

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



WH Group Limited

萬洲國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 288)

**FORM 10-K ANNUAL REPORT FOR
THE YEAR ENDED DECEMBER 28, 2014
OF SMITHFIELD FOODS, INC.**

RESULTS OF SMITHFIELD AND FORM 10-K ANNUAL REPORT

As at the date of this announcement, Smithfield Foods, Inc. (“**Smithfield**”) is a corporation incorporated in the Commonwealth of Virginia, the United States and an indirect wholly owned subsidiary of WH Group Limited (the “**Company**”).

As disclosed in the Company’s prospectus dated July 24, 2014, Smithfield voluntarily files with the United States Securities and Exchange Commission (the “**SEC**”) the periodic reports prescribed by the SEC under Section 13(a) of the United States Securities Exchange Act of 1934 (the “**U.S. Exchange Act**”). As an indirect wholly owned subsidiary of the Company, Smithfield is no longer subject to the periodic reporting obligations under the U.S. Exchange Act. However, the indentures governing certain of Smithfield’s senior debts contain covenants that require Smithfield to file such reports as if it were subject to those reporting requirements. Accordingly, Smithfield currently files with the SEC annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. These reports contain financial and other information regarding Smithfield and its subsidiaries. The periodic reports filed by Smithfield with the SEC are available to the public at the respective internet websites maintained by the SEC and Smithfield.

Smithfield is expected to file, at or about the same time of this Announcement, its annual report with the SEC under Form 10-K for the year ended December 28, 2014 (the “**Smithfield Annual Report**”). Such audited consolidated condensed financial results have been prepared in accordance with accounting principles generally accepted in the United States (“**US GAAP**”). However, it is important to note that the Company prepares its consolidated financial results in accordance with International Financial Reporting Standards (“**IFRS**”). Accordingly, Smithfield’s results reported herein differ from Smithfield’s results contained in the Company’s consolidated financial statements, which include certain adjustments in order to conform to IFRS. These adjustments include the re-measurement of biological assets from cost to fair value through earnings, the reclassification of numerous balance sheet items primarily reflected in biological assets and deferred taxes, and classification changes within the financial results, primarily for distribution expenses, which have a significant impact on gross margin. Readers are cautioned to consider these differences when reviewing Smithfield’s US GAAP consolidated condensed financial results reported herein.

SUMMARY OF RESULTS OF SMITHFIELD FOR THE YEAR ENDED DECEMBER 28, 2014

For the year ended December 28, 2014, Smithfield sold 17.3 million hogs, a decrease of 8% from the comparable period in 2013. Hogs processed amounted to 32.1 million heads, a decrease of 2% from the comparable period of 2013. Packaged meat sales volume increased 2% to 1.5 million metric tons compared to the comparable period for 2013. Sales for the year ended increased 8.2% from the comparable period of 2013 to US\$15,031.3 million. Net income increased 360.7% from the comparable period of 2013 to US\$556.1 million.

The reporting period end date of Smithfield was changed from the last Sunday of April to the last Sunday of December in 2013 to bring the annual reporting period end date of Smithfield closer to that of the Company. Accordingly, the corresponding comparative amounts shown for the consolidated condensed statement of income for the twelve months ended December 29, 2013 and the consolidated condensed balance sheets as of December 29, 2013 of Smithfield are unaudited and for comparative purposes only. The audited consolidated condensed statements of income for the twelve months ended December 28, 2014 and the consolidated condensed balance sheets as of December 28, 2014 of Smithfield contained in the Smithfield Annual Report are reproduced below:

SMITHFIELD FOODS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(in US\$ millions)

	Twelve Months Ended	
	December 28, 2014 (audited)	December 29, 2013 (unaudited)
Sales	\$15,031.3	\$13,896.1
Cost of sales	13,255.7	12,691.1
	<hr/>	<hr/>
Gross profit	1,775.6	1,205.0
Selling, general and administrative expenses	902.2	830.1
Merger related costs	–	41.9
(Income) loss from equity method investments	(58.2)	(5.5)
	<hr/>	<hr/>
Operating profit	931.6	338.5
Interest expense	159.4	180.5
Non-operating (gain) loss	(0.9)	1.7
	<hr/>	<hr/>
Income before income taxes	773.1	156.3
Income tax expense	217.0	35.6
	<hr/>	<hr/>
Net income	\$556.1	\$120.7
	<hr/>	<hr/>

SMITHFIELD FOODS, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(in US\$ millions, except share data)
(audited)

	December 28, 2014	December 29, 2013
ASSETS		
Current assets:		
Cash and cash equivalents	433.5	193.4
Accounts receivable, net	864.0	810.9
Inventories	2,206.8	2,274.7
Prepaid expenses and other current assets	244.3	225.1
	<hr/>	<hr/>
Total current assets	3,748.6	3,504.1
	<hr/>	<hr/>
Property, plant and equipment, net	2,753.4	2,745.9
Goodwill	1,626.2	1,622.5
Intangible assets, net	1,380.9	1,405.8
Investments	498.0	496.5
Other assets	140.5	180.0
	<hr/>	<hr/>
Total assets	10,147.6	9,954.8
	<hr/>	<hr/>
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt and capital lease obligations	48.1	48.5
Accounts payable	675.1	614.4
Accrued expenses and other current liabilities	745.0	632.7
	<hr/>	<hr/>
Total current liabilities	1,468.2	1,295.6
	<hr/>	<hr/>
Long-term debt and capital lease obligations	2,694.6	2,997.4
Deferred income taxes, net	697.5	745.9
Net long-term pension liability	574.9	504.4
Other liabilities	122.2	131.1
	<hr/>	<hr/>
Redeemable non-controlling interests	49.8	48.6

December 28, December 29,
2014 2013

Commitments and contingencies

Equity:

Shareholder's equity:		
Common stock, no par value, 1,000 shares authorized; 1,000 issued and outstanding	-	-
Additional paid-in capital	4,167.3	4,157.4
Retained earnings	590.8	34.7
Accumulated other comprehensive income (loss)	(218.6)	39.0
	4,539.5	4,231.1
Total shareholder's equity		
Non-controlling interests	0.9	0.7
	4,540.4	4,231.8
Total equity		
Total liabilities and equity	10,147.6	9,954.8
	10,147.6	9,954.8

If you wish to review the Smithfield Annual Report, please visit <http://investors.smithfieldfoods.com/sec.cfm> or <http://www.sec.gov>. To view a copy of the related earnings release made by Smithfield, please visit <http://investors.smithfieldfoods.com/releases.cfm>.

By order of the board of directors of
WH Group Limited
Chau Ho
Company Secretary

Hong Kong, March 25, 2015

As at the date of this announcement, the executive directors of the Company are Mr. WAN Long, Mr. GUO Lijun, Mr. YANG Zhijun, Mr. POPE C. Larry and Mr. ZHANG Taixi; 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.