萬洲國際
WH GROUP

WH Group Limited
萬洲國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 288)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

HIGHLIGHTS

	Six months ended 30 June	
	2025	2024
Packaged meats sold (thousand metric tons)	**1,451**	1,501
Pork sold (thousand metric tons)	**1,960**	1,823

	Six months ended 30 June			
	2025		2024	
	Results before biological fair value adjustments	**Results after biological fair value adjustments**	Results before biological fair value adjustments	Results after biological fair value adjustments
	US$ million (unless otherwise stated) **(unaudited)**		*US$ million (unless otherwise stated)* (unaudited)	
Revenue	**13,387**	**13,387**	12,293	12,293
EBITDA	**1,585**	**1,666**	1,469	1,599
Operating profit	**1,259**	**1,259**	1,140	1,140
Profit attributable to owners of the Company	**725**	**788**	694	784
Basic earnings per share (US cents)	**5.65**	**6.14**	5.41	6.11
Interim dividend per share (HK$)	**0.20**	**0.20**	0.10	0.10

- Sales volume of packaged meats decreased by 3.3% while sales volume of pork increased by 7.5%.
- Revenue increased by 8.9%.
- Operating profit increased by 10.4%.
- Profit attributable to owners of the Company and basic earnings per share, before biological fair value adjustments, both increased by 4.5%.

The board (the "**Board**") of directors (the "**Directors**") of WH Group Limited (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2025 (the "**Review Period**").

MANAGEMENT DISCUSSION AND ANALYSIS

The following discussion should be read in conjunction with the interim financial information of the Group, including the related notes, set forth in the financial information section of this announcement.

INDUSTRY OVERVIEW

The Group is a leading pork company with global operations. In the Review Period, our business in People's Republic of China ("**China**") contributed 30.0% of the revenue and 34.6% of the operating profit of the Group (six months ended 30 June 2024 (the "**Comparable Period**"): 31.7% and 39.2% respectively). Meanwhile, our businesses in North America, which comprised of the United States of America (the "**US**") and United Mexican States ("**Mexico**"), accounted for 55.2% of revenue and 53.6% of operating profit of the Group (Comparable Period: 54.3% and 47.7% respectively). Our business in Europe also accounted for 14.8% of revenue and 11.8% of operating profit of the Group (Comparable Period: 14.0% and 13.1% respectively). As the pork industry in each of the above regions is characterised distinctively but also co-related to each other to a certain extent, market dynamics in China, the US and Europe are important to the results of our Group.

China

China is the largest pork producer and consumption market in the world. Supplies of pork in China are largely dependent on the availability of agricultural resources, government policies, regulatory environment, animal epidemics and production technology. Given the dominant position of pork in Chinese diet, demand has always been stable and strong. As China continues to experience economic growth and improvement of people's living standards, demand for high-quality pork products is expected to expand further. In the meantime, cyclical and seasonal factors are also the driving forces of the short-term trend of the industry.

According to the National Bureau of Statistics of China, the total production of hogs was 366 million heads in the Review Period, which was 0.6% higher than that of the Comparable Period. The total production volume of pork was 30.20 million metric tons, representing an increase of 1.3% over the Comparable Period. With reference to the statistics published by the Ministry of Agriculture and Rural Affairs of China ("**MOA**"), the number of breeding sows was 40.43 million heads at the end of June 2025, representing an increase of 0.1% from that of the same time last year. As market hog supplies remained sufficient but growth in consumption demand was limited, the average hog price in the Review Period was Renminbi ("**RMB**") 15.5 (approximately US Dollar ("**US$**") 2.13) per kilogram ("**kg**"), representing a mild decrease of 0.8% over the Comparable Period.

Although the hog prices in China slightly decreased and additional tariffs were imposed by China on imports from the US and Canada, the total volume of imported pork and by-products in China during the Review Period increased by 3.4% to 1.15 million metric tons in the context of the complex and changing international trade situation. As disclosed by the General Administration of Customs of China, the key importing regions were the European Union (the "**EU**"), Brazil and the US in descending order of import volume.

US

The US is the third largest pork producer ranked after China and the EU globally and it is characterised by its relatively mature and concentrated pork industry. As the US is also one of the world's largest pork exporter, hog prices and pork cut-out values in the US are driven by the supply and demand of its domestic and export markets.

With reference to the statistics of the United States Department of Agriculture (the "**USDA**"), overall animal protein production in the US in the Review Period was 0.8% lower than that of the Comparable Period, of which the production of chicken increased by 1.6%, the production of pork and beef decreased by 1.0% and 2.5%, respectively. As pork supplies tightened and prices of other major proteins were firm, domestic demand of pork continued to be strong, supporting hog prices and pork cut-out values to increase. The average hog price, as published by Chicago Mercantile Exchange, Inc. ("**CME**") was US$1.50 per kg in the Review Period, representing an increase of 8.7% over the Comparable Period. The average pork cut-out value as reported by the USDA also increased 4.5% to US$2.17 per kg.

As hog prices increased and raising costs decreased following the grain prices, the profitability of hog producers increased. However, the increase in pork cut-out values was lower than the increase in hog prices, the operating environment for processors became less favourable. Impacted by high prices and tariff negotiations, export demands were undermined. US pork export volume reduced by 4.0% during the Review Period as compared to the Comparable Period as published by the USDA. In terms of destination, shipments to China was 20.0% lower but shipments to Mexico was 4.9% higher as compared to the same period last year.

Europe

Considering all its member states collectively, the EU is the world's second largest producer of pork after China. Major producing countries included Spain, Germany, Denmark, Netherlands, France and Poland. The EU is also one of the world's largest exporters of pork and pork products. As a result, the pork prices in Europe are highly sensitive to the export conditions.

According to the latest statistics published by the European Commission, the aggregated pork production volume of the member states of the EU increased by 1.2% in the first five months of 2025 over that of the same period in the previous year. The increase indicated a recovery of hog supplies from low level. Meanwhile, outbreaks of foot-and-mouth disease in some regions led to trade disruptions. The increase in overall supplies and trade disruptions in certain markets which were affected by disease drove the downward movement of prices in the EU. The average carcass price in EU decreased by 8.3% to Euro 1.99 (approximately US$2.17) per kg in the Review Period. It represented an average hog price of about Euro 1.50 (approximately US$1.64) per kg. The decrease in price, couple with other factors, helped improve the export competitiveness of pork products which were free from trade disruptions. As a result, total export volume of the EU in the first five months of 2025 increased by 1.9% over that of the same period in the previous year. Out of which, shipments to China increased by 6.0%.

RESULTS OF OPERATIONS

	Six months ended 30 June		
	2025	2024	Change
	US$ million	*US$ million*	*%*
Revenue[1]			
— Packaged meats[2]	**6,640**	6,491	2.3
— Pork[3]	**5,623**	4,926	14.1
— Others	**1,124**	876	28.3
	13,387	12,293	8.9
Operating profit (loss)			
— Packaged meats[2]	**1,047**	1,137	(7.9)
— Pork[3]	**255**	95	168.4
— Others[4]	**(43)**	(92)	N/A
	1,259	1,140	10.4

Notes:

(1) Revenue refers to net external sales.

(2) Packaged meats represents production, wholesale and retail sales of packaged meat products.

(3) Pork represents hog farming, slaughtering, wholesale and retail sales of fresh and frozen pork products.

(4) Others' operating loss includes corporate expenses.

In the Review Period, revenue of the Group increased by 8.9% to US$13,387 million as the sales volume of pork and the average selling price of packaged meats increased. Operating profit also increased by 10.4% to US$1,259 million primarily due to a significant growth in pork business.

Amongst all operating segments, packaged meats has always been our core business. During the Review Period, packaged meats accounted for 83.2% of the Group's operating profit and 49.6% of the Group's revenue (Comparable Period: 99.7% and 52.8% respectively).

Packaged Meats

	Six months ended 30 June		
	2025	2024	Change
	US$ million	*US$ million*	*%*
Revenue			
China	**1,531**	1,697	(9.8)
North America	**4,102**	3,943	4.0
Europe	**1,007**	851	18.3
	6,640	6,491	2.3
Operating profit			
China	**411**	460	(10.7)
North America	**569**	614	(7.3)
Europe	**67**	63	6.3
	1,047	1,137	(7.9)

In the Review Period, the sales volume of our packaged meats decreased by 3.3% to 1,451 thousand metric tons. In China, sales volume decreased by 9.0% as we were facing the challenges of continuous weak demand and changing consumer market while our efforts to transform products and channels had yet to achieve the desired outcomes. Sales volume in North America remained stable in the Review Period. In Europe, sales volume increased by 7.3% as we benefited from the contribution of Argal (as defined herebelow).

Revenue of packaged meats in the Review Period increased by 2.3% to US$6,640 million. In North America, revenue increased by 4.0% as the average selling price increased along with higher raw material costs. In Europe, revenue increased by 18.3% as average sales price and contribution from Argal increased. However, revenue in China decreased by 9.8% due to decline in sales volume, offsetting part of the revenue growth of the Group.

Operating profit was US$1,047 million in the Review Period, representing a decrease of 7.9% from that of the Comparable Period. In China, operating profit decreased by 10.7% primarily due to decrease in sales volume and increase in expenses. In North America, as the increase in raw material costs outweighed the increase in sales price and the COVID-19-related Employee Retention Tax Credit ("**ERC**") reduced year-on-year, operating profit decreased by 7.3% in the Review Period. In Europe, operating profit increased by 6.3%, which was attributed to our disciplined product pricing actions and the consolidation of Argal's half-year results.

Pork

	Six months ended 30 June		
	2025	2024	Change
	US$ million	*US$ million*	*%*
Revenue			
China	**1,795**	1,656	8.4
North America	**3,279**	2,710	21.0
Europe	**549**	560	(2.0)
	5,623	4,926	14.1
Operating profit			
China	**28**	28	—
North America	**163**	(4)	N/A
Europe	**64**	71	(9.9)
	255	95	168.4

Total number of hogs processed in the Review Period was 23,670 thousand heads, representing an increase of 6.2% over that of the Comparable Period. In China, North America and Europe, processing volumes increased by 19.3%, 1.7% and 6.8% respectively. We adjust processing volume from time to time according to the market dynamics in each region. External sales volume of pork was 1,960 thousand metric tons in the Review Period, representing an increase of 7.5% from that of the Comparable Period. The primary reason of increase was the increase in processing volume.

Benefiting from higher sales volume of pork and grains, our pork revenue during the Review Period increased by 14.1% to US$5,623 million from that of the Comparable Period. In China, revenue increased by 8.4% due to higher sales volumes, though the uplift in revenue was partially offset by a decrease in average selling prices. In North America, revenue increased by 21.0% primarily due to higher sales volume and sales price of pork in the US, as well as the provision of grains to two associates, Murphy Farms and VisionAg Hog Production (as defined herebelow). In Europe, revenue decreased by 2.0% as the impact of decrease in sales price counterweighed the increase in sales volume.

In the Review Period, operating profit increased significantly by 168.4% to US$255 million. The notable improvement of results was mainly attributed to the turnaround of our hog raising operation in North America. Pork processing operation in North America encountered challenges such as reduced ERC, increased tariffs on exports and narrower market spread, but the negative impact was partially countervailed by effective control measures over costs and expenses. Operating profit in China remained stable. Although the performance of hogs raising operation improved, profitability of pork processing operation was impacted by keen market competition. Operating profit in Europe also decreased by 9.9% as the reduction in hog prices lowered the overall profitability of the vertically integrated pork production chain.

Others

In addition to packaged meats and pork, the Group also engages in certain other businesses which mainly include production and sale of poultry products, biological pharmaceutical materials, packaging materials and condiments, provision of logistics and supply chain management services as well as operation of a finance company and a chain of food retail stores.

In particular, our poultry business in Europe and China processed approximately 182 million heads of broiler, goose and turkey in total during the Review Period, representing an increase of 11.8% from that of the Comparable Period. External sales volume of poultry meats was 360 thousand metric tons, representing an increase of 13.0%. The growth of our poultry business is integral to our strategy of protein diversification. For our logistics and supply chain management business, we currently own 20 logistics parks across 15 provinces in China covering the majority regions of the nation. Apart from delivering our packaged meats and pork to customers timely and safely, these facilities also provide services to third party customers.

In the Review Period, revenue generated by our other businesses increased by 28.3% to US$1,124 million. Excluding corporate expenses, our other businesses made positive contribution to the profit of the Group in the Review Period. The primary driver was the turnaround of our poultry business.

ANALYSIS OF CAPITAL RESOURCES

Separate Listing of Smithfield on the Nasdaq Global Select Market

In January 2025, the Group spun-off Smithfield Foods, Inc. ("**Smithfield**") with operations in North America for separate listing on the Nasdaq Global Select Market. Smithfield completed its initial public offering of 26,086,958 shares of common stock ("**Smithfield Share(s)**"), which represents 7% of the total outstanding shares, at a price of US$20.00 per share under the ticker "SFD". Out of which, Smithfield issued 13,043,479 shares of common stock while the Group sold 13,043,479 shares of common stock. The Group also granted the underwriters a 30-day option to purchase up to 3,913,042 additional shares of the common stock held by the Group. In February 2025, the underwriters partially exercised such option and purchased 2,506,936 additional shares of common stock from the Group (the "**Separate Listing of Smithfield**"). The Group received net cash proceeds of approximately US$534 million after deducting underwriting discounts, commissions and fees from the Separate Listing of Smithfield.

In March and April 2025, the Group distributed a special cash dividend of HK$0.18 per ordinary share of the Company and a special dividend by way of distribution in specie of certain Smithfield Shares or cash alternative to the shareholders of the Company (the "**Shareholders**") respectively. The two special dividends, in aggregate, amounted to approximately HK$2,524 million (an equivalent of approximately US$325 million).

After the Separate Listing of Smithfield, Smithfield continues to be a subsidiary of the Company. For more details regarding the Separate Listing of Smithfield, please refer to the announcements of the Company dated 6 February 2025, 28 February 2025, 5 March 2025 and 9 April 2025, respectively.

Treasury Management

Our treasury function undertakes the responsibility of cash management, liquidity planning and control, procurement of financing which is cost-efficient to the Group, management of credit profile as well as mitigation of financial risks such as interest rate and foreign exchange fluctuations. The design of our treasury function aims at aligning with the long-term and short-term needs of the Group and conforming with good governance standard.

Liquidity

The Group continues to maintain ample liquidity. As at 30 June 2025, we had cash and bank balances of US$1,832 million (as at 31 December 2024: US$2,055 million), which were held primarily in RMB and US$. The aggregate amount of unutilised banking facilities as at 30 June 2025 was US$6,197 million (as at 31 December 2024: US$5,358 million). Out of which, committed banking facilities available to the Group as at 30 June 2025 was US$2,655 million (as at 31 December 2024: US$2,733 million).

For yield enhancement purpose, we also hold certain time deposits, financial products and debt instruments from time to time. These treasury products are classified under current assets as time deposits with original maturity over three months, financial assets at fair value through profit or loss and debt investments at amortised cost. As at 30 June 2025, the aggregate balance was US$1,145 million (as at 31 December 2024: US$532 million). During the Review Period, there was no impairment charges on any of these treasury products.

Our current ratio (ratio of consolidated current assets to consolidated current liabilities) was 1.9 times as at 30 June 2025 (as at 31 December 2024: 1.9 times).

Credit Profile

The Group aims at maintaining a good credit profile for both the Company and its subsidiaries that is beneficial to their long-term growth and development. Our Long-Term Issuer Default Rating ("**IDR**") and senior unsecured rating are BBB+ according to Fitch Ratings. Our issuer credit rating is BBB according to S&P Global Ratings. Our issuer rating is Baa2 according to Moody's. The outlook of these ratings are stable.

For our wholly-owned subsidiary, Smithfield, Fitch Ratings affirms its Long-Term IDR of BBB with a stable outlook. According to S&P Global Ratings, the corporate credit rating of Smithfield is BBB-. The outlook is stable. The corporate family rating of Smithfield assigned by Moody's was Ba1. The credit outlook is also stable.

Debt Profile

As at the dates indicated below, we had the following outstanding interest-bearing bank and other borrowings:

	At 30 June 2025 US$ million	At 31 December 2024 US$ million
Borrowings by nature		
Senior unsecured notes	**1,984**	1,982
Bank borrowings	**1,885**	1,318
Loans from third parties	**6**	5
Bank overdrafts	**—**	5
	3,875	3,310
Borrowings by geographical region		
North America	**1,984**	1,983
China	**1,722**	1,099
Europe	**169**	228
	3,875	3,310
Borrowings by currency		
US$	**2,088**	1,983
RMB	**1,403**	1,098
Other currencies	**384**	229
	3,875	3,310

The Group's total principal amount of outstanding borrowings as at 30 June 2025 was US$3,894 million (as at 31 December 2024: US$3,330 million). The maturity profile is analysed as follows:

	Total
In 2025	41%
In 2026	7%
In 2027	16%
In 2029	10%
In 2030	13%
In 2031 or after	13%
	100%

As at 30 June 2025, 99.9% of our borrowings were unsecured (as at 31 December 2024: 99.8%). Certain borrowings were secured by pledged bank deposits and other assets. Certain borrowings contained affirmative and negative covenants that are subject to certain qualifications and exceptions. The Group had no default in repayment of bank borrowings, nor did it breach any relevant finance covenants during the Review Period.

Major Financing Activities

There were no major financing activities in the Review Period.

Leverage Ratios

As at 30 June 2025, our debt to equity ratio (ratio of consolidated borrowings to consolidated total equity) and net debt to equity ratio (ratio of consolidated borrowings less cash and bank balances to consolidated total equity) were 32.2% and 17.0%, respectively (as at 31 December 2024: 29.1% and 11.0%, respectively). Our debt to EBITDA ratio (ratio of consolidated borrowings to EBITDA before biological fair value adjustments) and net debt to EBITDA ratio (ratio of consolidated borrowings less cash and bank balances to EBITDA before biological fair value adjustments) as at 30 June 2025, were 1.2 times and 0.6 times, respectively (as at 31 December 2024: 1.1 times and 0.4 times, respectively).

Finance Costs

Despite an increase in the balance of borrowings, our finance costs remained stable at US$74 million in the Review Period as the applicable interest rates on bank borrowings trended downward.

As at 30 June 2025, the average interest rate of our outstanding borrowings was 2.74% (as at 31 December 2024: 2.95%).

HUMAN RESOURCES

We believe that the success of the Group largely depends on our capacity to attract and retain a dynamic workforce. As at 30 June 2025, the Group had approximately 100 thousand employees in total, in which approximately 46 thousand employees were with our China operation, approximately 35 thousand employees were with our North America operations and approximately 19 thousand employees were with our European operations.

We value respectful working relationships and promote enterprising work ethics. We nurture an inclusive culture and provide safe work place. To empower our employees with continuously evolving knowledge and skills to drive the growth of the Group, we provide adequate training and development programs.

Our compensation principle is to align rewards of employees with the goals, objectives and financial performance of the Group. Therefore, our compensation includes appropriate fixed pays such as basic salaries and allowances; variable incentives such as performance bonus; and fringe benefits such as retirement plans and medical coverage. The Company also adopted the Smithfield Incentive Plan in 2025, granting certain Smithfield stock options and restricted stock units to certain participating employees. For more details regarding the Smithfield Incentive Plan, please refer to the announcements of the Company dated 14 July 2024, 6 January 2025, 21 January 2025 and 28 January 2025 and the circular of the Company dated 18 November 2024.

In the Review Period, total remuneration expenses of the Group amounted to US$2,131 million, representing an increase of 6.1% from that of the Comparable Period. The increase was primarily due to global wages inflation and recognition of share-based payments associated with the Smithfield Incentive Plan.

BIOLOGICAL ASSETS

As at 30 June 2025, we had a total of 10.8 million hogs, consisting of 9.9 million live hogs and 0.9 million breeding stock, representing a decrease of 14.3% from that of 31 December 2024. We also had a total of 32.7 million poultry, consisting of 29.9 million broilers and 2.8 million breeding stock, an increase of 50.5% from that of 31 December 2024. The fair value of our biological assets was US$1,343 million as at 30 June 2025, as compared to US$1,441 million as at 31 December 2024.

Our results have been, and we expect they will continue to be, affected by changes in the fair value of our biological assets. Fair value of our biological assets is determined with reference to the market prices, species, growing conditions, cost incurred and the professional valuation. We engaged an independent valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, to measure such fair value for the Group on an annual basis.

In the Review Period, the net impact of biological fair value adjustments on our profit or loss was a gain in the amount of US$62 million (Comparable Period: gain of US$96 million).

KEY INVESTMENT INTERESTS

Formation of Murphy Farms

In December 2024, the Group entered into agreements with an independent third-party contract grower, Murphy Family Ventures, for the formation of a limited liability company, Murphy Family Farms LLC (the "**Murphy Farms**"), to provide approximately 3.2 million hogs annually for our pork operations in the US. In January 2025, the Group transferred 150 thousand sows (and the market hogs they produce) to Murphy Farms and it is contracted to provide certain production services, including the supply of feeds and transportation services to Murphy Farms. Currently, the Group owns 25% equity interest in Murphy Farms. We regard this arrangement to be beneficial for us to achieve a more steady and sustainable pork business in the US.

Formation of VisionAg Hog Production

In December 2024, the Group signed an agreement with VisionAg, LLC, an affiliate of HD3 Farms, one of the largest wean-to-finish and finishing growers in the US, for the formation of a limited liability company, VisionAg Hog Production, LLC (the "**VisionAg Hog Production**") to supply approximately 600 thousand hogs annually to our pork business in the US as an independent producer. In January 2025, the Group transferred 28 thousand sows (and the market hogs they produce) to VisionAg Hog Production and it is contracted to provide production services, including the supply of feeds and transportation services to VisionAg Hog Production. Currently, the Group owns 9% equity interest in VisionAg Hog Production. We regard this arrangement to be beneficial for the Group to achieve a more steady and sustainable pork business in the US.

Restructuring of operations in Western US

The Group closed our processing facility in California, exited certain hog farm operations in Arizona and California, and reduced our sow herd in Utah during 2023, as operating in these areas had been increasingly costly. In the Review Period and 2024, we incurred exit and restructuring costs of US$7 million and US$26 million, respectively.

Internal Restructuring of European Operation

In August 2024, the Group completed the carve-out of our European operations from Smithfield. We expect this internal restructuring will further enhance our management efficiency and strengthen synergies among the various regions of the Group.

Purchase of Packaged Meats Facility in Tennessee, the US

In July 2024, the Group completed the purchase of a premier dry sausage production facility in Tennessee from Cargill Meat Solutions Corporation. We expect this investment would fuel our strategy of continued growth in the value-added packaged meats business, enhancing our ability to serve the growing demand for high-quality pepperoni, deli, charcuterie and other dry sausage products in the US.

Acquisition of Argal

In March 2024, the Group completed the acquisition of 50.1% equity interest in Argal Alimentación, S.A. ("**Argal**"), a Spanish producer of charcuterie and other packaged meats products. The acquisition of Argal was based on an agreed framework of joint management with the original shareholders of Argal, who are currently holding the remaining 49.9% equity interest in Argal. We expect Argal would be a solid platform for our packaged meats growth in Spain and in Europe.

Reform of US Hog Production

The Group decided to reform its hog production operation in the US during 2023. In 2024, an exit cost of US$27 million was incurred and a pre-tax gain of US$29 million was recorded for the disposal of certain vacant farms and idle land in Missouri and Utah.

CAPITAL EXPENDITURES

Our capital expenditures are primarily for the construction, renovation and transformation of production plants and ancillary facilities. We fund these capital expenditures with internally generated cash, bank loans and shareholders' capital.

Capital expenditures amounted to US$290 million in the Review Period. The following table sets out our capital expenditures paid by geographical region for the periods indicated.

	Six months ended 30 June	
	2025	2024
	US$ million	*US$ million*
China	**73**	117
North America	**158**	173
Europe	**59**	59
	290	349

During the Review Period, our capital expenditures in China were mainly for the establishment and transformation of poultry and packaged meats production facilities. Our capital expenditures in North America were primarily related to the modernisation of our processing plants and expansion of our packaged meats capacity. Our capital expenditures in Europe were mainly for the additions of poultry production line and other supporting facilities.

KEY RISKS AND THEIR MANAGEMENT

Risk Management

The risk management system of the Group is designed to assist the Group in implementing a sound and consistent risk management and reporting process across the Group. The risk management committee of the Company (the "**Risk Management Committee**") is mainly responsible to oversee the development and implementation of the Group's risk management system. The Group's risk management department assisted the Risk Management Committee to review the effectiveness of risk management process and risk management report submitted by management, in which key risks and mitigation measures were reported to the Risk Management Committee. During the Review Period, the Group conducted enterprise risk assessments to analyse and report key risks, followed by the establishment of respective mitigation controls.

Commodities Price Risks

Commodities comprise a significant part of the Group's inputs (costs) and outputs (sales). The Group uses various raw materials, primarily live hogs, meat, corn, and soybean meal in our packaged meats and pork operations. The Group's revenue is primarily driven by the sale of packaged meats and pork. Significant price fluctuations in these commodities affect our results.

In China, we mitigate the effects of price fluctuations through effective reserves management strategy, pass-through of costs and overseas imports. In the US, our vertically integrated supply chain helps the natural hedge of commodities price changes. These commodities are also actively traded on the exchanges. We hedge when we determine conditions are suitable to mitigate price risks. The main objective of hedges is to manage commodity price risk associated with the raw material costs and forward sales of our packaged meats and pork businesses. While these hedging activities may limit our ability to participate in gains from favorable commodity fluctuations, it also reduces the risk of loss from adverse changes in raw material prices. The Group has robust policy and procedures in the management of these hedging activities under a dedicated and professional team.

Currency and Interest Rate Risks

The Group generally matches income and expenses, assets and liabilities with the same currency, in each geographical location which it operates, to reduce currency risks. Only certain entities of the Group have certain sales, purchases, cash and bank balances and borrowings denominated in currencies other than their functional currencies. We monitor our foreign exchange exposure at any time and hedge significant exposure should the need arise.

Our borrowings carry fixed or floating interest rates. As at 30 June 2025, approximately 91.8% of our borrowings (other than bank overdrafts) were at fixed interest rates (as at 31 December 2024: 90.5%). To manage our interest rate exposure, we optimise our debt portfolio and enter into hedges (if appropriate).

CONTINGENT LIABILITIES

Our operations are subject to various laws and regulations administered by various specific local authorities. We receive notices and inquiries from them in relation to compliance from time to time. In some instances, litigation ensues or individuals may initiate litigation against the Group.

Antitrust Litigation

Smithfield has been named as one of the 16 defendants by three groups of plaintiffs (namely the direct purchasers, commercial and institutional indirect purchasers and consumer indirect purchasers) and certain individuals in the US alleging antitrust violations in the pork industry starting in 2009 and continuing through at least June 2018 (the "**Antitrust Litigation**").

Payments in an aggregated amount of approximately US$194 million were subsequently made to settle all class claims by the direct purchasers, commercial and institutional indirect purchasers and consumer indirect purchasers ("**Class Settlements**"). Smithfield also has entered into negotiations to settle certain outstanding non-class cases and related claims. Currently, 22 individual cases (including customers who opted out of the Class Settlements) remain pending against the Group. We intend to vigorously defend against these claims. Additionally, the Attorneys General of New Mexico, Alaska, and the Commonwealth of Puerto Rico have filed similar lawsuits on behalf of their respective states, territories, agencies, and citizens. The Group has settled all of these cases. In July 2025, the Group received a civil investigative demand from the Washington State Attorney General, requesting information related to this antitrust litigation.

The Board assesses and monitors the financial and operational impacts of material lawsuits, including the Antitrust Litigation, on a continuous basis and takes actions which are considered to be in the best interest of the Group. More details and further updates (if any) of the Antitrust Litigation and other lawsuits will be available in the 2025 interim report of the Company.

SUSTAINABILITY

Sustainability is an important area of the Group's governance framework. The Board has established an environmental, social and governance committee (the "**ESG Committee**") at the Group level, which sets sustainability goals and targets and guides our development strategy. During the Review Period, the Group held an ESG Committee meeting. At the meeting, the ESG Committee reviewed the key environmental, social and governance risks faced by the Group, and its risk mitigation controls that presented by the management, assessed and endorsed the Group's progress made in light of the environmental targets and amendment made to the Group's corporate principles. The Committee also approved the 2024 Environmental, Social and Governance Report of the Group, which was officially released on 15 April 2025.

The Group is committed to providing sustainable protein choices for consumers globally. As our businesses grows, we also track our impact to natural environment and communities where we operate, monitor the evolution of consumer needs, at the same time, build mutual respect with employees and enable their development. We are engaged in delivering positive contributions to building a healthy and vibrant industry chain, along with our suppliers and distributors. As a leading global operator, we are subject to different laws and legal standards in the markets where we operate, and are conscious that the expectations of our stakeholders are different among various markets where we have a presence. Under the guidance of the ESG Committee, each of our business units also has its own sustainability body, which drives local sustainability initiatives forward in accordance with the Group's corporate principles.

As at 30 June 2025, the Company remained a constituent stock of the Hang Seng Corporate Sustainability Index ("**HSSUS**") with A+ grade, and has retained an ESG rating of BBB with MSCI, the world's largest index company.

CHANGES SINCE 30 JUNE 2025

There were no other significant changes in the Group's latest financial position or the information disclosed under "Financial Information" and "Management Discussion and Analysis" in this announcement.

OUTLOOK

In the first half of 2025, management of the Company navigated through the challenges posed by the complex international situation and trade tensions and achieved growth in both revenue and profit. Looking ahead, we will continue to focus on our core packaged meats business. We promote product and channel transformation in China to respond to the evolving consumer market. We mitigate the pressure of increasing costs and maintain high profitability in the US. We expand scale and enhance profit contribution in Europe. At the same time, we will further strengthen the pork business by improving the operating indicators of hog raising, enhancing the production efficiency of pork processing, and increasing the added value of pork products. However, the uncertainties in the global political and trade environment will continue to impact the operations of all enterprises. We will adhere to the strategies of "industrialization, diversification, globalization, and digitalization", adapt to changes and leverage our strengths to strive for stable and positive operating results, as well as to provide higher returns to shareholders.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		For the six months ended 30 June 2025			For the six months ended 30 June 2024		
	Notes	**Results before biological fair value adjustments** *US$'million* **(Unaudited)**	**Biological fair value adjustments** *US$'million* **(Unaudited)**	**Total** *US$'million* **(Unaudited)**	Results before biological fair value adjustments *US$'million* (Unaudited)	Biological fair value adjustments *US$'million* (Unaudited)	Total *US$'million* (Unaudited)
Revenue	*3*	**13,387**	**—**	**13,387**	12,293	—	12,293
Cost of sales		**(10,821)**	**(117)**	**(10,938)**	(9,820)	164	(9,656)
Gross profit		**2,566**	**(117)**	**2,449**	2,473	164	2,637
Distribution and selling expenses		**(891)**	**—**	**(891)**	(896)	—	(896)
Administrative expenses		**(451)**	**—**	**(451)**	(463)	—	(463)
Gain arising from agricultural produce at fair value less costs to sell at the point of harvest		**—**	**105**	**105**	—	26	26
Gain (loss) arising from changes in fair value less costs to sell of biological assets		**—**	**93**	**93**	—	(60)	(60)
Other income		**77**	**—**	**77**	44	—	44
Other gains and (losses)		**31**	**—**	**31**	(1)	—	(1)
Other expenses		**(106)**	**—**	**(106)**	(42)	—	(42)
Finance costs		**(74)**	**—**	**(74)**	(74)	—	(74)
Share of profits (losses) of associates		**(7)**	**—**	**(7)**	—*	—	—*
Share of profits (losses) of joint ventures		**5**	**—**	**5**	(—*)	—	(—*)
PROFIT BEFORE TAX	*4*	**1,150**	**81**	**1,231**	1,041	130	1,171
Taxation	*5*	**(293)**	**(19)**	**(312)**	(245)	(34)	(279)
PROFIT FOR THE PERIOD		**857**	**62**	**919**	796	96	892

* Less than US$1 million.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

For the six months ended 30 June 2025

		For the six months ended 30 June 2025			For the six months ended 30 June 2024		
	Notes	**Results before biological fair value adjustments** *US$'million* (Unaudited)	**Biological fair value adjustments** *US$'million* (Unaudited)	**Total** *US$'million* (Unaudited)	Results before biological fair value adjustments *US$'million* (Unaudited)	Biological fair value adjustments *US$'million* (Unaudited)	Total *US$'million* (Unaudited)
Other comprehensive income for the period:							
Items that may be reclassified subsequently to profit or loss:							
— exchange differences arising on translation of foreign operations				**361**			(152)
— fair value changes in cash flow hedge, net of tax				**(21)**			23
Net other comprehensive income that may be reclassified subsequently to profit or loss				**340**			(129)
Other comprehensive income for the period, net of tax				**340**			(129)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD				**1,259**			763
Profit for the period attributable to:							
— owners of the Company				**788**			784
— non-controlling interests				**131**			108
				919			892
Total comprehensive income for the period attributable to:							
— owners of the Company				**1,111**			672
— non-controlling interests				**148**			91
				1,259			763
EARNINGS PER SHARE							
— Basic (US cents)	7			**6.14**			6.11
— Diluted (US cents)				**6.14**			6.11

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	**30 June 2025** ***US$'million*** **(Unaudited)**	31 December 2024 *US$'million* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*8*	**6,538**	6,393
Right-of-use assets		**669**	607
Biological assets	*9*	**214**	206
Goodwill		**2,090**	2,100
Intangible assets		**1,768**	1,699
Interests in associates		**139**	145
Interests in joint ventures		**107**	95
Other receivables		**70**	84
Financial assets at fair value through profit or loss		**2**	2
Pledged bank deposits		**7**	6
Deferred tax assets		**41**	54
Other non-current assets		**260**	222
Total non-current assets		**11,905**	11,613
CURRENT ASSETS			
Properties under development	*8*	**34**	43
Biological assets	*9*	**1,129**	1,235
Inventories	*10*	**2,882**	2,805
Trade and bills receivables	*11*	**1,211**	888
Prepayments, other receivables and other assets		**510**	523
Debt investments at amortised cost		**231**	179
Financial assets at fair value through profit or loss		**74**	310
Taxation recoverable		**128**	98
Time deposits with original maturity of over three months		**840**	45
Pledged/restricted bank deposits		**70**	47
Cash and bank balances		**1,832**	2,055
Total current assets		**8,941**	8,228

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

30 June 2025

	Notes	**30 June 2025** ***US$'million*** **(Unaudited)**	31 December 2024 *US$'million* (Audited)
CURRENT LIABILITIES			
Trade payables	*12*	**1,000**	1,212
Accrued expenses and other payables	*13*	**1,759**	1,945
Lease liabilities		**82**	71
Taxation payable		**143**	109
Borrowings	*14*	**1,737**	1,049
Bank overdrafts	*14*	**—**	5
Total current liabilities		**4,721**	4,391
NET CURRENT ASSETS		**4,220**	3,837
TOTAL ASSETS LESS CURRENT LIABILITIES		**16,125**	15,450
NON-CURRENT LIABILITIES			
Other payables	*13*	**521**	498
Lease liabilities		**395**	343
Borrowings	*14*	**2,138**	2,256
Deferred tax liabilities		**684**	659
Deferred revenue		**10**	11
Pension liability and other retirement benefits		**326**	322
Total non-current liabilities		**4,074**	4,089
NET ASSETS		**12,051**	11,361
CAPITAL AND RESERVES			
Share capital		**1**	1
Reserves		**10,928**	10,660
Equity attributable to owners of the Company		**10,929**	10,661
Non-controlling interests		**1,122**	700
TOTAL EQUITY		**12,051**	11,361

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	US$'million	*US$'million*
	(Unaudited)	(Unaudited)
Net cash flows from operating activities	**767**	689
Net cash flows used in investing activities	**(829)**	(459)
Net cash flows used in financing activities	**(147)**	(599)
Net decrease in cash and cash equivalents	**(209)**	(369)
Cash and cash equivalents at beginning of period	**2,050**	1,156
Effect of foreign exchange rate changes	**(9)**	(17)
Cash and cash equivalents at end of period	**1,832**	770
Analysis of balances of cash and cash equivalents		
Cash and bank balances	**1,832**	797
Bank overdrafts	**—**	(27)
	1,832	770

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

1. CORPORATE INFORMATION AND BASIS OF PREPARATION

WH Group Limited (the "**Company**") was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands.

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are production and sales of packaged meats and pork.

The functional currency of the Company is United States Dollar ("**US$**").

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (the "**IASB**") and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The interim condensed consolidated financial information has been prepared under the historical cost convention, except for biological assets which are measured on initial recognition and at the end of each reporting period at their fair value less costs to sell, and certain financial instruments which are measured at fair value. This condensed consolidated financial information is presented in US$ and all values are rounded to the nearest million except when otherwise indicated.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2024.

The accounting policies and methods of computation adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRS Accounting Standards issued by the IASB, except for adoption of the revised IFRS Accounting Standards as disclosed in note 2 below.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period's financial information.

Amendments to IAS 21	*Lack of Exchangeability*

The application of the amendments to IFRS Accounting Standard in the current period has had no material effect on the amounts reported and disclosures set out in the interim condensed consolidated financial information.

3. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the executive directors of the Company, who are also the chief operating decision-makers, that are used to make strategic decisions. The Group's reportable segments, which are also the operating segments, are classified based on their locations including China, North America, and Europe and the nature of operations as (i) packaged meats, (ii) pork, and (iii) others.

The details of the Group's business activities are as follows:

(i) Packaged meats — represents production, wholesale and retail sales of low temperature and high temperature meat products.

(ii) Pork — represents hog farming, slaughtering, wholesale and retail sales of fresh and frozen pork.

(iii) Others — represents slaughtering and sales of poultry, sales of ancillary products and services such as provision of logistics services, manufacturing of flavouring ingredients and natural casings, manufacture and sales of packaging materials, operating finance companies, property development companies, a chain of retail food stores, sales of biological pharmaceutical materials, trading of meat related products, and corporate expenses incurred by the Group.

Each reportable segment derives its revenue from the sales of products and provision of services based on the location of operations. They are managed separately because each segment requires different production and marketing strategies.

Segment results represent the profit earned by each segment before biological fair value adjustments without allocation of other income not attributed to the respective segment, other gains and losses, other expenses, finance costs and share of profits (losses) of associates and joint ventures. This is the measure reported to the chief operating decision-makers for the purposes of resources allocation and assessment of segment performance.

Inter-segment revenue was charged at cost plus margin basis.

3. SEGMENT INFORMATION (continued)

The following is an analysis of the Group's revenue and results by reportable segment:

	For the six months ended 30 June 2025			
	Packaged meats *US$'million* (Unaudited)	**Pork** *US$'million* (Unaudited)	**Others** *US$'million* (Unaudited)	**Total** *US$'million* (Unaudited)
China				
Gross segment revenue	1,531	1,967	884	4,382
Less: Inter-segment revenue	—*	(172)	(198)	(370)
Revenue	1,531	1,795	686	4,012
Reportable segment profit (loss)	411	28	(4)	435
North America				
Gross segment revenue	4,103	5,002	12	9,117
Less: Inter-segment revenue	(1)	(1,723)	—	(1,724)
Revenue	4,102	3,279	12	7,393
Reportable segment profit (loss)	569	163	(57)	675
Europe				
Gross segment revenue	1,029	815	498	2,342
Less: Inter-segment revenue	(22)	(266)	(72)	(360)
Revenue	1,007	549	426	1,982
Reportable segment profit	67	64	18	149
Total				
Gross segment revenue	6,663	7,784	1,394	15,841
Less: Inter-segment revenue	(23)	(2,161)	(270)	(2,454)
Revenue#	6,640	5,623	1,124	13,387
Reportable segment profit (loss)	1,047	255	(43)	1,259
Net unallocated expenses				(33)
Biological fair value adjustments				81
Finance costs				(74)
Share of losses of associates				(7)
Share of profits of joint ventures				5
Profit before tax				1,231

* Less than US$1 million.

3. SEGMENT INFORMATION (continued)

	For the six months ended 30 June 2024			
	Packaged meats *US$'million* (Unaudited)	Pork *US$'million* (Unaudited)	Others *US$'million* (Unaudited)	Total *US$'million* (Unaudited)
China				
Gross segment revenue	1,697	1,894	731	4,322
Less: Inter-segment revenue	—*	(238)	(189)	(427)
Revenue	1,697	1,656	542	3,895
Reportable segment profit (loss)	460	28	(41)	447
North America				
Gross segment revenue	3,944	4,344	22	8,310
Less: Inter-segment revenue	(1)	(1,634)	(1)	(1,636)
Revenue	3,943	2,710	21	6,674
Reportable segment profit (loss)	614	(4)	(66)	544
Europe				
Gross segment revenue	873	818	394	2,085
Less: Inter-segment revenue	(22)	(258)	(81)	(361)
Revenue	851	560	313	1,724
Reportable segment profit	63	71	15	149
Total				
Gross segment revenue	6,514	7,056	1,147	14,717
Less: Inter-segment revenue	(23)	(2,130)	(271)	(2,424)
Revenue#	6,491	4,926	876	12,293
Reportable segment profit (loss)	1,137	95	(92)	1,140
Net unallocated expenses				(25)
Biological fair value adjustments				130
Finance costs				(74)
Share of profits of associates				—*
Share of losses of joint ventures				(—*)
Profit before tax				1,171

* Less than US$1 million.

Over 99% of the Group's revenue was recognised at a point in time.

No segment assets and liabilities are disclosed as they are not regularly provided to the chief operating decision-makers.

3. SEGMENT INFORMATION (continued)

Geographical information

Information about the Group's revenue presented above is based on the geographical locations of operation.

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging (crediting):

	Six months ended 30 June	
	2025	2024
	US$'million	*US$'million*
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	**309**	305
Depreciation of right-of-use assets	**44**	44
Amortisation of intangible assets included in administrative expenses	**8**	5
Inventories provisions, net, included in cost of sales	**7**	4
Impairment loss on property, plant and equipment	**3**	—*
Impairment loss on trade receivables, net, included in administrative expenses	**1**	1
Lease payments not included in the measurement of lease liabilities	**85**	98
Research and development expenses	**89**	101
Staff costs (excluding directors' remuneration)	**2,129**	2,001
Legal contingencies	**80**	—
Gain on disposal of financial assets at fair value through profit or loss	**(1)**	—
Loss on disposal of property, plant and equipment, net	**2**	1
(Gain) loss on disposal of other assets	**(3)**	7
Fair value gain on financial assets at fair value through profit or loss	**(3)**	(4)

The cost of sales represented the cost of inventories and services provided recognised in profit or loss during both periods.

* Less than US$1 million.

5. TAXATION

	Six months ended 30 June	
	2025	2024
	US$'million	*US$'million*
	(Unaudited)	(Unaudited)
China income tax	**104**	109
US income tax	**155**	92
Europe income taxes	**27**	37
Other income taxes	**—**	—*
Withholding tax	**21**	18
Deferred taxation	**5**	23
	312	279

Income tax is calculated at the applicable tax rates prevailing in the respective jurisdictions of the Group's operations.

6. DIVIDENDS

At the Company's annual general meeting held on 9 May 2025, the shareholders of the Company approved the payment of a final dividend of HK$0.40 per share (year ended 31 December 2023: HK$0.25 per share) of the Company for the year ended 31 December 2024, as recommended by the Board, which was paid in cash to the shareholders of the Company on 29 May 2025, whose names appeared on the register of members of the Company on 20 May 2025.

The Board declared an interim dividend of HK$0.20 per share for the six months ended 30 June 2025 (six months ended 30 June 2024: HK$0.10 per share) to the shareholders of the Company whose names appear on the register of members of the Company on 29 August 2025. The dividend is to be paid in cash to the shareholders of the Company on or about 30 September 2025.

* Less than US$1 million.

7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2025	2024
	US$'million	*US$'million*
	(Unaudited)	(Unaudited)
Earnings		
Profit for the period attributable to owners of the Company for the purpose of basic and diluted earnings per share	**788**	784

	Six months ended 30 June	
	2025	2024
	million shares	*million shares*
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares for the purpose of diluted earnings per share *(Note)*	**12,830.22**	12,830.22

Note: Diluted earnings per share for the six months ended 30 June 2025 and 30 June 2024 were the same as the basic earnings per share as the Group had no potentially dilutive ordinary shares during the periods.

8. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND PROPERTIES UNDER DEVELOPMENT

During the six months ended 30 June 2025, the Group incurred US$252 million (six months ended 30 June 2024: US$277 million) on the additions of items of property, plant and equipment.

During the six months ended 30 June 2025 and 30 June 2024, there were no additions to properties under development of the Group.

9. BIOLOGICAL ASSETS

The biological assets of the Group are live hogs and poultry at various stages of development, including suckling hogs, nursery hogs, finishing hogs and broilers, which are classified as current assets. Biological assets also include breeding stock (hogs and poultry), which are used to produce future live hogs and broilers, are classified as non-current assets of the Group. The quantity of live hogs, broilers and breeding stock owned by the Group at the end of each reporting period are as follows:

	30 June 2025	31 December 2024
	Head' million	*Head' million*
	(Unaudited)	(Audited)
Live hogs		
— suckling	**2**	2
— nursery	**2**	2
— finishing	**6**	8
	10	12
Breeding stock (hogs)	**1**	1
	11	13
Broilers	**30**	19
Breeding stock (poultry)	**3**	3
	33	22

The Group is exposed to a number of risks related to its biological assets. The Group is exposed to the following operating risks:

(i) Regulatory and environmental risks

The Group is subject to laws and regulations in the location in which it operates breeding of hogs and poultry. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular review to identify environmental risks and to ensure that the systems in place are adequate to manage these risks.

(ii) Climate, disease and other natural risks

The Group's biological assets are exposed to the risk of damage from climatic changes, diseases and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular inspections, disease controls and insurance.

9. BIOLOGICAL ASSETS (continued)

Carrying value of the Group's biological assets

Changes in fair value less costs to sell of biological assets include changes in the fair value of the hogs and poultry at the end of each of the reporting periods.

Analysed for reporting purpose as:

	30 June 2025	31 December 2024
	US$'million	*US$'million*
	(Unaudited)	(Audited)
Current assets	**1,129**	1,235
Non-current assets	**214**	206
	1,343	1,441

Fair value measurement

The fair value of breeding stock (hogs) is determined based on the average of the historical selling price of hog of similar breed and genetic merit less costs to sell (Level 3). The estimated fair value will significantly increase when there is a slight increase in the average historical selling price, and vice versa.

The fair value of breeding stock (poultry) is determined by the replacement cost method, which is based on the cost of restoring the breeders to their original condition, taking into account the newness and residual value. The estimated fair value will increase when there is an increase in the chicken breeds price or breeding cost, or decrease in the culling rate, and vice versa.

The fair values of live hogs and broilers are mainly determined based on the price of hogs and broilers in the actively traded market, subtracting the breeding costs required to raise the live hogs and broilers to be slaughtered and the margins that would be required by a raiser and less costs to sell (Level 3). The estimated fair value will increase when there is an increase in the market price of hogs and broilers or decrease in the breeding cost required to raise the live hogs and broilers, and vice versa.

10. INVENTORIES

	30 June 2025 *US$'million* **(Unaudited)**	31 December 2024 *US$'million* (Audited)
Raw materials	**1,043**	1,242
Work in progress	**375**	315
Finished goods	**1,464**	1,248
	2,882	2,805

11. TRADE AND BILLS RECEIVABLES

	30 June 2025 *US$'million* **(Unaudited)**	31 December 2024 *US$'million* (Audited)
Trade receivables	**1,220**	899
Impairment	**(15)**	(13)
	1,205	886
Bills receivable	**6**	2
	1,211	888

The general credit term allowed by the Group to its customers is within 30 days in China operations while the credit terms vary depending on the sales channels and customers for the US and other countries' operations. The following is an aging analysis of the trade and bills receivables net of loss allowance presented based on the date of delivery of goods which approximated the respective dates on which revenue was recognised:

	30 June 2025 *US$'million* **(Unaudited)**	31 December 2024 *US$'million* (Audited)
Current to 30 days	**1,106**	786
31 to 90 days	**98**	87
91 to 180 days	**4**	8
Over 180 days	**3**	7
	1,211	888

12. TRADE PAYABLES

The average credit period on purchases of goods is about 30 days in China operations and the credit terms vary depending on the vendors for the US and other countries of operations. The Group has financial risk management policies in place to ensure that the payables are paid within the credit timeframe.

The following is an aging analysis of trade payables based on the invoice date:

	30 June 2025	31 December 2024
	US$'million	*US$'million*
	(Unaudited)	(Audited)
Within 30 days	**982**	1,201
31 to 90 days	**14**	9
91 to 180 days	**3**	1
181 to 365 days	**1**	1
	1,000	1,212

13. ACCRUED EXPENSES AND OTHER PAYABLES

	30 June 2025 *US$'million* **(Unaudited)**	31 December 2024 *US$'million* (Audited)
Accrued staff costs	**404**	565
Deposits received	**73**	69
Sales rebates payables	**153**	149
Payables in respect of acquisition of property, plant and equipment	**161**	166
Accrued insurance	**126**	122
Interest payable	**24**	24
Redeemable non-controlling interests	**355**	330
Growers payables	**39**	51
Pension liability	**23**	23
Derivative financial instruments	**28**	11
Accrued professional expenses	**11**	7
Accrued rent and utilities	**41**	40
Dividend payables	**4**	4
Contract liabilities	**314**	344
Other accrued expenses	**378**	363
Other payables	**146**	175
	2,280	2,443
Analysed for reporting purposes as:		
Current liabilities	**1,759**	1,945
Non-current liabilities	**521**	498
	2,280	2,443

14. BORROWINGS

	30 June 2025 ***US$'million*** **(Unaudited)**	31 December 2024 *US$'million* (Audited)
Senior unsecured notes:		
4.250% senior unsecured notes due February 2027	**599**	599
5.200% senior unsecured notes due April 2029	**398**	397
3.000% senior unsecured notes due October 2030	**494**	493
2.625% senior unsecured notes due September 2031	**493**	493
	1,984	1,982
Commercial papers	**—**	—
Bank loans:		
Secured	**—**	6
Unsecured	**1,885**	1,312
Loans from third parties:		
Secured	**1**	1
Unsecured	**5**	4
Total borrowings other than bank overdrafts	**3,875**	3,305
Bank overdrafts	**—**	5
The borrowings are repayable as follows:		
Within one year	**1,737**	1,049
One to two years	**726**	242
Two to five years	**418**	1,019
After five years	**994**	995
	3,875	3,305
Less: Amounts due within one year shown under current liabilities	**(1,737)**	(1,049)
Amounts due after one year	**2,138**	2,256
Total borrowings:		
At fixed rates	**3,557**	2,992
At floating rates	**318**	313
	3,875	3,305

OTHER INFORMATION

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") consists of three independent non-executive Directors, namely Ms. Zhou Hui (Chairman), Mr. Huang Ming and Mr. Lau, Jin Tin Don. The Audit Committee and the Company's management have reviewed the interim results of the Group, together with the internal control and financial reporting matters of the Group, including the interim financial information for the Review Period which has been reviewed by the Company's external auditor, Ernst & Young.

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Group are committed to the maintenance of good corporate governance practices and procedures. Throughout the Review Period, the Company has complied with all the applicable code provisions set out in the Corporate Governance Code in Appendix C1 to the Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct (the "**Code of Conduct**") regarding securities transactions by the Directors on terms no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**"). The Company has made specific enquiries with each Director and each of them confirmed that he or she had complied with all required standards set out in the Model Code and the Code of Conduct during the Review Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Review Period.

INTERIM DIVIDEND

The Board has recommended the payment of an interim dividend of HK$0.20 per share (2024: HK$0.10 per share) for the six months ended 30 June 2025 (the "**2025 Interim Dividend**"), representing a total payment of approximately HK$2,566 million (equivalent to approximately US$327 million) (2024: approximately HK$1,283 million, equivalent to approximately US$164 million) to the shareholders of the Company (the "**Shareholders**"). The 2025 Interim Dividend is expected to be paid in cash to the Shareholders whose names appear on the register of members of the Company on Friday, 29 August 2025 on or about Tuesday, 30 September 2025. The register of members of the Company will be closed from Wednesday, 27 August 2025 to Friday, 29 August 2025, both days inclusive, during which period no transfer of shares will be registered. To ensure their entitlement to the 2025 Interim Dividend, Shareholders are reminded to lodge their transfers of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms not later than 4:30 p.m. on Tuesday, 26 August 2025 for registration with Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.wh-group.com). The 2025 interim report of the Company will be despatched to the Shareholders and published on the same websites in due course.

By order of the Board
WH Group Limited
Wan Long
Chairman

Hong Kong, 12 August 2025

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