

## Corporate Newsletter Issue 14 – July 2018

### WH Group

#### ***WH Group sponsors Independence Day Dinner of the US Consulate in Hong Kong (July 5, 2018)***

On July 5, WH Group joined in the "242<sup>nd</sup> Independence Day" celebration dinner held by the US Consulate at Island Shangri-La, Hong Kong. As a partner and sponsor of the event, WH Group provided authentic American sausages, bacon, ribs and other products for the guests.



#### ***WH Group holds 2018 Annual General Meeting (June 4, 2018)***

On June 4, WH Group held its Annual General Meeting. A number of resolutions were passed after members cast their votes, including the proposed final dividend of HK\$0.22 per share for the year ended December 31, 2017 to be paid in cash to the shareholders.

#### ***WH Group participates in Investor Forum held by Bank of Singapore (May 16, 2018)***

On May 16, WH Group was invited to speak at the Investor Forum held by the Bank of Singapore. The Group introduced its global business to local institutional and individual investors, attracting a lot of interest.



#### ***WH Group announces 2018 first quarter results (April 24, 2018)***

During the first quarter of 2018, turnover of the Group was US\$5,620 million, up 5.7% y-o-y. Operating profit was US\$379 million, a decrease of 9.3% from the same period last year. The profit attributable to owners of the Company, before biological fair value adjustments, was US\$249 million, close to the US\$248 million from the same period last year, disregarding the non-recurring net charge of US\$44 million incurred for refinancing.

### Smithfield Foods

#### ***Smithfield partners with James Beard Award Winner and 'Iron Chef' Jose Garces to launch 'La Vida Comida' web series (April 26, 2018)***

Smithfield and Garces Group announced the launch of "La Vida Comida," a new web series hosted by award-winning chef and restaurateur Jose Garces to encourage at-home cooks of any skill level to get creative in the kitchen. Each of the four episodes in the series will feature a different Latin-inspired dish highlighting the quality and versatility of Smithfield Prime Fresh Pork, an all-natural, premium line of hand-trimmed fresh pork.



## Shuanghui Development

### *Shuanghui Deli Chain Stores officially opened (May 28, 2018)*



The opening ceremony of Shuanghui deli chain stores was held in the chain shop 999 in Shuanghui Road West in Luohe. The first batch of 10 shops officially opened on the same day, and other chain stores will add deli shop windows to provide Shuanghui's deli products. Shuanghui will rely on its bases across the country to build Shuanghui deli stores, deli shops inside supermarkets, and e-commerce flagship stores, so that consumers can buy delicious, nutritious and healthy Shuanghui deli products conveniently.

### *Shuanghui Development participates in the Luohe Food Expo (May 16-18, 2018)*

The three-day "16th China (Luohe) Food Expo" was held in Luohe, Henan from May 16 to 18. As the host company, Shuanghui Development has participated in the exhibition for 16 consecutive years. This year, the Shuanghui Exhibition Hall was very popular, attracting many potential business partners and consumers to visit. The hall also featured interactive events such as cooking demonstrations, tasting sessions and panel discussions.



### *'Luohe Watch Online' visits Shuanghui (April 27, 2018)*



Luohe Watch Online media group paid a visit to Shuanghui as part of its event, "Search for China's energy and boost Luohe's new developments". Shuanghui was highly praised for its strictly controlled food production process.

## Financial Highlights

WH Group will announce its 2018 interim results on 14 August 2018, Tuesday. The Company's management will review the business performance of the first half of 2018 at the presentation and via conference call. If you are interested in joining the presentation or the conference call, please contact: [wh-group@hkstrategies.com](mailto:wh-group@hkstrategies.com).

## Corporate Social Responsibility

**June 28, 2018 - WH Group releases 2017 Sustainability Report:** The report highlights the Company's environmental, social and governance commitments and achievements in the past year, showcasing the Company's leading position in terms of sustainable development in the global pork industry.



**June 25, 2018 - Smithfield Foods donates more than 400,000 pounds of protein to the Los Angeles Regional Food Bank:** As part of the Company's signature hunger-relief initiative, "2018 Helping Hungry Homes®" tour, Smithfield Foods donated more than 400,000 pounds of protein to the Los Angeles Regional Food Bank. This donation, the largest in Helping Hungry Homes® history and equivalent to more than 1.6 million servings, will help support the estimated 1.2 million people in Los Angeles County who live with food insecurity.

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### Corporate Social Responsibility

**June 11, 2018 - Smithfield Foods donates US\$12,000 to local scholarship program:** The Monmouth facility of Smithfield Foods donated US\$12,000 to fund scholarships for 12 graduating high school seniors in the surrounding area. Smithfield has provided scholarship funding to the local community through its Monmouth facility for the past 10 years, paying more than US\$100,000 in scholarship fees to date.



**May 15, 2018 - Smithfield Foods releases latest section of 2017 Sustainability Report, shares new programs and company-wide commitment to food safety and quality:** Smithfield released the 2017 Sustainability Report, which comprehensively demonstrated the Company's measures and achievements in production safety, product quality management methods, animal care, environmental protection and community care. The report described the Company's food safety culture, demonstrated the application of VR technology in pig farming, and further disclosed the Company's reduction target of greenhouse gas emission by 2020, highlighting Smithfield's social responsibility as a world-class food company. Please read the report: <https://www.smithfieldfoods.com/integrated-report/2017/introduction>

**May 21, 2018 - Smithfield Foods and Victory Junction unveil new indoor archery facility:** Victory Junction, a children's camp committed to enriching the lives of children with chronic medical conditions or serious illnesses by providing life-changing camp experiences, opened its new indoor facility which was funded by a US\$500,000 gift from the Smithfield Foundation, the philanthropic arm of Smithfield Foods.



**June 10, 2018 - Shuanghui Deli provides food for first Shalihe mini marathon:** The first Shalihe mini marathon was held in the Industrial Park of Luohe Shali. Shuanghui Deli provided contestants with delicious and nutritious food supplements, promoting healthy lifestyle.

### Corporate Honors & Awards



**Mr. Wan Long, Chairman of WH Group, selected as one of 50 most influential business leaders in China:** Mr. Wan Long featured in this year's ranking by Forbes magazine on influential business people in China. The article mentioned that in addition to the commercial achievements, Mr. Wan Long and other successful business leaders on the list, bring new technologies and a new way of thinking into the lives of so many people across the world.

## Company Ratings

The latest brokers' ratings and target prices for the Company:

Institution Name	Date	Rating (Changes)	Target Price (HKD)
Citi	9 July	Buy	8.28
UBS	7 July	Buy	8.75
Daiwa	14 June	Buy	10.55
Credit Suisse	11 June	Neutral	8.80
Morgan Stanley	30 May	Overweight	10.50
Deutsche Bank	23 May	Buy	11.50
Industrial Securities	21 May	Buy	10.30
Merrill Lynch	20 May	Buy	10.60
CICC	15 May	Buy	10.62
Eastmoney Securities	26 April	Overweight	-
DBS	25 April	Buy	10.61
Macquarie	24 April	Outperformance	10.00
JP Morgan	24 April	Overweight	11.40
Goldman Sachs	24 April	Buy	10.70
Nomura	24 April	Buy	12.00
ABCI	6 April	Buy	9.14
Orient Securities	29 March	Buy	10.97
HSBC	28 March	Buy	11.40
BOCI	28 March	Buy	9.20

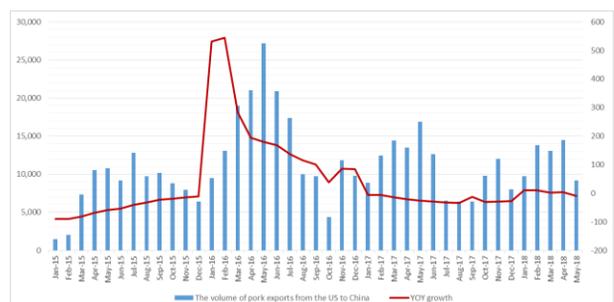
## Market Trends

*Hog prices in China and the U.S.*



Source : Chicago Mercantile Exchange and Ministry of Agriculture of the People's Republic of China

*Volume and YoY growth of U.S. pork exports to China*



Source : U.S. Meat Export Federation