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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 NINE MONTHS ENDED SEPTEMBER 30, 2020 OF
HENAN SHUANGHUI INVESTMENT & DEVELOPMENT CO., LTD.**

On October 27, 2020 after trading hours (Hong Kong time), Shuanghui Development released its quarterly report for the nine months ended September 30, 2020.

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 October 27, 2020, Shuanghui Development filed its quarterly report with the Shenzhen Stock Exchange for the nine months ended September 30, 2020 (the “**Shuanghui Development Quarterly Report**”). It is important to note that the unaudited consolidated financial results contained in Shuanghui Development Quarterly 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 NINE MONTHS ENDED SEPTEMBER 30, 2020

For the nine months ended September 30, 2020, external sales volume of meat products was 2.31 million metric tons, representing a decrease of 2.88% from the comparable period of 2019. Turnover increased by 32.79% from the comparable period of 2019 to RMB55,764 million. Net profit increased by 22.56% from the comparable period of 2019 to RMB5,037 million.

The unaudited consolidated statement of profit or loss and other comprehensive income for the nine months ended September 30, 2020 and the unaudited consolidated statement of financial position as at September 30, 2020 contained in Shuanghui Development Quarterly Report are provided below:

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

For the nine months ended September 30, 2020

	For the nine months ended September 30,	
	2020 <i>RMB</i> (unaudited)	2019 <i>RMB</i> (unaudited)
I. Total operating income	55,763,697,598.02	41,994,340,169.22
Including: Operating income	55,726,638,773.94	41,968,478,986.29
Interest income	37,025,542.68	25,780,227.23
Handling and commission income	33,281.40	80,955.70
II. Total operating costs	49,271,566,501.73	37,176,656,788.50
Including: Operating costs	45,945,655,612.44	33,794,587,523.82
Interest expenses	20,866,869.36	36,679,831.17
Handling and commission charges	351,242.18	574,248.30
Tax and levies	269,165,646.00	224,177,816.35
Selling expenses	1,976,584,657.42	2,084,318,419.10
Administrative expenses	974,024,372.84	876,843,795.24
Research and development expenses	64,062,538.63	56,910,312.60
Financial expenses	20,855,562.86	102,564,841.92
Including: Interest expenses	76,003,126.78	101,567,646.02
Interest income	59,735,865.16	23,105,031.15

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

For the nine months ended September 30, 2020

	For the nine months ended	
	September 30,	
	2020	2019
	RMB	RMB
	(unaudited)	(unaudited)
Add: Other income	141,727,410.72	145,092,291.47
Investment income	320,253,684.73	110,748,839.95
Including: Income from investments in associates and joint ventures	14,329,596.85	10,957,921.52
(Loss)/gain on fair value change	-33,720,669.82	13,916,191.86
Impairment for credit losses	-3,695,584.65	-87,242.46
Impairment losses of assets	-629,264,985.51	-85,835,522.10
Gain on disposal of assets	10,623,884.18	65,365.50
III. Operating profit	6,298,054,835.94	5,001,583,304.94
Add: Non-operating income	26,050,617.59	10,677,446.73
Less: Non-operating expenses	51,910,040.01	14,962,654.03
IV. Total profit	6,272,195,413.52	4,997,298,097.64
Less: Income tax expenses	1,235,075,082.51	887,331,116.42
V. Net profit	5,037,120,331.01	4,109,966,981.22
Including: Net profit from continuing operations	5,037,120,331.01	4,109,966,981.22
Net profit from discontinued operations	—	—
Net profit attributable to owners of Shuanghui Development	4,938,309,156.77	3,943,102,020.36
Profit or loss attributable to non-controlling interests	98,811,174.24	166,864,960.86
VI. Other comprehensive income, net of tax	—	4,007,840.81
Other comprehensive income, net of tax attributable to owners of Shuanghui Development	—	2,043,998.81
Including: Item that may be reclassified subsequently to profit or loss	—	2,043,998.81
Including: Change in cash flow hedge	—	2,043,998.81
Other comprehensive income, net of tax attributable to non-controlling interests	—	1,963,842.00
VII. Total comprehensive income	5,037,120,331.01	4,113,974,822.03
Total comprehensive income attributable to owners of Shuanghui Development	4,938,309,156.77	3,945,146,019.17
Total comprehensive income attributable to non-controlling interests	98,811,174.24	168,828,802.86
VIII. Earnings per share		
(1) Basic earnings per share	1.4878	1.1879
(2) Diluted earnings per share	1.4878	1.1879

SHUANGHUI DEVELOPMENT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at September 30, 2020

	As at September 30, 2020 RMB (unaudited)	As at January 1, 2020 RMB (audited)
Current assets:		
Cash and bank balances	7,462,727,680.85	3,455,331,419.03
Loan receivables from financial institutions	800,000,000.00	100,000,000.00
Exchange financial assets	9,048,650,976.68	3,052,713,858.41
Bills receivables	26,500,000.00	58,965,192.00
Trade receivables	203,800,544.29	153,998,532.63
Prepayments	416,063,783.65	212,027,935.58
Other receivables	45,216,388.42	85,654,976.38
Inventories	6,286,197,350.76	8,801,425,418.16
Loans receivables	74,624,800.00	24,600,000.00
Other current assets	257,390,598.26	358,528,085.64
Total current assets	24,621,172,122.91	16,303,245,417.83
Non-current assets:		
Long-term equity investments	257,201,388.54	177,519,153.68
Other non-current financial assets	60,612,240.95	66,370,029.04
Fixed assets	10,227,675,008.00	10,575,391,363.86
Construction in progress	328,233,743.44	174,313,486.48
Biological assets	123,943,927.73	54,434,108.35
Intangible assets	1,015,501,384.29	980,706,917.51
Development cost	5,315,270.95	2,735,535.77
Long-term prepaid expenses	183,502,636.09	72,615,850.60
Deferred tax assets	187,864,336.45	205,139,943.50
Other non-current assets	61,590,349.36	20,868,724.50
Total non-current assets	12,451,440,285.80	12,330,095,113.29
Total assets	37,072,612,408.71	28,633,340,531.12

SHUANGHUI DEVELOPMENT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at September 30, 2020

	As at September 30, 2020 RMB (unaudited)	As at January 1, 2020 RMB (audited)
Current liabilities:		
Short-term borrowings	4,212,333,390.22	3,277,465,169.50
Bills payables	4,000,000.00	137,182,676.99
Trade payables	1,867,053,489.51	2,946,334,768.68
Receipts in advance	—	1,894,352,662.62
Contract liabilities	1,363,699,337.14	—
Other loans	796,553,666.73	627,543,125.04
Deposit receipts	51,117,513.40	42,218,682.73
Accrued staff costs	880,871,803.80	939,141,147.34
Taxation payables	678,812,486.48	381,237,939.61
Other payables	1,510,682,111.14	970,114,482.45
Including: Interest payables	—	311,406.24
Dividend payables	334,419,496.13	123,607,556.39
Non-current liabilities due within one year	1,160,855.41	67,979,596.11
Other current liabilities	72,548,961.40	—
Total current liabilities	11,438,833,615.23	11,283,570,251.07
Non-current liabilities:		
Long-term borrowings	15,201,230.23	16,188,598.83
Long-term payables	65,956,091.67	—
Provisions	4,000,000.00	—
Deferred income	278,912,722.23	66,431,735.86
Deferred tax liabilities	163,878,478.30	151,759,133.03
Total non-current liabilities	527,948,522.43	234,379,467.72
Total liabilities	11,966,782,137.66	11,517,949,718.79
Owners' equity:		
Share capital	3,464,661,213.00	3,319,282,190.00
Capital reserve	8,072,325,438.17	1,250,180,577.63
Surplus reserve	1,831,906,631.94	1,831,906,631.94
General reserve	64,079,524.71	64,079,524.71
Retained profits	11,230,397,066.91	10,022,251,033.89
Total equity attributable to owners of Shuanghui Development	24,663,369,874.73	16,487,699,958.17
Non-controlling interests	442,460,396.32	627,690,854.16
Total owners' equity	25,105,830,271.05	17,115,390,812.33
Total liabilities and owners' equity	37,072,612,408.71	28,633,340,531.12

If you wish to review the Shuanghui Development Quarterly Report in full, please visit www.szse.cn.

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

Hong Kong, October 27, 2020

As at the date of this announcement, the executive directors of the Company are Mr. WAN Long, Mr. WAN Hongjian, Mr. GUO Lijun, Mr. SULLIVAN Kenneth Marc and Mr. MA Xiangjie; 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. LEE Conway Kong Wai and Mr. LAU, Jin Tin Don.