,081,462.56	2,553,118,510.68
Including: Net profit from continuing operations	2,767,081,462.56	2,553,118,510.68
Net profit from discontinued operations	—	—
Net profit attributable to owners of Shuanghui Development	2,730,375,334.05	2,537,093,120.84
Profit or loss attributable to non-controlling interests	36,706,128.51	16,025,389.84
VI. Other comprehensive income, net of tax	-718,750.00	—
Other comprehensive income, net of tax attributable to owners of Shuanghui Development	-718,750.00	—
Including: Item that may be reclassified subsequently to profit or loss	-718,750.00	—
Including: Change in cash flow hedge	-718,750.00	—
Other comprehensive income, net of tax attributable to non-controlling interests	—	—
VII. Total comprehensive income	2,766,362,712.56	2,553,118,510.68
Total comprehensive income attributable to owners of Shuanghui Development	2,729,656,584.05	2,537,093,120.84
Total comprehensive income attributable to non-controlling interests	36,706,128.51	16,025,389.84
VIII. Earnings per share		
(1) Basic earnings per share	0.7881	0.7323
(2) Diluted earnings per share	0.7881	0.7323

SHUANGHUI DEVELOPMENT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	As at 30 June 2022 <i>RMB</i> (unaudited)	As at 1 January 2022 <i>RMB</i> (audited)
Current assets:		
Cash and bank balances	5,758,981,468.58	7,839,214,998.41
Loan receivables from financial institutions	465,000,000.00	—
Exchange financial assets	621,933,539.77	1,464,488,345.16
Derivative financial instruments	—	541,360.00
Bills receivables	41,864,970.84	49,644,623.85
Trade receivables	194,922,835.10	183,490,883.39
Prepayments	104,402,767.49	169,468,559.79
Other receivables	27,036,074.13	45,487,923.92
Inventories	6,927,514,925.41	5,668,922,729.50
Contract assets	361,962,147.24	292,329,519.14
Non-current assets due within one year	102,853,450.50	—
Loans receivables	176,533,500.00	182,646,750.00
Other current assets	954,455,683.44	1,623,777,747.41
Total current assets	15,737,461,362.50	17,520,013,440.57
Non-current assets:		
Debt investments	—	100,982,165.93
Long-term equity investments	157,495,446.76	338,996,010.05
Other non-current financial assets	78,627,878.25	77,431,624.11
Fixed assets	13,070,980,353.16	10,835,284,270.95
Construction in progress	2,982,308,271.97	3,097,334,463.83
Biological assets	200,017,106.76	185,852,877.10
Right-of-use assets	375,647,846.23	356,417,813.57
Intangible assets	1,055,489,601.59	1,066,835,260.87
Development cost	15,653,996.73	10,836,136.96
Long-term prepaid expenses	50,591,316.77	56,731,906.55
Deferred tax assets	133,091,646.62	117,044,607.35
Other non-current assets	76,021,996.49	213,601,311.62
Total non-current assets	18,195,925,461.33	16,457,348,448.89
Total assets	33,933,386,823.83	33,977,361,889.46

	As at 30 June 2022 <i>RMB</i> (unaudited)	As at 1 January 2022 <i>RMB</i> (audited)
Current liabilities:		
Short-term borrowings	3,549,910,997.78	2,337,955,989.20
Derivate financial liabilities	236,520.00	—
Bills payables	—	30,556,600.43
Trade payables	2,931,078,027.30	2,113,309,076.38
Receipts in advance	999,518.15	325,104.99
Contract liabilities	2,350,961,315.04	2,222,200,205.37
Other loans	558,676,141.63	930,368,894.04
Deposit receipts	73,092,184.32	67,470,841.70
Accrued staff costs	593,126,285.88	942,780,043.65
Tax payables	392,375,053.20	372,697,900.87
Other payables	1,044,761,459.53	790,734,964.38
Including: Dividend payables	—	35,308,576.28
Non-current liabilities due within one year	81,190,895.21	13,076,835.54
Other current liabilities	167,717,194.93	152,921,948.77
Total current liabilities	11,744,125,592.97	9,974,398,405.32
Non-current liabilities:		
Long-term borrowings	12,224,143.29	12,830,284.38
Lease liabilities	227,048,276.43	215,796,687.72
Long-term payables	—	65,515,916.45
Deferred income	288,806,645.08	292,012,303.20
Deferred tax liabilities	246,485,208.16	267,097,728.04
Total non-current liabilities	774,564,272.96	853,252,919.79
Total liabilities	12,518,689,865.93	10,827,651,325.11

	As at 30 June 2022 <i>RMB</i> (unaudited)	As at 1 January 2022 <i>RMB</i> (audited)
Owners' equity:		
Share capital	3,464,661,213.00	3,464,661,213.00
Capital reserve	8,068,423,295.23	8,072,205,204.61
Other reserve	-177,390.00	541,360.00
Special reserve	89,085.63	—
Surplus reserve	1,831,906,631.94	1,831,906,631.94
General reserve	110,383,906.78	110,383,906.78
Retained profits	7,562,283,491.18	9,329,038,411.60
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Total equity attributable to owners of Shuanghui Development	21,037,570,233.76	22,808,736,727.93
Non-controlling interests	377,126,724.14	340,973,836.42
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Total owners' equity	21,414,696,957.90	23,149,710,564.35
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Total liabilities and owners' equity	33,933,386,823.83	33,977,361,889.46
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If you wish to review the Shuanghui Development Interim Report in full, please visit www.szse.cn.

By order of the board of directors of
WH Group Limited
Wan Long
Chairman

Hong Kong, 16 August 2022

As at the date of this announcement, the executive directors of the Company are Mr. WAN Long, Mr. GUO Lijun, Mr. WAN Hongwei, Mr. MA Xiangjie and Mr. Charles Shane SMITH; the non-executive director of the Company is Mr. JIAO Shuge; and the independent non-executive directors of the Company are Mr. HUANG Ming, Mr. LAU, Jin Tin Don and Ms. ZHOU Hui.