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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 30 SEPTEMBER 2021 OF
HENAN SHUANGHUI INVESTMENT & DEVELOPMENT CO., LTD.

On 26 October 2021 after trading hours (Hong Kong time), Shuanghui Development released its quarterly report for the nine months ended 30 September 2021.

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 26 October 2021, Shuanghui Development filed its quarterly report with the Shenzhen Stock Exchange for the nine months ended 30 September 2021 (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 30 SEPTEMBER 2021

For the nine months ended 30 September 2021, Shuanghui Development's external sales volume of meat products was 2.44 million metric tons, representing an increase of 5.8% from the comparable period of 2020. Turnover decreased by 8.46% from the comparable period of 2020 to RMB51,044 million. Net profit decreased by 31.2% from the comparable period of 2020 to RMB3,467 million.

The unaudited consolidated statement of profit or loss and other comprehensive income for the nine months ended 30 September 2021 and the unaudited consolidated statement of financial position as at 30 September 2021 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 30 September 2021

	For the nine months ended 30 September	
	2021	2020
	<i>RMB</i>	<i>RMB</i>
	(unaudited)	(unaudited)
I. Total operating income	51,044,489,630.05	55,763,697,598.02
Including: Operating income	50,958,105,407.72	55,726,638,773.94
Interest income	86,345,664.00	37,025,542.68
Handling and commission income	38,558.33	33,281.40
II. Total operating costs	45,632,719,937.65	49,271,566,501.73
Including: Operating costs	42,037,297,749.07	45,945,655,612.44
Interest expenses	17,599,839.26	20,866,869.36
Handling and commission charges	444,664.74	351,242.18
Tax and levies	230,038,030.95	269,165,646.00
Selling expenses	2,262,911,842.19	1,976,584,657.42
Administrative expenses	967,415,158.45	974,024,372.84
Research and development expenses	108,221,843.33	64,062,538.63
Financial expenses	8,790,809.66	20,855,562.86
Including: Interest expenses	98,894,622.95	76,003,126.78
Interest income	90,354,351.90	59,735,865.16
Add: Other income	353,098,234.63	141,727,410.72
Investment income	188,508,300.10	320,253,684.73
Including: Income from investments		
in associates and joint ventures	22,456,050.57	14,329,596.85
Loss on fair value change	-25,898,789.50	-33,720,669.82
Impairment for credit loss	-3,964,448.62	-3,695,584.65
Impairment losses of assets	-1,615,712,918.12	-629,264,985.51
Gain on disposal of assets	5,109,211.47	10,623,884.18

	For the nine months ended 30 September	
	2021	2020
	RMB	RMB
	(unaudited)	(unaudited)
III. Operating profit	4,312,909,282.36	6,298,054,835.94
Add: Non-operating income	14,940,509.63	26,050,617.59
Less: Non-operating expenses	35,003,118.75	51,910,040.01
IV. Total profit	4,292,846,673.24	6,272,195,413.52
Less: Income tax expenses	826,134,304.25	1,235,075,082.51
V. Net profit	3,466,712,368.99	5,037,120,331.01
Including: Net profit from continuing operations	3,466,712,368.99	5,037,120,331.01
Net profit from discontinued operations	—	—
Net profit attributable to owners of		
Shuanghui Development	3,452,886,928.22	4,938,309,156.77
Profit or loss attributable to non-controlling interests	13,825,440.77	98,811,174.24
VI. Other comprehensive income, net of tax	—	—
Other comprehensive income, net of tax attributable to owners of Shuanghui Development	—	—
Other comprehensive income, net of tax attributable to non-controlling interests	—	—
VII. Total comprehensive income	3,466,712,368.99	5,037,120,331.01
Total comprehensive income attributable to owners of Shuanghui Development	3,452,886,928.22	4,938,309,156.77
Total comprehensive income attributable to non-controlling interests	13,825,440.77	98,811,174.24
VIII. Earnings per share		
(1) Basic earnings per share	0.9966	1.4878
(2) Diluted earnings per share	0.9966	1.4878

SHUANGHUI DEVELOPMENT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2021

	As at 30 September 2021 <i>RMB</i> (unaudited)	As at 1 January 2021 <i>RMB</i> (audited)
Current assets:		
Cash and bank balances	8,200,568,649.33	8,485,885,001.20
Loan receivables from financial institutions	600,000,000.00	300,000,000.00
Exchange financial assets	2,016,353,930.09	5,735,620,003.05
Bills receivables	34,400,000.00	44,600,000.00
Trade receivables	297,034,909.33	235,909,236.00
Prepayments	269,451,571.79	245,458,023.72
Other receivables	35,215,860.41	55,305,654.74
Inventories	7,252,432,797.70	6,377,695,426.57
Loans receivables	84,427,200.00	80,097,600.00
Other current assets	1,459,011,044.96	513,368,484.76
Total current assets	20,248,895,963.61	22,073,939,430.04
Non-current assets:		
Debt investments	100,031,015.77	—
Long-term equity investments	318,029,600.30	261,797,620.67
Other non-current financial assets	76,068,648.66	67,701,365.25
Fixed assets	10,030,139,379.79	10,303,818,090.88
Construction in progress	2,422,502,586.74	323,388,219.78
Biological assets	173,409,463.17	148,164,853.70
Right-of-use assets	356,545,673.21	—
Intangible assets	1,027,579,730.50	1,026,638,098.12
Development cost	9,744,547.62	6,353,699.86
Long-term prepaid expenses	49,005,856.62	184,532,694.40
Deferred tax assets	215,157,263.19	187,486,694.75
Other non-current assets	326,315,185.23	120,060,994.51
Total non-current assets	15,104,528,950.80	12,629,942,331.92
Total assets	35,353,424,914.41	34,703,881,761.96

	As at 30 September 2021 <i>RMB</i> (unaudited)	As at 1 January 2021 <i>RMB</i> (audited)
Current liabilities:		
Short-term borrowings	5,529,346,439.21	2,382,649,141.34
Bills payables	34,303,054.18	4,000,000.00
Trade payables	2,055,420,575.58	1,708,284,564.46
Contract liabilities	1,824,730,496.41	2,448,851,578.28
Other loans	994,728,302.05	819,330,088.75
Deposit receipts	54,406,326.85	49,050,315.18
Accrued staff costs	814,762,028.81	1,113,665,467.11
Taxation payables	508,124,625.91	411,792,409.48
Other payables	835,139,091.57	885,599,607.38
Including: Dividend payables	—	89,896,338.39
Non-current liabilities due within one year	16,046,872.19	1,170,765.56
Other current liabilities	142,614,240.36	170,555,854.91
Total current liabilities	12,809,622,053.12	9,994,949,792.45
Non-current liabilities:		
Long-term borrowings	13,242,884.05	15,098,464.11
Lease liabilities	208,332,136.76	—
Long-term payables	65,705,688.89	66,216,080.56
Provision	—	2,500,000.00
Deferred income	287,833,037.64	289,140,618.06
Deferred tax liabilities	206,468,327.88	203,257,840.00
Total non-current liabilities	781,582,075.22	576,213,002.73
Total liabilities	13,591,204,128.34	10,571,162,795.18

	As at 30 September 2021 <i>RMB</i> (unaudited)	As at 1 January 2021 <i>RMB</i> (audited)
Owners' equity:		
Share capital	3,464,661,213.00	3,464,661,213.00
Capital reserve	8,072,421,605.09	8,072,272,036.07
Surplus reserve	1,831,906,631.94	1,831,906,631.94
General reserve	109,386,472.28	109,386,472.28
Retained profits	<u>7,917,073,459.69</u>	<u>10,284,817,369.31</u>
Total equity attributable to owners of Shuanghui Development	21,395,449,382.00	23,763,043,722.60
Non-controlling interests	<u>366,771,404.07</u>	<u>369,675,244.18</u>
Total owners' equity	<u>21,762,220,786.07</u>	<u>24,132,718,966.78</u>
Total liabilities and owners' equity	<u>35,353,424,914.41</u>	<u>34,703,881,761.96</u>

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

Hong Kong, 26 October 2021

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. LEE Conway Kong Wai and Mr. LAU, Jin Tin Don.