

# THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Offer, this Offer Document and/or the accompanying Form of Acceptance or as the action to be taken, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in WH Group Limited, you should at once hand this Offer Document and the accompanying Form of Acceptance and form of proxy to the purchaser(s) or transferee(s), licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

This Offer Document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms and conditions of the Offer.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Offer Document and the accompanying Form of Acceptance, 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 Offer Document and the accompanying Form of Acceptance.



## WH Group Limited 萬洲國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 288)

### (1) CONDITIONAL VOLUNTARY CASH OFFER BY MERRILL LYNCH (ASIA PACIFIC) LIMITED AND MORGAN STANLEY ASIA LIMITED ON BEHALF OF THE COMPANY TO BUY-BACK UP TO 1,916,937,202 SHARES AT A PRICE OF HK\$7.80 PER SHARE (2) APPLICATION FOR WHITEWASH WAIVER AND (3) NOTICE OF EGM

Financial Advisers to the Company

**BofA SECURITIES**



**Morgan Stanley**

(in alphabetical order)

Independent Financial Adviser to the Independent Board Committee

**ANGLO CHINESE**  
CORPORATE FINANCE, LIMITED



Capitalised terms used in this cover shall have the same meanings as those defined in the section headed "Definitions" in this Offer Document.

A letter from the Board is set out on pages 8 to 23 of this Offer Document. A letter from BofA Securities and Morgan Stanley containing, among other things, the details of the terms of the Offer is set out on pages 24 to 34 of this Offer Document. A letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the Offer and the Whitewash Waiver is set out on pages 35 to 36 of this Offer Document. A letter from Anglo Chinese containing its opinion and advice to the Independent Board Committee in respect of the Offer and the Whitewash Waiver is set out on pages 37 to 79 of this Offer Document.

A notice convening the EGM to be held at Jade Room I&II, Level 3, The Ritz-Carlton, Hong Kong, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong at 10:30 a.m. on Monday, 16 August 2021 is set out on pages EGM-1 to EGM-3 of this Offer Document. A form of proxy for use at the EGM is enclosed herewith. Such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.wh-group.com](http://www.wh-group.com)). Whether or not you intend to attend and vote at the EGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to Computershare, the branch share registrar of the Company in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. before 10:30 a.m. on Saturday, 14 August 2021) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so desire.

#### PRECAUTIONARY MEASURES FOR THE EGM

In order to facilitate the prevention and control of the spread of COVID-19 at the EGM, the Company will implement the following measures at the EGM:

1. compulsory body temperature checks;
2. wearing of surgical face masks; and
3. no distribution of corporate gifts and refreshments.

Attendees who do not comply with the precautionary measures referred to in 1 and 2 above, or who are subject to health quarantine or compulsory testing prescribed by the Government of Hong Kong, or attendees with a body temperature of over 37.3 degrees Celsius may be denied entry into the venue of the EGM at the full discretion of the Company as permitted by law. The Shareholders who are denied entry to the venue of the EGM will be provided with voting slips of the EGM and may complete, sign and return the voting slips to exercise their voting rights.

Shareholders are requested (a) to consider carefully the risk of attending the EGM, which will be held in an enclosed environment, (b) to follow any prevailing requirements or guidelines of the Hong Kong Government relating to COVID-19 in deciding whether or not to attend the EGM; and (c) not to attend the EGM if they have contracted or are suspected to have contracted COVID-19 or have been in close contact with anybody who has contracted or is suspected to have contracted COVID-19.

Shareholders are strongly encouraged to appoint the chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM instead of attending the EGM in person, by completing and return the form of proxy attached to this Offer Document.

30 July 2021

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## EXPECTED TIMETABLE

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*The timetable set out below is indicative and may be subject to changes. Any change to the timetable will be announced by the Company as and when appropriate. All references to times and dates contained in this Offer Document and accompanying Form of Acceptance refer to Hong Kong times and dates.*

Despatch date of this Offer Document, notice of EGM, form of proxy and Form of Acceptance . . . . .	Friday, 30 July 2021
Latest time for lodging transfer of Shares to qualify for attendance at the EGM. . . . .	4:30 p.m. on Tuesday, 10 August 2021
Closure of Register (both days inclusive). . . . .	Wednesday, 11 August 2021 to Monday, 16 August 2021
Latest time for lodging form of proxy for the EGM. . . . .	10:30 a.m. on Saturday, 14 August 2021
EGM. . . . .	10:30 a.m. on Monday, 16 August 2021
Announcement of results of the EGM and whether the Offer has become unconditional . . . . .	by 7:00 p.m. on Monday, 16 August 2021
Latest time for lodging the Form of Acceptance and latest time for determining Shareholders' entitlement to participate in the Offer based on the records of the Register ( <i>Notes 1 and 3</i> ) . . . . .	4:00 p.m. on Monday, 30 August 2021
Closing date of the Offer. . . . .	Monday, 30 August 2021
Record Date . . . . .	Monday, 30 August 2021
Announcement of results of the Offer to be posted on the Stock Exchange's website . . . . .	by 7:00 p.m. on Monday, 30 August 2021
Latest date for despatch of cheques to the Accepting Shareholders ( <i>Note 4</i> ) . . . . .	Wednesday, 8 September 2021
Latest date for despatch of Share certificates for those Shares tendered but not bought-back under the Offer (if applicable) . . . . .	Thursday, 9 September 2021

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## EXPECTED TIMETABLE

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*Notes:*

1. Dealings in the Shares after Thursday, 26 August 2021 will not be settled under the rules of the Stock Exchange prior to the Record Date.
2. The Executive has indicated its intention, subject to (i) the approval by more than 50% of the votes cast by the Independent Shareholders in respect of the Offer and (ii) the approval by at least 75% of the votes cast by the Independent Shareholders in respect of the Whitewash Waiver at the EGM by way of poll, to waive any obligation of the Controlling Shareholders to make a general offer which might result from completion of the Offer. Assuming that the resolutions relating to the Offer and the Whitewash Waiver will be approved by the Independent Shareholders respectively and the Offer has become unconditional on Monday, 16 August 2021, being the date of the EGM, the Offer will remain open for acceptance for a period of 14 days thereafter and will not be extended.
3. In order to accept the Offer, Shareholders are required to submit to the Registrar the duly completed Form of Acceptance in accordance with the instructions as set out in this Offer Document and on the Form of Acceptance (which instructions form part of the terms and conditions of the Offer) at or before 4:00 p.m. on Monday, 30 August 2021.
4. Remittance for the total amounts due to Accepting Shareholders under the Offer (subject to deduction of seller's ad valorem stamp duty payable on the Shares bought-back from such Accepting Shareholders) will be made by the Company within 7 Business Days after the close of the Offer.
5. Beneficial owners of the Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (as set out in Appendix I to this Offer Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures. Acceptances of the Offer are irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.
6. All times and dates in this Offer Document are Hong Kong times and dates.

### **EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF THE OFFER**

If there is (i) a tropical cyclone warning signal number 8 or above; or (ii) a “black” rainstorm warning signal; or (iii) extreme condition caused by super typhoon: (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the closing day of the Offer, the latest time and date for acceptance of the Offer will remain at 4:00 p.m. on the same Business Day; or (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the closing day of the Offer, the latest time and date for acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. or such other day as the Executive may approve.

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## DEFINITIONS

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*In this Offer Document, the following expressions have the meanings set out below unless the context requires otherwise:*

“Accepting Shareholder(s)”	Shareholder(s) accepting the Offer
“acting in concert”	has the meaning ascribed thereto in the Codes, and “parties acting in concert” shall be construed accordingly
“ADS”	an American depositary share representing 20 Shares
“Announcement”	the announcement of the Company dated 6 June 2021 in relation to, among other things, the Offer and the application for the Whitewash Waiver
“Articles of Association”	the amended and restated memorandum and articles of association of the Company
“associate(s)”	has the meaning ascribed thereto in the Codes
“Auspicious Joy”	Auspicious Joy Enterprises Limited, a limited liability company incorporated under the laws of the British Virgin Islands
“Board”	the board of Directors
“BofA Securities”	Merrill Lynch (Asia Pacific) Limited, a corporation licensed under the SFO to carry on type 1 (dealing in securities), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) regulated activities, a financial adviser to the Company in connection with the Offer
“BofA Securities Group”	BofA Securities and persons controlling, controlled by or under the same control as BofA Securities
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Chang Yun”	Chang Yun Holdings Limited (運昌控股有限公司), a limited liability company incorporated under the laws of the British Virgin Islands and one of the Controlling Shareholders
“Chang Yun Share Plan”	the share plan dated 23 December 2019 under which a group of existing and former employees of the Group hold 100% of the beneficial interests in Auspicious Joy, which in turn holds 100% of the equity interest in Chang Yun

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## DEFINITIONS

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“close relative(s)”	has the meaning ascribed thereto under the Takeovers Code for the purpose of classes (2), (6) and (8) of the definition of “acting in concert”
“Codes”	collectively, the Takeovers Code and the Share Buy-backs Code
“Company”	WH Group Limited, a limited liability company incorporated under the laws of the Cayman Islands and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 288)
“Conditions”	the conditions of the Offer, as set out under the section headed “E. Conditions of the Offer” in the Letter from the Board in this Offer Document and “Condition” means any of them
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and, unless the context requires otherwise, refers to Rise Grand, Heroic Zone, Chang Yun, High Zenith and Sure Pass and “Controlling Shareholder” means any one of them
“Controlling Shareholders Concert Group”	the Controlling Shareholders and their respective parties acting in concert with them including, among others, Heroic Zone, Sure Pass, High Zenith, Chang Yun, Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun, Mr. Ma Xiangjie, Mr. Liu Songtao and Mr. Zhang Liwen
“Controlling Shareholders Concert Group Undertakings”	the irrevocable undertakings given by (i) each of Heroic Zone, Sure Pass, High Zenith, Chang Yun, Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun and Mr. Ma Xiangjie that it or he will not, and will procure the holders of the Shares whose Shares it or he is deemed to be interested in by virtue of Part XV of the SFO not to, accept the Offer or transfer or dispose of any of the Shares held by them during the Offer Period; and (ii) each of Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun, Mr. Ma Xiangjie and Mr. Liu Songtao that he will not exercise any Options held by him during the Offer Period
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“CSP ESC”	the employee share committee of the Chang Yun Share Plan
“CSP Participants”	the participants of the Chang Yun Share Plan
“Deposit Agreement”	the deposit agreement dated 17 January 2017 and entered into by the Company, The Bank of New York Mellon (as depositary) and all owners and holders from time to time of the ADSs issued thereunder

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## DEFINITIONS

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“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held on Monday, 16 August 2021 at 10:30 a.m. for the Independent Shareholders to consider and, if thought fit, to approve resolutions in respect of the Offer and the Whitewash Waiver
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“First Quarterly Results Announcement”	the announcement of the Company dated 27 April 2021 in relation to the unaudited consolidated quarterly results of the Group for the three months ended 31 March 2021
“Form of Acceptance”	the form of acceptance to be issued with the Offer Document to the Shareholders for use by such persons in connection with the Offer
“Group”	the Company and its subsidiaries
“Heroic Zone”	Heroic Zone Investments Limited (雄域投資有限公司), a limited liability company incorporated under the laws of the British Virgin Islands and one of the Controlling Shareholders
“Heroic Zone Share Plan”	the share plan dated 25 December 2009, revised on 17 December 2012 and 11 July 2016 respectively, under which a group of existing and former employees of Henan Shuanghui Investment & Development Co., Ltd. (河南雙匯投資發展股份有限公司), an indirect non-wholly owned subsidiary of the Company and the shares of which are listed on the Shenzhen Stock Exchange in the PRC (stock code: 000895), and its associated entities hold 100% of the beneficial interests in Rise Grand, which in turn holds 100% of the equity interest in Heroic Zone
“High Zenith”	High Zenith Limited, a limited liability company incorporated under the laws of the British Virgin Islands and one of the Controlling Shareholders
“HK\$” or “Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	HKSCC Nominees Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HSP ESC”	the employee share committee of the Heroic Zone Share Plan

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## DEFINITIONS

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“HSP Participants”	the participants of the Heroic Zone Share Plan
“Independent Board Committee”	the independent committee of the Board comprising all the non-executive Directors, namely, Mr. Jiao Shuge, Mr. Huang Ming, Mr. Lee Conway Kong Wai and Mr. Lau, Jin Tin Don, which is formed to advise the Independent Shareholders in relation to the Offer and the Whitewash Waiver
“Independent Financial Adviser” or “Anglo Chinese”	Anglo Chinese Corporate Finance, Limited, a licensed corporation under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial adviser appointed (with the approval by the Independent Board Committee) to advise the Independent Board Committee and the Independent Shareholders in relation to the Offer and the Whitewash Waiver
“Independent Shareholder(s)”	<p>Shareholder(s) other than (i) members of the Controlling Shareholders Concert Group; (ii) any Shareholder who has a material interest in the Offer or the Whitewash Waiver different from all other Shareholders; (iii) any Shareholder who is involved in or interested in the Offer and/or the Whitewash Waiver; and (iv) any person who may be required to abstain from voting on the resolutions in respect of the Offer and the Whitewash Waiver to be proposed at the EGM in accordance with the Codes</p> <p>For the avoidance of doubt, the Independent Shareholders shall include any member of the BofA Securities Group or the Morgan Stanley Group which is a registered owner of the Shares which are held on behalf of beneficial owners of such Shares who are investment clients where such beneficial owners (A) control the voting rights attached to such Shares, (B) give instructions as to how such Shares are to be voted and (C) are not otherwise involved in, or interested in, the Offer and/or the Whitewash Waiver</p>
“Last Trading Day”	1 June 2021, being the last full trading day in the Shares immediately prior to the date of the Announcement
“Latest Acceptance Time”	the latest time for receipt by the Registrar of the Acceptance Form submitted by the Shareholders, being 4:00 p.m. on Monday, 30 August 2021, or such later date as the Company may announce in accordance with the requirements of the Codes

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## DEFINITIONS

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“Latest Practicable Date”	27 July 2021, being the latest practicable date for the purpose of ascertaining certain information referred to in this Offer Document prior to its printing
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Stop Date”	19 November 2021
“Maximum Number”	1,916,937,202 Shares, being the maximum number of Shares to be bought-back pursuant to the Offer, representing approximately 13.0% of the issued Shares as at the Latest Practicable Date
“Morgan Stanley”	Morgan Stanley Asia Limited, a company incorporated in Hong Kong with limited liability and licensed under the SFO to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities, and a financial adviser to the Company in connection with the Offer
“Morgan Stanley Group”	Morgan Stanley and persons controlling, controlled by or under the same control as Morgan Stanley
“Offer”	a conditional voluntary cash offer by BofA Securities and Morgan Stanley (in alphabetical order) on behalf of the Company to buy-back up to the Maximum Number at the Offer Price from the Shareholders
“Offer Document”	this document (accompanying with the form of proxy for voting at the EGM and the Acceptance Form)
“Offer Period”	has the meaning ascribed thereto under the Codes and commencing from the date of the Announcement
“Offer Price”	HK\$7.80 per Share
“Option(s)”	the share option(s), each relating to one Share, granted and outstanding under the Pre-IPO Share Option Scheme from time to time
“Overseas Shareholder(s)”	Shareholder(s), whose addresses as shown on the register of members of the Company are outside Hong Kong
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme approved and adopted by the Company on 21 January 2014 and as amended on 4 April 2014

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## DEFINITIONS

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“Record Date”	the record date for the Offer, i.e. Monday, 30 August 2021
“Register”	the register of members of the Company
“Registrar” or “Computershare”	Computershare Hong Kong Investor Services Limited, being the Company’s Hong Kong branch share registrar, whose address is situated at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Relevant Period”	the period from 6 December 2020 (being the date falling six months prior to 6 June 2021, the commencement date of the Offer Period) up to and including the Latest Practicable Date
“Rise Grand”	Rise Grand Group Limited, a company incorporated in the British Virgin Islands with limited liability and one of the Controlling Shareholders
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) with nominal value of US\$0.0001 each in the share capital of the Company
“Share Buy-backs Code”	the Code on Share Buy-backs of Hong Kong
“Shareholder(s)”	registered holder(s) of the Shares from time to time
“Shuanghui Development”	Henan Shuanghui Investment & Development Co., Ltd. (河南雙匯投資發展股份有限公司), an indirect non-wholly owned subsidiary of the Company and a joint stock limited company established under the laws of the PRC, the shares of which are listed on the Shenzhen Stock Exchange in the PRC (stock code: 000895)
“Smithfield”	Smithfield Foods, Inc., a corporation incorporated in the Commonwealth of Virginia, the United States and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sure Pass”	Sure Pass Holdings Limited (順通控股有限公司), a limited liability company incorporated under the laws of the British Virgin Islands and one of the Controlling Shareholders
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong

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## DEFINITIONS

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“Title Document(s)”	the relevant Share certificate(s), transfer receipt(s) and/or other document(s) of title with respect to ownership(s) of the Share(s) (and/or any satisfactory indemnity or indemnities required in respect thereof)
“United States” or “U.S.”	the United States of America
“US\$”	United States dollars, the lawful currency of the United States
“Whitewash Waiver”	a waiver to be granted by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of the obligations of the Controlling Shareholders to make a mandatory general offer for all the Shares and other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) not already owned by the Controlling Shareholders Concert Group under Rule 26.1(d) of the Takeovers Code, which may otherwise arise as a result of completion of the Offer
“%”	per cent



**WH Group Limited**  
**萬洲國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 288)**

*Executive Directors:*

Mr. WAN Long

*(Chairman and Chief Executive Officer)*

Mr. GUO Lijun *(Executive Vice President  
and Chief Financial Officer)*

Mr. MA Xiangjie

*(President of Shuanghui Development)*

*Non-executive Director:*

Mr. JIAO Shuge

*Independent Non-executive Directors:*

Mr. HUANG Ming

Mr. LEE Conway Kong Wai

Mr. LAU, Jin Tin Don

*Registered Office:*

Maples Corporate Services Limited

PO Box 309, Umland House

Grand Cayman KY1-1104

Cayman Islands

*Principal Place of Business and*

*Corporate Headquarter in Hong Kong:*

Unit 7602B-7604A

Level 76, International Commerce Centre

1 Austin Road West

Kowloon

Hong Kong

30 July 2021

*To the Shareholders*

Dear Sir or Madam,

**(1) CONDITIONAL VOLUNTARY CASH OFFER  
BY MERRILL LYNCH (ASIA PACIFIC) LIMITED AND  
MORGAN STANLEY ASIA LIMITED ON BEHALF OF  
THE COMPANY TO BUY-BACK UP TO 1,916,937,202 SHARES  
AT A PRICE OF HK\$7.80 PER SHARE  
AND  
(2) APPLICATION FOR WHITEWASH WAIVER**

**A. INTRODUCTION**

On 6 June 2021, the Company announced that the Board resolved on 2 June 2021 for a conditional voluntary cash offer to be made by BofA Securities and Morgan Stanley on behalf of the Company to buy-back, subject to the Conditions, for cancellation up to the

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## LETTER FROM THE BOARD

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Maximum Number, being 1,916,937,202 Shares, representing approximately 13.0% of the issued share capital of the Company as at the Latest Practicable Date, at a cash consideration of HK\$7.80 per Share.

BofA Securities and Morgan Stanley have been appointed as the financial advisers to the Company in connection with the Offer, and Anglo Chinese has been appointed, with the approval by the Independent Board Committee, to act as the Independent Financial Adviser to give its opinion to the Independent Board Committee and the Independent Shareholders in respect of the Offer and the Whitewash Waiver.

The purpose of this Offer Document is to provide you with, among other things, (i) information on the business and financial position of the Group and reasons of the Offer; (ii) detailed terms and conditions of the Offer; (iii) the letter from the Independent Board Committee containing its recommendation and advice to the Independent Shareholders in respect of the Offer and the Whitewash Waiver; (iv) the letter from Anglo Chinese containing its advice in respect of the Offer and the Whitewash Waiver; and (v) notice of EGM for the Independent Shareholders to consider and, if thought fit, pass the necessary resolutions to approve the Offer and the Whitewash Waiver. The Form of Acceptance accompanying this Offer Document is for use only by the Shareholders who wish to accept the Offer.

### **B. THE OFFER**

The number of Shares to be bought-back for cancellation by BofA Securities and Morgan Stanley on behalf of the Company at the price of HK\$7.80 per Share will not exceed the Maximum Number, being 1,916,937,202 Shares, representing approximately 13.0% of the issued share capital of the Company as at the Latest Practicable Date.

The Offer is not conditional upon a minimum number of Shares being tendered for buy-backs.

The Offer will be made in full compliance with the Codes.

### **C. THE OFFER PRICE**

The Offer Price of HK\$7.80 valued the entire issued share capital of the Company as at the Latest Practicable Date (being 14,747,156,752 Shares) at approximately HK\$115,027.8 million.

The Offer Price of HK\$7.80 in cash per Share represents:

- (a) a premium of approximately 29.78% over the closing price of HK\$6.0100 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (b) a premium of approximately 17.29% over the closing price of HK\$6.6500 per Share as quoted on the Stock Exchange on 1 June 2021 (being the Last Trading Day);

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## LETTER FROM THE BOARD

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- (c) a premium of approximately 16.35% over HK\$6.7040 which is the average closing price per Share as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day;
- (d) a premium of approximately 16.31% over HK\$6.7060 which is the average closing price per Share as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day;
- (e) a premium of approximately 15.64% over HK\$6.7453 which is the average closing price per Share as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day;
- (f) a premium of approximately 13.54% over HK\$6.8700 which is the average closing price per Share as quoted on the Stock Exchange for the 60 consecutive trading days up to and including the Last Trading Day;
- (g) a premium of approximately 15.22% over HK\$6.7698 which is the average closing price per Share as quoted on the Stock Exchange over the 90 consecutive trading days up to and including the Last Trading Day;
- (h) a premium of approximately 35.10% to the consolidated net asset value of the Company as at 31 December 2020 of approximately US\$0.74 per Share (equivalent to approximately HK\$5.77 per Share based on the exchange rate of US\$1:HK\$7.75) pursuant to the latest audited consolidated financial statements of the Company; and
- (i) a premium of approximately 45.25% to the reassessed net asset value attributable to owners of the Company (the “**Reassessed NAV**”) per Share of approximately HK\$5.37 taking into account the property valuation of the Group, the details of which are set out in the summary report in Appendix IV to this Offer Document.

The Offer Price was determined after taking into account, among other things, the historical prices of the Shares traded on the Stock Exchange, historical financial information of the Group and the prevailing market conditions and sentiments, and with reference to the share buy-back transactions of companies listed on the Main Board of the Stock Exchange in recent years.

The Company will not increase the Offer Price. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Company will not be allowed to increase the Offer Price. The Company does not reserve the right to increase the Offer Price.

### **D. CONFIRMATION OF FINANCIAL RESOURCES**

The consideration for the Offer, being approximately HK\$14,952.1 million if the Offer is accepted in full, will be paid in cash and will be funded by (i) internal resources of the Group and (ii) a committed facility, in the aggregate principal amount of US\$2 billion from Bank of China Limited, Macau Branch; Bank of America, National Association, Hong

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## LETTER FROM THE BOARD

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Kong Branch; Citigroup Global Markets Asia Limited; Crédit Agricole Corporate and Investment Bank; Standard Chartered Bank (Hong Kong) Limited; and Coöperatieve Rabobank U.A., Hong Kong Branch (the “**Original Lenders**”) pursuant to a facility agreement dated 4 June 2021 (the “**Facility Agreement**”).

Subject to the terms of the Facility Agreement, the lenders (including any Original Lender and/or any bank, financial institution, trust, fund or other entity which has become a party to the Facility Agreement) agree to make available to WHG Investment Limited (a wholly-owned subsidiary of the Company) (as borrower) a term loan facility (which may be utilised in Hong Kong dollars or US dollars) in an aggregate amount of up to US\$2,000,000,000. The rate of interest of the loans under the Facility Agreement shall be of HIBOR or LIBOR (as applicable) plus 1.15 per cent. per annum. WHG Investment Limited shall repay the loan under the Facility Agreement in full on the date falling 24 months after the date on which the loan under the Facility Agreement is made (the “**Utilisation Date**”), as may be extended to the date falling 48 months after the Utilisation Date at the option of WHG Investment Limited pursuant to the terms of the Facility Agreement.

The Company (as guarantor) has irrevocably and unconditionally guaranteed, among others, the punctual performance by WHG Investment Limited of all of its obligations under the relevant finance documents pursuant to the terms of the Facility Agreement.

The Facility Agreement is subject to representations, warranties and covenants which are customary to such type of loan facility. Customary events of default such as change of control of the Company and certain members of the Group could trigger acceleration of payment.

BofA Securities and Morgan Stanley, being the joint financial advisers to the Company, are satisfied that sufficient financial resources are, and will remain, available to the Company to satisfy full acceptance of the Offer as described above.

### **E. CONDITIONS OF THE OFFER**

The Offer will be conditional upon fulfilment of all of the following conditions on or before the Long Stop Date:

- (a) the approval by more than 50% of the votes cast by the Independent Shareholders in attendance either in person or by proxy by way of a poll having been obtained at the EGM in respect of the Offer;
- (b) the approval by at least 75% of the votes cast by the Independent Shareholders in attendance either in person or by proxy by way of a poll having been obtained at the EGM in respect of the Whitewash Waiver; and
- (c) the Executive granting the Whitewash Waiver and the satisfaction of any conditions attached to the Whitewash Waiver and the Whitewash Waiver not having been revoked or withdrawn.

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## LETTER FROM THE BOARD

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None of the Conditions can be waived. Accordingly, if any of the Conditions is not satisfied on or before the Long Stop Date, the Offer will not proceed and will lapse immediately.

### **F. THE CONTROLLING SHAREHOLDERS CONCERT GROUP UNDERTAKINGS**

As at the Latest Practicable Date, (i) the Company had a total of 14,747,156,752 issued Shares (including the Shares underlying the ADSs) and a total of 435,691,637 outstanding Options to subscribe for up to 435,691,637 Shares; (ii) as described in note (2) of the shareholding table under the section headed “H. Changes in Shareholding Structure of the Company” below, by virtue of the voting undertakings and arrangement, Heroic Zone had control over the voting rights in an aggregate of 5,029,376,978 Shares held by Chang Yun, High Zenith, Sure Pass and Heroic Zone (representing approximately 34.10% of the total issued share capital of the Company); (iii) Mr. Wan Long, Mr. Wan Hongwei (the son of Mr. Wan Long), Mr. Guo Lijun and Ms. Shi Huiying (the spouse of Mr. Ma Xiangjie), each being a director of one or more of the Controlling Shareholders or close relatives of such director, and therefore a member of the Controlling Shareholders Concert Group, held 4,103,000 Shares, representing approximately 0.03% of the total issued share capital of the Company; (iv) Mr. Zhang Liwen, Mr. Ma Xiangjie and Mr. Liu Songtao are the trustees under the Heroic Zone Share Plan entrusted to hold the legal title of, and to exercise the shareholders’ rights attached to, 100% equity interest in Rise Grand (which in turn wholly owned Heroic Zone); (v) Mr. Guo Lijun, Mr. Ma Xiangjie and Mr. Liu Songtao were the trustees under the Chang Yun Share Plan entrusted to hold the legal title of, and to exercise the shareholders rights attached to, 100% equity interest in Auspicious Joy (which in turn wholly owned Chang Yun); and (vi) Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun, Mr. Ma Xiangjie and Mr. Liu Songtao, each being a director of one or more of the Controlling Shareholders, and therefore a member of the Controlling Shareholders Concert Group, together held 204,501,257 outstanding Options, representing approximately 46.94% of total outstanding Options.

Each of Heroic Zone, Chang Yun, Sure Pass, High Zenith, Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun and Mr. Ma Xiangjie has irrevocably undertaken to the Company that it or he will not, and will procure the holders of the Shares whose Shares it or he is deemed to be interested in by virtue of Part XV of the SFO not to, accept the Offer or transfer or dispose of any of the Shares held by it or him or in which it or he is interested in during the Offer Period.

Each of Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun, Mr. Ma Xiangjie and Mr. Liu Songtao has irrevocably undertaken to the Company that he will not exercise any of the Options held by him during the Offer Period.

Under no circumstances will the Controlling Shareholders Concert Group Undertakings cease to be binding during the Offer Period.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, (i) save for the Controlling Shareholders Concert Group Undertakings, neither the Company nor parties acting in concert with it had received any irrevocable commitment not to accept the Offer; and (ii) neither the Company nor parties acting in concert with it had received any irrevocable commitment to accept the Offer.

### **G. IMPLICATIONS UNDER THE CODES AND APPLICATION FOR WHITEWASH WAIVER**

As at the Latest Practicable Date, the Controlling Shareholders Concert Group was, in aggregate, interested in 5,033,479,978 Shares, representing approximately 34.13% of the issued share capital of the Company.

Pursuant to Rule 32.1 of the Takeovers Code and Rule 6 of the Share Buy-backs Code, if as a result of a share buy-back, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code.

Subject to the level of acceptances received from the Accepting Shareholders pursuant to the Offer and assuming that no Options will be exercised by their holders prior to completion of the Offer (taking into account the Controlling Shareholders Concert Group Undertakings), the aggregate interests of Controlling Shareholders Concert Group may increase from approximately 34.13% to a maximum level of approximately 39.23% upon completion of the Offer. Accordingly, the Controlling Shareholders Concert Group would be required to make a mandatory offer under Rule 26.1(d) of the Takeovers Code for all the Shares not already owned or agreed to be acquired by it unless the Whitewash Waiver is granted.

An application has been made by Heroic Zone, the Controlling Shareholder having control over the voting rights in approximately 34.10% of the total issued share capital of the Company, to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, will be conditional upon, among others, (i) the approval by at least 75% of the Independent Shareholders in attendance either in person or by proxy at the EGM by way of poll in respect of the Whitewash Waiver; and (ii) the approval by more than 50% of the Independent Shareholders in attendance either in person or by proxy at the EGM by way of poll in respect of the Offer.

As at the Latest Practicable Date, the Company did not believe that the Offer would give rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). The Company notes that the Executive may not grant the Whitewash Waiver if the Offer does not comply with other applicable rules or regulations (including the Listing Rules).

The Executive has indicated its intention, subject to the approval of at least 75% of the Independent Shareholders for the Offer and the Whitewash Waiver at the EGM by way of poll, to waive any obligation of Heroic Zone to make a general offer which might result from completion of the Offer.

## LETTER FROM THE BOARD

If the Offer or the Whitewash Waiver is not approved by the Independent Shareholders, or if the latter is not granted by the Executive, the Offer will not proceed and will lapse immediately.

### H. CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company as at the Latest Practicable Date and immediately after the completion of the Offer (assuming that the Maximum Number of Shares are bought-back under the Offer):

	As at the Latest Practicable Date		Upon completion of the Offer (assuming no Options will be exercised from the Latest Practicable Date up to and including the date of completion of the Offer)		Upon completion of the Offer (assuming all Options have been exercised before completion of the Offer, save for the Options held by the Controlling Shareholders Concert Group)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
<b>Controlling Shareholders Concert Group</b>						
— Heroic Zone <sup>(1 and 2)</sup>	3,473,820,000	23.56	3,473,820,000	27.08	3,473,820,000	26.60
— Chang Yun <sup>(2)</sup>	631,580,000	4.28	631,580,000	4.92	631,580,000	4.84
— Sure Pass <sup>(2 and 3)</sup>	573,099,645	3.89	573,099,645	4.47	573,099,645	4.39
— High Zenith <sup>(2 and 4)</sup>	350,877,333	2.38	350,877,333	2.73	350,877,333	2.69
— Mr. Wan Long <sup>(5)</sup>	1,500,000	0.01	1,500,000	0.01	1,500,000	0.01
— Mr. Wan Hongwei <sup>(6)</sup>	2,500,000	0.02	2,500,000	0.02	2,500,000	0.02
— Mr. Guo Lijun <sup>(7)</sup>	100,000	0.00	100,000	0.00	100,000	0.00
— Mr. Ma Xiangjie <sup>(8)</sup>	3,000	0.00	3,000	0.00	3,000	0.00
<b>Aggregate number of Shares held by the Controlling Shareholders Concert Group</b>	<b>5,033,479,978</b>	<b>34.13</b>	<b>5,033,479,978</b>	<b>39.23</b>	<b>5,033,479,978</b>	<b>38.54</b>
<b>Other core connected persons<sup>(9)</sup></b>	<b>420,500</b>	<b>0.00</b>	<b>420,500</b>	<b>0.00</b>	<b>87,261,225<sup>(10)</sup></b>	<b>0.67</b>
— certain directors of subsidiaries of the Company <sup>(9)</sup>	420,500	0.00	420,500	0.00	87,261,225 <sup>(10)</sup>	0.67
<b>Parties acting in concert with the Company</b>						
— BofA Securities Group <sup>(11 and 12)</sup>	5,996,715 <sup>(11)</sup>	0.04	5,996,715 <sup>(11)</sup>	0.05	5,996,715 <sup>(11)</sup>	0.05
<b>Public Shareholders<sup>(12)</sup></b>	<b>9,713,256,274</b>	<b>65.87</b>	<b>7,796,319,072</b>	<b>60.77</b>	<b>7,940,668,727</b>	<b>60.79</b>
<b>TOTAL</b>	<b>14,747,156,752</b>	<b>100.00</b>	<b>12,830,219,550</b>	<b>100.00</b>	<b>13,061,409,930</b>	<b>100.00</b>

Notes:

- (1) As at the Latest Practicable Date, Heroic Zone was a wholly-owned subsidiary of Rise Grand, the beneficial interest of which was owned by the HSP Participants under the Heroic Zone Share Plan. Pursuant to an entrustment agreement dated 5 November 2019, the HSP ESC, on behalf of all HSP Participants, entrusted three individual trustees, namely Messrs. Zhang Liwen, Ma Xiangjie and Liu Songtao, to hold the legal title of, and to exercise the shareholders' rights attached to, 100% equity interest in Rise Grand in joint tenancy on behalf of the HSP Participants. Each of Mr. Zhang Liwen and Mr. Liu Songtao is also an HSP Participant holding approximately 0.13% and approximately

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## LETTER FROM THE BOARD

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0.20% of the participant units in Heroic Zone Share Plan, respectively. For details of the participant units in Heroic Zone Share Plan held by Mr. Ma Xiangjie, please refer to note (8) below. Under the Heroic Zone Share Plan, the HSP ESC, on behalf of all HSP Participants, shall instruct the aforementioned trustees on the exercise of their voting rights as the registered shareholders of Rise Grand, which in turn shall instruct Heroic Zone (a wholly-owned subsidiary of Rise Grand) on the exercise of its rights, including the voting rights attached to the Shares in the Company which Heroic Zone controls. The HSP ESC shall comprise five members which are selected by the general meeting of the HSP Participants. As at the Latest Practicable Date, the members of the HSP ESC are Messrs. Wan Long, Guo Lijun, Ma Xiangjie, Liu Songtao and Zhang Liwen.

As at the Latest Practicable Date, the interest in the participant units held by the HSP Participants ranged from approximately 0.0015% to 24.77%. Xing Tong Limited (a company wholly and beneficially owned by Mr. Wan Long who himself is an HSP Participant holding approximately 20.78% of the participant units) held approximately 24.77% of the participant units and is the largest unitholder amongst all HSP Participants. Therefore, Mr. Wan Long was (directly and indirectly through Xing Tong Limited) interested in approximately 45.55% of the participant units in the Heroic Zone Share Plan. For more details, please refer to note (5) below.

The HSP Participants who are also Directors include Mr. Wan Long (approximately 45.55%, directly and indirectly), Mr. Guo Lijun (approximately 1.69%) and Mr. Ma Xiangjie (approximately 0.34%).

- (2) Pursuant to a deed of undertaking dated 23 December 2019 executed by Chang Yun, a deed of undertaking dated 28 June 2019 executed by High Zenith and a letter of undertaking dated 23 October 2013 executed by Sure Pass, Chang Yun, High Zenith and Sure Pass are respectively obligated to exercise the voting rights in respect of the Shares held by them in accordance with the direction of the Company from time to time. The Company issued written instruction to Chang Yun, High Zenith, Sure Pass on 23 December 2019, 28 June 2019 and 23 October 2013, respectively, to instruct each of Chang Yun, High Zenith and Sure Pass to exercise such voting rights in accordance with the direction of Heroic Zone. Therefore, Heroic Zone has control over the voting rights in an aggregate of 5,029,376,978 Shares held by Chang Yun, High Zenith, Sure Pass and Heroic Zone (representing approximately 34.10% of the total issued share capital of the Company). As at the Latest Practicable Date, Chang Yun was a wholly owned subsidiary of Auspicious Joy, the beneficial interest of which is owned by the CSP Participants. Pursuant to an entrustment agreement dated 23 December 2019, the CSP ESC, on behalf of all CSP Participants, entrusted three individual trustees, namely Messrs. Guo Lijun, Ma Xiangjie and Liu Songtao, to hold the legal title of, and to exercise the shareholders rights attached to, 100% equity interest in Auspicious Joy in joint tenancy. Mr. Liu Songtao is also a CSP Participant holding approximately 6.89% of the participant units in Chang Yun Share Plan. For details of the participant units in Chang Yun Share Plan held by Mr. Guo Lijun and Mr. Ma Xiangjie, please refer to notes (7) and (8) below. Under the Chang Yun Share Plan, the CSP ESC, on behalf of all CSP Participants, shall instruct the aforementioned trustees on the exercise of their voting rights as the registered shareholders of Auspicious Joy, which in turn shall instruct Chang Yun on the exercise of the voting rights attached to the Shares which Chang Yun holds in the Company. The CSP ESC shall comprise five members, three of whom are appointed by Heroic Zone and two of whom are selected by the general meeting of the CSP Participants. As at the Latest Practicable Date, the members of the CSP ESC are Messrs. Wan Long, Guo Lijun, Ma Xiangjie, Liu Songtao and Zhang Liwen. Upon completion of the Offer and assuming the Maximum Number of Shares are bought back and no Options will be exercised prior to completion of the Offer, pursuant to the aforementioned voting undertakings and arrangement, Heroic Zone will continue to have control over the voting rights in an aggregate of 5,029,376,978 Shares held by Chang Yun, High Zenith, Sure Pass and Heroic Zone (representing approximately 39.20% of the total issued share capital of the Company).

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, the interest in the participant units held by the CSP Participants ranged from 0.17% to 14.12%, and Mr. Guo Lijun (an executive Director) holding approximately 14.12% of the participant units was the largest unitholder amongst all CSP Participants.

The CSP Participants who are also Directors include Mr. Wan Long (approximately 12.43%), Mr. Guo Lijun (approximately 14.12%) and Mr. Ma Xiangjie (approximately 9.93%).

- (3) As at the Latest Practicable Date, Sure Pass was wholly and beneficially owned by Mr. Wan Long, an executive Director and Chairman of the Board.
- (4) As at the Latest Practicable Date, High Zenith was a wholly owned subsidiary of Wan Tong International Holdings Limited, which was in turn wholly and beneficially owned by Mr. Wan Long.
- (5) As at the Latest Practicable Date, Mr. Wan Long beneficially owned 1,500,000 Shares. In addition, Mr. Wan Long (i) was an HSP Participant holding approximately 20.78% of the participant units in the Heroic Zone Share Plan; (ii) wholly and beneficially owned Xing Tong Limited, which is an HSP Participant holding approximately 24.77% of the participant units in the Heroic Zone Share Plan; and (iii) was a CSP Participant holding approximately 12.43% of the participant units in the Chang Yun Share Plan.
- (6) As at the Latest Practicable Date, Mr. Wan Hongwei beneficially owned 2,500,000 Shares.
- (7) As at the Latest Practicable Date, Mr. Guo Lijun (an executive Director) beneficially owned 100,000 Shares. In addition, Mr. Guo Lijun was (i) an HSP Participant holding approximately 1.69% of the participant units in the Heroic Zone Share Plan; and (ii) a CSP Participant holding approximately 14.12% of the participant units in Chang Yun Share Plan.
- (8) As at the Latest Practicable Date, the spouse of Mr. Ma Xiangjie (an executive Director), Ms. Shi Huiying, was the beneficial owner of 3,000 Shares. In addition, Mr. Ma Xiangjie was (i) an HSP Participant holding approximately 0.34% of the participant units in Heroic Zone Share Plan; and (ii) a CSP Participant holding approximately 9.93% of the participant units in Chang Yun Share Plan.
- (9) As at the Latest Practicable Date, save for members of the Controlling Shareholders Concert Group,
  - (i) a total of 420,500 Shares were held by three other core connected persons of the Company, who are directors of certain subsidiaries of the Company; and
  - (ii) a total of 86,840,725 outstanding Options were held by 22 other core connected persons of the Company, who are directors of certain subsidiaries of the Company.
- (10) Based on the assumptions that (i) all Options have been exercised before completion of the Offer, save for the Options held by members of the Controlling Shareholders Concert Group; and (ii) no Shares held by such other core connected persons of the Company (including those acquired through exercise of Options) will be tendered for acceptance under the Offer.
- (11) BofA Securities is one of the joint financial advisers to the Company in respect of the Offer. Accordingly, BofA Securities and relevant members of the BofA Securities Group which hold the Shares are presumed to be acting in concert with the Company in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code). As at the Latest Practicable Date, members of the BofA

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## LETTER FROM THE BOARD

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Securities Group (other than exempt principal traders or exempt fund managers) held, in aggregate, 154,235 Shares and 292,124 ADSs (representing 5,842,480 Shares), together representing approximately 0.04% of the issued share capital of the Company.

- (12) The Shares held by members of the BofA Securities Group as set out above shall be counted towards public float of the Company under Rule 8.08 of the Listing Rules.

### I. INFORMATION ON THE GROUP

The Company is an exempted company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange. The Group is the world's largest pork company, with global leadership across key segments of the industry value chain, including packaged meats, fresh pork and hog production.

The audited consolidated net asset value of the Group as at 31 December 2020 was approximately US\$10,985 million.

The audited consolidated net asset value per Share as at 31 December 2020 was approximately US\$0.74.

The audited consolidated net profit of the Group for the last two financial years ended 31 December 2020 and 2019 are as follows:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2020</b>	<b>2019</b>
	<i>US\$ million</i>	<i>US\$ million</i>
<b>Net profit before taxation</b>	1,315	2,052
<b>Net profit after taxation</b>	1,092	1,695

### J. REASONS FOR AND BENEFITS OF THE OFFER

The Company is the largest pork producer in the world and is vertically integrated in production and sale of pork and packaged meat products. Its primary operations are located in China and the United States, which collectively account for over 90% of the Company's revenue in 2020.

The Company's equity attributable to owners of the Company has increased from US\$5,130 million as at 31 December 2014 to US\$10,005 million as at 31 December 2020. On 7 July 2021, the Company has made the payment of final dividend of HK\$0.125 per Share for the year ended 31 December 2020 in the amount of approximately HK\$1,843 million (equivalent to approximately US\$238 million based on the exchange rate of HK\$7.76 to US\$1). The Company does not foresee any material capital outlay or commitments (other than the capital required for its current operational and expansion needs in its ordinary course of business) and thus considers it reasonable to return the capital to the Shareholders.

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## LETTER FROM THE BOARD

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Furthermore, having taken into account the favourable borrowing cost available in the market of HIBOR or LIBOR plus 1.15 per cent. per annum, as secured for the committed facility, the Company considers that it would be in the interests of the Shareholders and the Company as a whole to take advantage of such favourable borrowing cost to largely finance the Offer with a committed facility and further optimize the capital structure of the Company, which in turn will enhance the earnings per Share and reduce the cost of capital of the Group upon completion of the Offer and cancellation of the Shares bought back.

The Offer Price represents a premium of approximately 17.29% over the closing price of HK\$6.6500 per Share as quoted on the Stock Exchange on 1 June 2021 (being the Last Trading Day) and a premium of approximately 15.64% over HK\$6.7453 which is the average closing price per Share as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day, and a premium of approximately 35.10% to the Group's consolidated net asset value per Share as at 31 December 2020.

The Company also considered other alternatives with respect to optimizing its capital structure, including but not limited to payment of a special dividend or capital reduction. However in either of those scenarios, the proceeds are distributed to all Shareholders in proportion to their shareholding. The Directors believe that the Offer provides an opportunity for the Shareholders either to tender Shares to realise part of their investments in the Company at a premium to recent market prices and to the Group's net asset value per Share, or to increase their proportionate equity interests in the Company by retaining their shareholdings and participating in the future prospects of the Group. Therefore, the Offer provides the Shareholders a mechanism which allows them to decide upon their preferred level of investment in the Company and allows the Shareholders who do not wish to exit from their investments in the Company to enjoy the benefits of enhanced Shareholder value, having considered their own liquidity needs. Pursuant to the Controlling Shareholders Concert Group Undertakings, the Controlling Shareholders have irrevocably undertaken not to tender their Shares for acceptance and therefore will not receive any proceeds associated with the capital structure optimization effort through share buy-back.

### **K. FINANCIAL EFFECTS OF THE OFFER**

The unaudited pro forma financial information of the Group upon completion of the Offer, illustrating the financial impact of the Offer on the net asset value per Share, basic earnings per Share, liabilities and working capital (expressed as net current assets) of the Group, is set out in Appendix III to this Offer Document.

#### **(i) Net asset value attributable to owners of the Company per Share**

Based on the unaudited pro forma financial information of the Group set out in Appendix III to this Offer Document and assuming that full acceptance of the Offer was completed on 31 December 2020 and the Maximum Number had been bought-back, the net asset value attributable to owners of the Company per Share as at 31 December 2020 would, as a result, have decreased by approximately 7.35% from approximately US\$0.68 per Share to approximately US\$0.63 per Share.

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## LETTER FROM THE BOARD

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### **(ii) Basic earnings per Share**

Based on the unaudited pro forma financial information of the Group set out in Appendix III to this Offer Document and assuming that full acceptance of the Offer was completed at the commencement of the financial year on 1 January 2020 and the Maximum Number had been bought-back, the basic earnings per Share for the year ended 31 December 2020 would, as a result, have increased by approximately 11.92% from approximately US\$5.62 cents per Share to approximately US\$6.29 cents per Share.

### **(iii) Liabilities**

The Offer will be paid in cash and funded by internal resources of the Group and a committed facility. The liabilities as at 31 December 2020 would have increased by approximately 15.01% from approximately US\$7,730 million to approximately US\$8,890 million following the completion of the Offer.

### **(iv) Working capital**

The working capital (expressed as net current assets) as at 31 December 2020 would decrease by approximately 21.24% from approximately US\$3,767 million to approximately US\$2,967 million.

The Directors do not consider the aforementioned expected decrease in net asset value per Share, increase in total liabilities and decrease in working capital to be material having considered the following factors with reference to the past performance of the Company and the manner of funding of the consideration for the Offer:

- (a) The net asset value per Share attributable to owners of the Company as at 31 December 2016, 2017, 2018 and 2019 amounted to approximately US\$0.43 per Share, US\$0.51 per Share, US\$0.53 per Share and US\$0.59 per Share, respectively. Therefore, the expected decrease in net asset value per Share attributable to owners of the Company by 7.35% to US\$0.63 per Share as at 31 December 2020 would still be higher than the aforementioned historical net asset value per Share attributable to owners of the Company.
- (b) Although the liabilities as at 31 December 2020 would have increased by approximately 15.01% from approximately US\$7,730 million to approximately US\$8,890 million following the completion of the Offer, the net debt to equity ratio would be approximately 33.7%, which is at the similar level of 2018 and 2019, being approximately 30.8% and 26.9% as at 31 December 2018 and 2019, respectively.
- (c) Having considered the working capital forecast for the twelve months ending 31 July 2022, despite the working capital would have the aforementioned decrease of approximately 21.24% as at 31 December 2020, the Directors

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## LETTER FROM THE BOARD

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confirm that the Group will have sufficient working capital to meet its normal operating requirements after completion of the Offer taking into account the acceptance of the Offer in full.

Accordingly, the Company considers that completion of the Offer will have no material adverse effect on the Group's financial conditions taken as a whole.

### **L. FURTHER INTENTION IN RELATION TO THE GROUP**

Completion of the Offer will not result in a change in the Controlling Shareholders or in the composition of the Board. The Controlling Shareholders intend to continue with the existing businesses of the Group and do not intend to introduce any major changes to the businesses of the Group nor conduct any redeployment of the fixed assets of the Group. Accordingly, there will be no material change to the existing businesses and employment of the existing employees of the Group as a result of the Offer.

The Controlling Shareholders have also informed the Company that it is their intention that, following completion of the Offer, the Group's businesses, management and the Board will remain unchanged. It is also their intention to maintain the Company's listing on the Stock Exchange.

The Company is confident in the long-term prospects of the business of the Group. As at the Latest Practicable Date, the Company had a public float of approximately 65.87% of the entire issued share capital of the Company. In the event that the Offer becomes unconditional, upon completion of the Offer and assuming full acceptances of the Offer by the Shareholders (other than members of the Controlling Shareholders Concert Group), the Company will have a public float of 60.77% of the Shares in issue immediately following completion of the Offer (assuming there are no changes to issued share capital of the Company after the Latest Practicable Date) and accordingly the number of Shares in public hands will continue to meet the public float requirement under Rule 8.08 of the Listing Rules.

It is the intention of the Company to continue with the existing businesses of the Group upon completion of the Offer. As at the Latest Practicable Date, the Company does not intend to introduce any major changes to the existing operations and management structure of the Group, and the employment of the employees of the Group will be continued and the material fixed assets of the Group will not be redeployed.

The Company has no intention to rely on sections 705, 711 to 716 and 718 to 721 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) or any comparable company law in the Cayman Islands in relation to right of compulsory acquisition of Shares held by minority Shareholders after the Offer.

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## LETTER FROM THE BOARD

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### M. FIRST QUARTERLY RESULTS ANNOUNCEMENT AND PROFIT FORECAST INFORMATION

Reference is made to the First Quarterly Results Announcement (the full text of which is set out in Appendix VI to this Offer Document) in which the Board announced the unaudited consolidated quarterly results of the Group for the three months ended 31 March 2021 together with the comparative figures for the corresponding period of 2020.

Pursuant to Rule 10 of the Takeovers Code, the unaudited profit figures contained in the First Quarterly Results Announcement (the “**Profit Forecast Information**”), which comprised the operating profit and the profit attributable to owners of the Company for the three months ended 31 March 2021 together with the comparative figures for the corresponding period of 2020, constitutes a profit forecast and shall be reported on by the Independent Financial Adviser and the Company’s auditor in accordance with the requirements under Rules 10.3 and 10.4 of the Takeovers Code. In this regard, the Profit Forecast Information has been reported on by Anglo Chinese, the Independent Financial Adviser and Ernst & Young, the auditor of the Company, respectively. Ernst & Young has reported that, so far as the accounting policies and calculations are concerned, the Profit Forecast Information has been properly compiled in accordance with the basis adopted by the Directors and is presented on a basis consistent in all material respects, with the accounting policies normally adopted by the Group, as set out in the audited consolidated financial statements of the Company for the year ended 31 December 2020. The Independent Financial Adviser is satisfied that the Profit Forecast Information has been made by the Directors with due care and consideration.

Your attention is drawn to the reports issued by Ernst & Young and Anglo Chinese on the Profit Forecast Information in the First Quarterly Results Announcement as set out in Appendix VII and Appendix VIII to this Offer Document, respectively.

### N. EXTRAORDINARY GENERAL MEETING

The EGM will be convened and held for the purposes of considering and, if thought fit, approving the Offer and the Whitewash Waiver, at which only Independent Shareholders can vote.

Members of the Controlling Shareholders Concert Group who hold Shares (including Heroic Zone, Sure Pass, High Zenith, Chang Yun, Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun and the spouse of Mr. Ma Xiangjie) as at the date of the EGM will abstain from voting on the resolutions in respect of the Offer and the Whitewash Waiver at the EGM.

BofA Securities and Morgan Stanley are joint financial advisers to the Company in respect of the Offer. Accordingly BofA Securities, Morgan Stanley and relevant members of the BofA Securities Group and the Morgan Stanley Group will abstain from voting on the resolutions in respect of the matters for approval at the EGM, other than for any member of the BofA Securities Group or the Morgan Stanley Group which is: (1) a registered owner of Shares which are held on behalf of beneficial owners of such Shares who are investment clients where such beneficial owners (A) control the voting rights attached to such Shares, (B) give instructions as to how such Shares are to be voted and (C) are not otherwise

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## LETTER FROM THE BOARD

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involved in, or interested in, the Offer or the Whitewash Waiver, (2) an exempt fund manager as regards Shares held in that capacity; or (3) an exempt principal trader who holds the Shares as a simple custodian for and on behalf of non-discretionary clients, where such non-discretionary clients (A) control the voting rights attached to such Shares, and (B) give instructions as to how such Shares are to be voted (for this purpose, a written confirmation of the matters set out in sub-paragraphs (3)(A) and (3)(B) above and whether the relevant underlying clients are entitled to vote in the context of the Offer and the Whitewash Waiver shall be submitted to the Executive prior to the EGM).

The EGM will be convened at Jade Room I&II, Level 3, The Ritz-Carlton, Hong Kong, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong at 10:30 a.m. on Monday, 16 August 2021 for the Independent Shareholders to consider and, if thought fit, approve the resolutions in respect of the Offer and the Whitewash Waiver.

A notice convening the EGM is set out on pages EGM-1 to EGM-3 of this Offer Document and a form of proxy for use at the EGM is also enclosed. Whether or not you intend to attend the EGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Registrar not later than 48 hours before the time appointed for holding the EGM or any adjournment or postponement thereof (as the case may be). Such form of proxy for use at the EGM is also published on the respective websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.wh-group.com](http://www.wh-group.com)). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or at any adjournment or postponement thereof (as the case may be) in person should you so wish.

Mr. Jiao Shuge (a non-executive Director) and Mr. Huang Ming, Mr. Lee Conway Kong Wai and Mr. Lau, Jin Tin Don (each being an independent non-executive Director), comprising all the non-executive Directors, have been appointed as members of the Independent Board Committee to advise the Independent Shareholders in respect of the Offer and the Whitewash Waiver. Anglo Chinese has been appointed, with the approval by the Independent Board Committee, as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the Offer and the Whitewash Waiver are fair and reasonable so far as the Independent Shareholders are concerned, whether they are in the interests of the Company and the Shareholders as a whole, and as to acceptance and voting.

### **WARNING:**

**Independent Shareholders should note that their decisions on how to vote on the resolutions to be proposed at the EGM to approve the Offer and the Whitewash Waiver shall not affect their decisions on whether to accept the Offer or not. Even if they vote in favour of or against the resolutions to be proposed at the EGM, they are free nonetheless to accept or not to accept the Offer.**

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## LETTER FROM THE BOARD

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### O. RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee as set out on pages 35 to 36 of this Offer Document and to the letter from the Independent Financial Adviser as set out on pages 37 to 79 of this Offer Document. The latter contains, among other things, the advice of the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Offer and the Whitewash Waiver and the principal factors and reasons considered by it in arriving at such advice. Taking into account the letter from the Independent Board Committee and all other factors as stated under the section headed “Reasons for and Benefits of the Offer” above as a whole, the Board is of the opinion that the terms of the Offer and the Whitewash Waiver are fair and reasonable so far as the Independent Shareholders are concerned. The Board therefore recommends the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM approving the Offer and the Whitewash Waiver.

### P. FURTHER INFORMATION

Your attention is also drawn to the terms of the Offer as set out in the letter from BofA Securities and Morgan Stanley on pages 24 to 34 and in Appendix I to this Offer Document, the financial information of the Group as set out in Appendix II to this Offer Document, the unaudited pro forma financial information of the Group as set out in Appendix III to this Offer Document, the property valuation report or summary report as set out in Appendix IV to this Offer Document, the general information as set out in Appendix V to this Offer Document, the First Quarterly Results Announcement as set out in Appendix VI of this Offer Document, the report of Ernst & Young on the First Quarterly Results Announcement as set out in Appendix VII to this Offer Document and the report of Anglo Chinese on the First Quarterly Results Announcement as set out in Appendix VIII to this Offer Document.

**Shareholders and potential investors should note that the Offer is subject to all of the Conditions being fulfilled and, therefore, may or may not become unconditional. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company and should consult their professional advisers when in doubt.**

Yours faithfully,  
For and on behalf of the Board  
**WH Group Limited**  
**Wan Long**  
*Chairman and Chief Executive Officer*

30 July 2021

*To the Shareholders*

Dear Sirs or Madams,

**(1) CONDITIONAL VOLUNTARY CASH OFFER  
BY MERRILL LYNCH (ASIA PACIFIC) LIMITED AND  
MORGAN STANLEY ASIA LIMITED ON BEHALF OF  
THE COMPANY TO BUY-BACK UP TO 1,916,937,202 SHARES  
AT A PRICE OF HK\$7.80 PER SHARE  
AND  
(2) APPLICATION FOR WHITEWASH WAIVER**

**INTRODUCTION**

On 6 June 2021, the Company announced that the Board resolved on 2 June 2021 for a conditional voluntary cash offer to be made by BofA Securities and Morgan Stanley on behalf of the Company to buy-back, subject to the Conditions, for cancellation up to the Maximum Number, being 1,916,937,202 Shares, representing approximately 13.0% of the issued share capital of the Company as at the Latest Practicable Date, at a cash consideration of HK\$7.80 per Share. The Offer will be made in full compliance with the Codes. The Shareholders may accept the Offer by lodging the Form of Acceptance for the sale of their Shares to the Company at the Offer Price of HK\$7.80 per Share.

The Shares to be bought-back by the Company will not exceed the Maximum Number. There is no minimum number of Shares proposed to be bought-back under the Offer. This letter sets out the details of the terms of the Offer. Further details of the terms and conditions of the Offer are set out in Appendix I to this Offer Document and the accompanying Form of Acceptance.

**THE OFFER**

The Offer is being made by BofA Securities and Morgan Stanley on behalf of the Company subject to fulfilment of the Conditions and on the terms set out below to buy-back the Shares on the following basis up to the Maximum Number, being 1,916,937,202 Shares:

For every Share . . . . .HK\$7.80 in cash

All Shareholders are entitled to accept the Offer by submitting a Form of Acceptance for the sale of any number of their Shares to the Company.

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## LETTER FROM BOFA SECURITIES AND MORGAN STANLEY

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The principal terms of the Offer are as follows:

- (i) BofA Securities and Morgan Stanley will make the Offer to the Shareholders on behalf of the Company to buy-back up to the Maximum Number of Shares at the Offer Price;
- (ii) the Shareholders may accept the Offer in respect of any number of their Shares at the Offer Price up to their entire shareholding (subject to the procedures for scaling down described under the section headed “*Common pool method for scaling down excess acceptances*” below);
- (iii) the Offer is not conditional upon a minimum number of Shares being tendered for buy-back;
- (iv) all Shares validly tendered will be bought-back to the extent that the aggregate number of Shares bought-back pursuant to the Offer will not thereby exceed the Maximum Number. If the number of Shares validly tendered exceeds the Maximum Number, the number of Shares to be bought-back from each Accepting Shareholder will be reduced proportionally so that the number of Shares bought-back by the Company in aggregate is equal to the Maximum Number. Further details of the procedures for scaling down are described under the section headed “*Common pool method for scaling down excess acceptances*” below;
- (v) a Form of Acceptance duly received by or on behalf of the Company will become irrevocable and cannot be withdrawn after the Offer has become or been declared unconditional unless in accordance with Rule 19.2 of the Takeovers Code;
- (vi) Shares will be bought-back in cash, free of brokerage commission, Stock Exchange transaction levies and trading charges, save that the amount of seller’s ad valorem stamp duty due on the Shares bought-back attributable to the Accepting Shareholders and calculated at a rate of 0.13% or part thereof of the market value of the Shares to be bought-back under the Offer or the consideration payable by the Company in respect of relevant acceptances of the Offer, whichever is the higher, will be deducted by the Company from the amount payable to the Accepting Shareholders. The Company will arrange for payment of the seller’s ad valorem stamp duty on behalf of the Accepting Shareholders in respect of the Offer;
- (vii) Shares bought-back will be treated as cancelled and will not be entitled to any dividend or distribution declared for any record date set on or after the date of their cancellation. Accordingly, the issued share capital of the Company will be diminished by the nominal value of the Shares being bought-back; and
- (viii) Shares will be bought-back free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature. Accordingly, the submission of a Form of Acceptance by an Accepting Shareholder will be deemed to constitute a warranty by that Accepting

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## LETTER FROM BOFA SECURITIES AND MORGAN STANLEY

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Shareholder to each of BofA Securities, Morgan Stanley and the Company that the Shares are being sold free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching or accruing thereto (including the right to any dividend or distribution that may be declared for any record date set on or after the date of cancellation as referred to in (vii) above).

In compliance with Rule 3 of the Share Buy-backs Code, the Offer will be subject to the approval by the Independent Shareholders in a general meeting by a majority of votes by way of poll. The Offer will also be subject to the other terms and conditions referred to under the section headed “Conditions of the Offer” below.

Pursuant to Rule 5.1 of the Share Buy-backs Code and Rule 15.3 of the Takeovers Code, if the Offer is declared unconditional, Shareholders will be able to tender their Shares for acceptance under the Offer for a period of not less than 14 days thereafter.

As at the Latest Practicable Date, save for (i) a total of 14,747,156,752 issued Shares (including the Shares underlying the ADSs) and (ii) a total of 435,691,637 outstanding Options to subscribe for up to 435,691,637 Shares, the Company did not have outstanding options, warrants, derivatives or convertibles which may confer any rights to the holder(s) thereof to subscribe for, convert or exchange into Shares.

### THE OFFER PRICE

The Offer Price of HK\$7.80 valued the entire issued share capital of the Company as at the Latest Practicable Date (being 14,747,156,752 Shares) at approximately HK\$115,027.8 million.

The Offer Price of HK\$7.80 in cash per Share represents:

- (a) a premium of approximately 29.78% over the closing price of HK\$6.0100 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (b) a premium of approximately 17.29% over the closing price of HK\$6.6500 per Share as quoted on the Stock Exchange on 1 June 2021 (being the Last Trading Day);
- (c) a premium of approximately 16.35% over HK\$6.7040 which is the average closing price per Share as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day;
- (d) a premium of approximately 16.31% over HK\$6.7060 which is the average closing price per Share as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day;
- (e) a premium of approximately 15.64% over HK\$6.7453 which is the average closing price per Share as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day;

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## LETTER FROM BOFA SECURITIES AND MORGAN STANLEY

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- (f) a premium of approximately 13.54% over HK\$6.8700 which is the average closing price per Share as quoted on the Stock Exchange for the 60 consecutive trading days up to and including the Last Trading Day;
- (g) a premium of approximately 15.22% over HK\$6.7698 which is the average closing price per Share as quoted on the Stock Exchange over the 90 consecutive trading days up to and including the Last Trading Day;
- (h) a premium of approximately 35.10% to the consolidated net asset value of the Company as at 31 December 2020 of approximately US\$0.74 per Share (equivalent to approximately HK\$5.77 per Share based on the exchange rate of US\$1:HK\$7.75) pursuant to the latest audited consolidated financial statements of the Company; and
- (i) a premium of approximately 45.25% to the Reassessed NAV per Share of approximately HK\$5.37 taking into account the property valuation of the Group, the details of which are set out in the summary report in Appendix IV to this Offer Document.

The Offer Price was determined after taking into account, among other things, the historical prices of the Shares traded on the Stock Exchange, historical financial information of the Group and the prevailing market conditions and sentiments, and with reference to the share buy-back transactions of companies listed on the Main Board of the Stock Exchange in recent years.

The Company will not increase the Offer Price. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Company will not be allowed to increase the Offer Price. The Company does not reserve the right to increase the Offer Price.

### **CONFIRMATION OF FINANCIAL RESOURCES**

The Offer, if accepted in full at the Offer Price, will result in the Company paying approximately HK\$14,952.1 million in aggregate to the Accepting Shareholders in cash which will be funded by internal resources of the Group and a committed facility.

BofA Securities and Morgan Stanley are satisfied that sufficient financial resources are available to the Company to enable it to satisfy acceptances of the Offer in full in accordance with the terms of the Offer as set out in this Offer Document.

### **CONDITIONS OF THE OFFER**

The Offer will be conditional upon fulfilment of all of the following Conditions on or before the Long Stop Date:

- (a) the approval by more than 50% of the votes cast by the Independent Shareholders in attendance either in person or by proxy by way of a poll having been obtained at the EGM in respect of the Offer;

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## LETTER FROM BOFA SECURITIES AND MORGAN STANLEY

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- (b) the approval by at least 75% of the votes cast by the Independent Shareholders in attendance either in person or by proxy by way of a poll having been obtained at the EGM in respect of the Whitewash Waiver; and
- (c) the Executive granting the Whitewash Waiver and the satisfaction of any conditions attached to the Whitewash Waiver and the Whitewash Waiver not having been revoked or withdrawn.

None of the Conditions can be waived. Accordingly, if any of the Conditions is not satisfied on or before the Long Stop Date, the Offer will not proceed and will lapse immediately.

**The Offer is subject to all of the Conditions being satisfied in full on or before the Long Stop Date. If the Whitewash Waiver is not granted by the Executive, or if the resolutions to approve the Offer and the Whitewash Waiver are not passed by the Independent Shareholders, the Offer will not proceed and will lapse immediately.**

### COMMON POOL METHOD FOR SCALING DOWN EXCESS ACCEPTANCES

Shareholders may accept the Offer in respect of some or all of their shareholding. If valid acceptances are received for the Maximum Number or fewer Shares, all Shares validly accepted will be bought-back. If valid acceptances received exceed the Maximum Number, the total number of Shares to be bought-back by the Company from each Accepting Shareholder will be determined in accordance with the following formula, save that the Company may in its absolute discretion round such figure up or down with the intention of avoiding (as far as practicable) Shares being held by Accepting Shareholders in fractional entitlements:

$$\frac{(A)}{(B)} \times C$$

- A = 1,916,937,202 Shares, being the Maximum Number;
- B = Total number of Shares validly tendered by all Accepting Shareholders under the Offer;
- C = Total number of Share validly tendered by the relevant individual Accepting Shareholder under the Offer

As a result, it is possible that not all of such Shares validly tendered by an Accepting Shareholder will ultimately be bought-back. The total number of Shares which will be bought-back by the Company under the Offer will not exceed the Maximum Number. The decision of the Company as to any scaling down of acceptances in accordance with the above formula and as to the treatment of fractions will be conclusive and binding on all Accepting Shareholders.

## **ODD LOTS**

The Shares are currently traded in board lot of 500 Shares each. There is no intention to change the board lot size as a result of the Offer. Accepting Shareholders should note that acceptance of the Offer may result in their holding of odd lots of Shares. For this purpose, Computershare whose address is at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (telephone number: (852) 2862 8555 during office hours (i.e. 9:00 a.m. to 6:00 p.m.)) has been appointed by the Company as the designated broker to match sales and purchases of odd lot holdings of Shares in the market for a reasonable period after the completion of the Offer in order to enable such Accepting Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots. Shareholders are recommended to make an appointment in advance by dialing the telephone number of Computershare as indicated above to purchase/sell the odd lot Shares. Shareholders should note that the matching of odd lots is not guaranteed. For details of such arrangements, please refer to the section headed "Appendix I — Terms of the Offer — 7. Odd Lots".

## **THE CONTROLLING SHAREHOLDERS CONCERT GROUP UNDERTAKINGS**

As at the Latest Practicable Date, (i) the Company had a total of 14,747,156,752 issued Shares (including the Shares underlying the ADSs) and a total of 435,691,637 outstanding Options to subscribe for up to 435,691,637 Shares; (ii) as described in note (2) of the shareholding table under the section headed "H. Changes in Shareholding Structure of the Company" below, by virtue of the voting undertakings and arrangement, Heroic Zone had control over the voting rights in an aggregate of 5,029,376,978 Shares held by Chang Yun, High Zenith, Sure Pass and Heroic Zone (representing approximately 34.10% of the total issued share capital of the Company); (iii) Mr. Wan Long, Mr. Wan Hongwei (the son of Mr. Wan Long), Mr. Guo Lijun and Ms. Shi Huiying (the spouse of Mr. Ma Xiangjie), each being a director of one or more of the Controlling Shareholders or close relatives of such director, and therefore a member of the Controlling Shareholders Concert Group, held 4,103,000 Shares, representing approximately 0.03% of the total issued share capital of the Company; (iv) Mr. Zhang Liwen, Mr. Ma Xiangjie and Mr. Liu Songtao were the trustees under the Heroic Zone Share Plan entrusted to hold the legal title of, and to exercise the shareholders' rights attached to, 100% equity interest in Rise Grand (which in turn wholly owns Heroic Zone); (v) Mr. Guo Lijun, Mr. Ma Xiangjie and Mr. Liu Songtao were the trustees under the Chang Yun Share Plan entrusted to hold the legal title of, and to exercise the shareholders rights attached to, 100% equity interest in Auspicious Joy (which in turn wholly owns Chang Yun); and (vi) Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun, Mr. Ma Xiangjie and Mr. Liu Songtao, each being a director of one or more of the Controlling Shareholders, and therefore a member of the Controlling Shareholders Concert Group, together held 204,501,257 outstanding Options, representing approximately 46.94% of total outstanding Options.

Each of Heroic Zone, Chang Yun, Sure Pass, High Zenith, Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun and Mr. Ma Xiangjie has irrevocably undertaken to the Company that it or he will not, and will procure the holders of the Shares whose Shares it or he is

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## LETTER FROM BOFA SECURITIES AND MORGAN STANLEY

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deemed to be interested in by virtue of Part XV of the SFO not to, accept the Offer or transfer or dispose of any of the Shares held by it or him or in which it or he is interested in during the Offer Period.

Each of Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun, Mr. Ma Xiangjie and Mr. Liu Songtao has irrevocably undertaken to the Company that he will not exercise any of the Options held by him during the Offer Period.

Under no circumstances will the Controlling Shareholders Concert Group Undertakings cease to be binding during the Offer Period.

As at the Latest Practicable Date, (i) save for the Controlling Shareholders Concert Group Undertakings, neither the Company nor parties acting in concert with it had received any irrevocable commitment not to accept the Offer; and (ii) neither the Company nor parties acting in concert with it has received any irrevocable commitment to accept the Offer.

### **IMPLICATIONS UNDER THE CODES AND APPLICATION FOR WHITEWASH WAIVER**

As at the Latest Practicable Date, the Controlling Shareholders Concert Group was, in aggregate, interested in 5,033,479,978 Shares, representing approximately 34.13% of the issued share capital of the Company.

Pursuant to Rule 32.1 of the Takeovers Code and Rule 6 of the Share Buy-backs Code, if as a result of a share buy-back, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code.

Subject to the level of acceptances received from the Accepting Shareholders pursuant to the Offer and assuming that no Options will be exercised by their holders prior to completion of the Offer (taking into account the Controlling Shareholders Concert Group Undertakings), the aggregate interests of Controlling Shareholders Concert Group may increase from approximately 34.13% to a maximum level of approximately 39.23% upon completion of the Offer. Accordingly, the Controlling Shareholders Concert Group would be required to make a mandatory offer under Rule 26.1(d) of the Takeovers Code for all the Shares not already owned or agreed to be acquired by it unless the Whitewash Waiver is granted.

An application has been made by Heroic Zone, the Controlling Shareholder having control over the voting rights in approximately 34.10% of the total issued share capital of the Company, to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, will be conditional upon, among others, (i) the approval by at least 75% of the Independent Shareholders in attendance either in person or by proxy at the EGM by way of poll in respect of the Whitewash Waiver; and (ii) the approval by more than 50% of the Independent Shareholders in attendance either in person or by proxy at the EGM by way of poll in respect of the Offer.

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## LETTER FROM BOFA SECURITIES AND MORGAN STANLEY

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As at the Latest Practicable Date, the Company did not believe that the Offer would give rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). The Company notes that the Executive may not grant the Whitewash Waiver if the Offer does not comply with other applicable rules or regulations (including the Listing Rules).

The Executive has indicated its intention, subject to the approval of at least 75% of the Independent Shareholders for the Offer and the Whitewash Waiver at the EGM by way of poll, to waive any obligation of Heroic Zone to make a general offer which might result from completion of the Offer.

**If the Whitewash Waiver is not granted by the Executive, or if the resolutions to approve the Offer and the Whitewash Waiver are not passed by the Independent Shareholders, the Offer will not proceed and will lapse immediately.**

### PROCEDURES FOR ACCEPTANCE

In order to accept the Offer, Shareholders should complete and return the accompanying Form of Acceptance in accordance with the instructions set out in this Offer Document and the instructions printed on the Form of Acceptance. The instructions in this Offer Document should be read together with the instructions on the Form of Acceptance (which instructions form part of the terms and conditions of the Offer).

In order to be valid, the completed Form of Acceptance should be forwarded, together with the Title Documents for not less than the number of Shares in respect of which the relevant Shareholder wishes to accept the Offer, by post or by hand to the Registrar, Computershare, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, in an envelope marked “WH Group Limited — Buy-back Offer” as soon as possible after receipt of the Form of Acceptance but in any event so as to reach the Registrar by no later than the Latest Acceptance Time, i.e. 4:00 p.m. (Hong Kong time) on Monday, 30 August 2021, or such later time and/or date as the Company may, subject to the Takeovers Code, decide and announce.

Unless the Offer is extended or revised in accordance with the Takeovers Code, no Form of Acceptance received after the Latest Acceptance Time will be accepted.

If the Form of Acceptance is executed by a person other than the registered holder, appropriate evidence of authority (e.g. a grant of probate or certified copy of a power of attorney) must be delivered to the Registrar with the completed Form of Acceptance.

No acknowledgement of receipt of any Form of Acceptance or Title Documents will be given.

Only one Form of Acceptance may be accepted from each Shareholder by the Registrar. Acceptances duly received will become irrevocable and cannot be withdrawn after the Offer has been declared unconditional unless in accordance with Rule 19.2 of the Takeovers Code.

## OVERSEAS SHAREHOLDERS

The availability of the Offer to any Overseas Shareholders may be affected by the applicable laws, regulations and rules of their relevant jurisdictions of residence. The applicable laws, regulations and rules of the relevant jurisdictions may prohibit the making of the Offer to the Overseas Shareholders or require compliance with certain filing, registration or other requirements in respect of the Offer. The Overseas Shareholders should observe any applicable legal and regulatory requirements and, where necessary, consult their own professional advisers in the relevant jurisdictions. It is the responsibility of each Overseas Shareholder who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws, regulations and rules of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such jurisdictions). Any acceptance of the Offer by any Shareholder shall be deemed to constitute a representation and warranty from such Shareholder to each of BofA Securities, Morgan Stanley and the Company that all applicable local laws and requirements have been observed and complied with.

According to the Register, as at the Latest Practicable Date, the Company had one Overseas Shareholder with registered address located in United Kingdom.

As at the Latest Practicable Date, the Company had obtained advice from law firms qualified to advise on laws of United Kingdom and the United States, and it had been advised that under the applicable legislations and regulations of these jurisdictions, there was no regulatory restriction of any regulatory body or stock exchange with respect to extending the Offer to these Overseas Shareholders in the relevant jurisdictions. Accordingly, the Offer will be extended to the Overseas Shareholders with registered addresses in the above jurisdictions.

Overseas Shareholders should refer to “Appendix I — Terms of the Offer — Overseas Shareholders” of this Offer Document for further details of the requirements applicable to the jurisdictions where they are located or resident.

**It is the responsibility of each Overseas Shareholder who wishes to accept the Offer to satisfy himself or herself or itself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consents which may be required or compliance with other necessary formalities or legal requirements. Any acceptance of the Offer by any Shareholder shall be deemed to constitute a representation and warranty from such Shareholder to each of BofA Securities, Morgan Stanley and the Company that all applicable local laws and requirements have been observed and complied with. For the avoidance of doubt, neither Hong Kong Securities Clearing Company Limited nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty. Shareholders should consult their professional advisers if in doubt.**

## **NOMINEE REGISTRATION OF SHARES**

To ensure equality of treatment of all Shareholders, those registered Shareholders who hold Shares as nominees for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. In order for beneficial owners of the Shares, whose investments are registered in nominee names (including those whose interests in Shares are held through CCASS) to accept the Offer, it is essential that they provide instructions to their nominee agents of their intentions with regards to the Offer as early as possible.

## **RESPONSIBILITY FOR DOCUMENTS**

All communications, notices, Form of Acceptance, the Title Documents and remittances to be delivered or sent by, to or from any Shareholder will be delivered or sent by, to and from them, or their designated agents, at their risk and none of the Company, BofA Securities, Morgan Stanley, the Registrar or any of their respective directors or any other persons involved in the Offer accepts any liability for any loss or any other liabilities whatsoever which may rise as a result.

## **SETTLEMENT**

Subject to the Offer becoming unconditional and provided that a duly completed Form of Acceptance, accompanied by the relevant Title Documents are received by the Registrar by not later than the Latest Acceptance Time and are or are deemed to be in order, the Registrar will inform the relevant Accepting Shareholder by post of the buy-back of its/his/her Shares. At the same time, the Registrar will send, by ordinary post at that Accepting Shareholder's risk, a remittance for such total amount as is due to that Accepting Shareholder under the Offer, subject to deduction for the seller's ad valorem stamp duty due on the buy-back of the Shares as disclosed in the section headed "The Offer" above, as soon as possible, but in any event within 7 Business Days following the close of the Offer.

If the Shares of an Accepting Shareholder have not been bought-back by the Company in full, the Title Documents in respect of the balance of such Shares or a replaced certificate therefore will be returned or sent to it/him/her by ordinary post at its/his/her own risk, as soon as possible, but in any event within 10 days following the close of the Offer.

If the Offer does not become unconditional, the Title Documents will be returned and/or sent to each Accepting Shareholder (by ordinary post, at that Accepting Shareholder's own risk) within 10 days of the lapse of the Offer. Where any Accepting Shareholder has sent one or more transfer receipt(s) and in the meantime one or more Share certificate(s) has/have been collected on that Accepting Shareholder's behalf in respect thereof, that Accepting Shareholder will be sent (by ordinary post, at that Accepting Shareholder's own risk) such Share certificate(s) in lieu of the transfer receipt(s).

**TAX IMPLICATIONS**

Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of their acceptance of the Offer. It is emphasized that none of the Company, its ultimate beneficial owners and parties acting in concert with them, BofA Securities, Morgan Stanley, Anglo Chinese, the Registrar or any of their respective directors or any persons involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any person or persons as a result of his/her/their acceptance(s) of the Offer.

**EGM**

A notice convening the EGM to be held at 10:30 a.m. on Monday, 16 August 2021 for the Independent Shareholders to consider and, if thought fit, approve the resolutions in respect of the Offer and the Whitewash Waiver, is set out on pages EGM-1 to EGM-3 of this Offer Document and a form of proxy for use at the EGM is also enclosed.

**GENERAL**

Shareholders are strongly advised to consider carefully the information in (i) the “Letter from the Board” (as set out on pages 8 to 23 of this Offer Document), (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the Offer and the Whitewash Waiver (as set out on pages 35 to 36 of this Offer Document), and (iii) the advice from Anglo Chinese to the Independent Board Committee and the Independent Shareholders in respect of the Offer and the Whitewash Waiver (as set out on pages 37 to 79 of this Offer Document) contained in this Offer Document, and to consult their professional advisers as they see fit.

Your attention is also drawn to the information set out in the appendices of this Offer Document which form part of this Offer Document.

Yours faithfully,  
For and on behalf of

**Merrill Lynch (Asia Pacific) Limited**

**Thomas Barsha**  
*Managing Director*

**Morgan Stanley Asia Limited**

**Richard J. Wong**  
*Managing Director*

*(in alphabetical order)*

*The following is the text of a letter from the Independent Board Committee to the Independent Shareholders in respect of the Offer and the Whitewash Waiver for inclusion in this Offer Document.*



**WH Group Limited**  
**萬洲國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 288)**

30 July 2021

*To the Shareholders*

Dear Sir or Madam,

**(1) CONDITIONAL VOLUNTARY CASH OFFER  
BY MERRILL LYNCH (ASIA PACIFIC) LIMITED AND  
MORGAN STANLEY ASIA LIMITED ON BEHALF OF  
THE COMPANY TO BUY-BACK UP TO 1,916,937,202 SHARES  
AT A PRICE OF HK\$7.80 PER SHARE  
AND  
(2) APPLICATION FOR WHITEWASH WAIVER**

We have been appointed by the Board to form the Independent Board Committee to advise you in respect of the Offer and the Whitewash Waiver, details of which are set out in the letter from the Board in the offer document issued by the Company dated 30 July 2021 (the “**Offer Document**”), in which this letter is included. Capitalised terms used in this letter shall have the same meanings as defined in the Offer Document unless the context requires otherwise.

Your attention is drawn to the “Letter from BofA Securities and Morgan Stanley” set out on pages 24 to 34 of the Offer Document and Appendix I to the Offer Document which contains the terms of the Offer, and the “Letter from Anglo Chinese” set out on pages 37 to 79 of the Offer Document which contains its advice and recommendation to us and the Independent Shareholders in respect of the Offer and the Whitewash Waiver as well as the principal factors and reasons for its advice and recommendation.

Having taken into account the factors and reasons considered by, and the opinion of, Anglo Chinese as stated in the aforementioned letter of advice, we are of the opinion that the terms of the Offer and the Whitewash Waiver are on balance fair and reasonable so far

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**LETTER FROM THE INDEPENDENT BOARD COMMITTEE**

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as the Independent Shareholders are concerned and that (i) the Offer and (ii) the Whitewash Waiver, the granting of which is one of the conditions of the Offer, are in the interests of the Company and the Shareholders as a whole. We therefore recommend the Independent Shareholders to vote in favour of the resolutions to approve the Offer and the Whitewash Waiver at the EGM.

We also concur with the advice of Anglo Chinese to the Shareholders to accept the Offer. However, the Shareholders are reminded to monitor the market price of the Shares during the Offer Period. If during the Offer Period, it transpires that the market price of the Shares exceeds the Offer Price and the sale proceeds (net of the transaction costs) exceed the net proceeds to be received under the Offer, the Shareholders who wish to realise their investments in the Company in whole or in part should, if they are able to do so, seek to sell their Shares in the market instead of accepting the Offer. On the other hand, for those Shareholders who, after considering the information contained in the Offer Document, would like to participate in the future prospects of the Group following completion of the Offer, they should consider retaining all or part of their Shares.

Yours faithfully,

**The Independent Board Committee**

**Mr. Jiao Shuge**

*Non-executive  
Director*

**Mr. Huang Ming**

*Independent  
Non-executive  
Director*

**Mr. Lee Conway  
Kong Wai**

*Independent  
Non-executive  
Director*

**Mr. Lau, Jin Tin  
Don**

*Independent  
Non-executive  
Director*

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## LETTER FROM ANGLO CHINESE

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*Set out below is the letter of advice from the Independent Financial Adviser, Anglo Chinese Corporate Finance, Limited, to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this offer Document.*

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### ANGLO CHINESE

CORPORATE FINANCE, LIMITED

40<sup>th</sup> Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong  
www.anglochinesegroup.com

英高  
財務顧問有限公司

30 July, 2021

The Independent Board Committee and  
the Independent Shareholders of  
WH Group Limited

Dear Sir or Madam,

**(1) CONDITIONAL VOLUNTARY CASH OFFER  
BY MERRILL LYNCH (ASIA PACIFIC) LIMITED AND  
MORGAN STANLEY ASIA LIMITED ON BEHALF OF  
THE COMPANY TO BUY-BACK UP TO 1,916,937,202 SHARES  
AT A PRICE OF HK\$7.80 PER SHARE; AND  
(2) APPLICATION FOR WHITEWASH WAIVER**

#### I. INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Offer and the Whitewash Waiver. The terms used in this letter shall have the same meaning as defined in the Offer Document of which this letter forms part, unless the context requires otherwise.

The Independent Board Committee, comprising all the non-executive Directors, namely Mr. Jiao Shuge (a non-executive Director), and Mr. Huang Ming, Mr. Lee Conway Kong Wai and Mr. Lau, Jin Tin Don (each being an independent non-executive Director) has been formed to advise the Independent Shareholders in respect of the Offer and the Whitewash Waiver. We have been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to voting on the Offer and the Whitewash Waiver and as to acceptance of the Offer.

In formulating our opinion and recommendation, we have relied on the information and facts supplied to us by the Company and the opinions expressed by it, including those contained or referred to in the Offer Document and related announcements of the

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## LETTER FROM ANGLO CHINESE

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Company. We have reviewed (i) the Company's annual reports for the past three years, the last of which ended on 31 December, 2020; (ii) the Company's unaudited consolidated quarterly results for the three months ended 31 March, 2021; (iii) the unaudited management accounts of the Group for the five months ended 31 May, 2021; (iv) the Offer Document; and (v) the property valuation report prepared by the Valuer (as defined below). We have also reviewed the past performance of the Shares on the Stock Exchange and compared its performance with the Hang Seng Index.

We have assumed that the information, facts, representations and opinions were true at the time provided or made and continue to be true at the date of the Offer Document and will continue to be true at the date of the EGM. We consider that we have reviewed sufficient information to reach the conclusion set out in this letter and have no reason to believe that any of the information provided to us by the Company is inaccurate or that any material information has been omitted or withheld from the information supplied or the opinion expressed in the Offer Document. We have not, however, carried out any independent verification of the information provided to us by the Company, nor have we conducted any form of in-depth investigation into the business and affairs or the prospects of the Group. The Directors will notify the Independent Shareholders of any material changes to information contained or referred to in the Offer Document as soon as possible in accordance with Rule 8.1 of the Takeovers Code. Independent Shareholders will also be informed of our opinion in relation to such changes, if any, as soon as practicable.

Apart from normal professional fees for our services to the Company in connection with the engagement described above, no arrangement exists whereby we will receive any fees or benefits from the Company, its subsidiaries, directors, chief executive, substantial shareholders or any associates of any of them. As at the Latest Practicable Date, we did not have any relationship with, or interest in, the Company or any other parties that could reasonably be regarded as relevant to our independence. In the two years prior to the Latest Practicable Date, we have not previously acted as the independent financial adviser to the Company's other transactions. We therefore consider ourselves suitable to give independent advice to the Independent Board Committee in respect of the Offer and the Whitewash Waiver pursuant to Rule 2.6 of the Takeovers Code.

## II. THE OFFER

### (i) The background

On 6 June, 2021, the Company announced that the Board resolved on 2 June, 2021 for a conditional voluntary cash offer to be made by BofA Securities and Morgan Stanley on behalf of the Company to buy-back, subject to fulfilment of the Conditions, for cancellation up to the Maximum Number, being 1,916,937,202 Shares (representing approximately 13.0% of the issued share capital of the Company as at the Latest Practicable Date) from the Shareholders on the following basis:

For each Share . . . . . the Offer Price of HK\$7.80 in cash

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## LETTER FROM ANGLO CHINESE

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The Offer Price of HK\$7.80 valued the entire issued share capital of the Company as at the Latest Practicable Date (being 14,747,156,752 Shares) at approximately HK\$115,027.8 million.

Other principal terms of the Offer are as follows:

- (a) the Shareholders may accept the Offer in respect of any number of their Shares at the Offer Price up to their entire shareholding;
- (b) the Offer is not conditional upon a minimum number of Shares being tendered for buy-back;
- (c) all Shares validly tendered will be bought-back to the extent that the aggregate number of Shares repurchased pursuant to the Offer will not thereby exceed the Maximum Number. If the number of Shares validly tendered exceeds the Maximum Number, the number of Shares to be bought-back from each Accepting Shareholder will be reduced proportionally so that the number of Shares bought-back by the Company in aggregate is equal to the Maximum Number;
- (d) a Form of Acceptance duly received by or on behalf of the Company will become irrevocable and cannot be withdrawn after the Offer has become or been declared unconditional unless in accordance with Rule 19.2 of the Takeovers Code;
- (e) Shares will be bought-back in cash, free of brokerage commission, Stock Exchange transaction levies and trading charges, save that the amount of seller's ad valorem stamp duty due on the Shares bought-back attributable to the Accepting Shareholders and calculated at a rate of 0.13% or part thereof of the market value of the Shares to be bought-back under the Offer or the consideration payable by the Company in respect of relevant acceptances of the Offer, whichever is the higher, will be deducted by the Company from the amount payable to the Accepting Shareholders. The Company will arrange for payment of the seller's ad valorem stamp duty on behalf of the Accepting Shareholders in respect of the Offer;
- (f) the Shares bought-back will be treated as cancelled and will not be entitled to any dividend or distribution declared for any record date set on or after to the date of their cancellation; and
- (g) the Shares will be bought-back free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third-party rights of any nature. Accordingly, the submission of a Form of Acceptance by an Accepting Shareholder will be deemed to constitute a warranty by that Accepting Shareholder to BofA Securities, Morgan Stanley and the Company that the Shares are being sold free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third-party rights of any nature.

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## LETTER FROM ANGLO CHINESE

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In accordance with the Share Buy-backs Code, the Offer will be subject to the approval by the Independent Shareholders in a general meeting by a majority of votes by way of poll and will also be subject to the satisfaction of the Conditions.

Based on the principal terms described above, we note that the Shareholders have the discretion on whether to accept the Offer in respect of any number of their Shares at the Offer Price up to their entire shareholding, and the acceptance of the Offer will be binding once the Offer becomes unconditional. Please refer to the section headed “THE OFFER” in the letter from BofA Securities and Morgan Stanley for the further details of the principal terms.

### *The Conditions to the Offer*

Under the Share Buy-backs Code, the Offer will need to be approved by the Independent Shareholders in a general meeting by a majority of votes by way of poll as well as subject to other Conditions. The Offer will be conditional upon fulfilment of all of the following conditions on or before the Long Stop Date:

- (a) the approval by more than 50% of the votes cast by the Independent Shareholders in attendance either in person or by proxy by way of a poll having been obtained at the EGM in respect of the Offer;
- (b) the approval by at least 75% of the votes cast by the Independent Shareholders in attendance either in person or by proxy by way of a poll having been obtained at the EGM in respect of the Whitewash Waiver; and
- (c) the Executive granting the Whitewash Waiver and the satisfaction of any conditions attached to the Whitewash Waiver and the Whitewash Waiver not having been revoked or withdrawn.

None of the Conditions can be waived. Accordingly, if any of the Conditions is not satisfied on or before the Long Stop Date, the Offer will not proceed and will lapse immediately.

The Whitewash Waiver, if granted by the Executive, will be subject to the approval of the Independent Shareholders for the Offer and the Whitewash Waiver at the EGM by way of poll, to waive any obligation of the Heroic Zone to make a general offer which might result from completion of the Offer. If the Offer or the Whitewash Waiver is not approved by the Independent Shareholders by way of a poll, or if the latter is not granted by the Executive, the Offer will lapse immediately.

Please refer to the section headed “CONDITIONS OF THE OFFER” in the letter from BofA Securities and Morgan Stanley for the further details of the Conditions.

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## LETTER FROM ANGLO CHINESE

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Members of the Controlling Shareholders Concert Group who hold Shares (including Heroic Zone, Sure Pass, High Zenith, Chang Yun, Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun and the spouse of Mr. Ma Xiangjie) as at the date of the EGM will abstain from voting on the resolutions in respect of the Offer and the Whitewash Waiver at the EGM.

Pursuant to Rule 5.1 of the Share Buy-backs Code and Rule 15.3 of the Takeovers Code, if the Offer is declared unconditional, Shareholders will be able to tender their Shares for acceptance under the Offer for a period of not less than 14 days thereafter.

### *The Controlling Shareholders Concert Group Undertakings*

As at the Latest Practicable Date, Heroic Zone, Chang Yun, Sure Pass, High Zenith, Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun, Mr. Ma Xiangjie, Mr. Liu Songtao and Mr. Zhang Liwen, being members of the Controlling Shareholders Concert Group, is, in aggregate, interested in 5,033,479,978 Shares, representing approximately 34.13% of the issued share capital of the Company. Each of Heroic Zone, Chang Yun, Sure Pass, High Zenith, Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun and Mr. Ma Xiangjie had irrevocably undertaken to the Company that it or he will not, and will procure the holders of the Shares whose Shares it or he is deemed to be interested in by virtue of Part XV of the SFO not to, accept the Offer or transfer or dispose of any of the Shares held by it or him or in which it or he is interested in during the Offer Period.

Each of Mr. Wan Long, Mr. Wan Hongwei, Mr. Guo Lijun, Mr. Ma Xiangjie and Mr. Liu Songtao had irrevocably undertaken to the Company that he will not exercise any of the Options held by him during the Offer Period.

Please refer to the section headed “F. THE CONTROLLING SHAREHOLDERS CONCERT GROUP UNDERTAKINGS” in the letter from the Board for the details.

### **(ii) Information of the Group**

#### *Business operations*

The Company is a leading pork producer in the world and is vertically integrated in the production and the sale of pork and packaged meat products. Its primary operations are located in China and the United States, which account for approximately 42.3% and 48.3% of the Company’s revenue in 2020, respectively.

The Group’s business activities can be categorised into:

- (i) the packaged meats segment, which represents the production, wholesale and retail sales of low temperature and high temperature meat products;

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**LETTER FROM ANGLO CHINESE**

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- (ii) the pork segment, which represents slaughtering, wholesale and retail sales of fresh and frozen pork and hog farming; and
- (iii) others, which represent 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.

***Business and financial performance***

The tabulation below shows the summary of the consolidated statement of profit or loss of the Company for the three years ended 31 December, 2020, and the three months ended 31 March, 2021 together with the comparative figures for the corresponding period in 2020.

<i>US\$'million</i>	For the year ended 31 December,			For the three months	
	2018	2019	2020	2020	2021
	("FY2018")	("FY2019")	("FY2020")	("2020Q1")	("2021Q1")
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
<b>Revenue</b>					
— Packaged meats	12,147	12,331	12,167	3,031	3,239
— Pork <sup>(note 1)</sup>	9,824	11,015	12,296	3,052	3,040
— Others	634	757	1,126	199	331
<b>Total revenue</b>	<b>22,605</b>	<b>24,103</b>	<b>25,589</b>	<b>6,282</b>	<b>6,610</b>
<b>Operating profit</b>					
— Packaged meats	1,547	1,574	1,499	360	442
— Pork	133	570	341	209	62
— Others	(30)	(113)	(111)	(19)	(3)
<b>Total operating profit</b>	<b>1,650</b>	<b>2,031</b>	<b>1,729</b>	<b>550</b>	<b>501</b>
<b>Profit before taxation</b>	<b>1,411</b>	<b>2,052</b>	<b>1,315</b>	N/A <sup>(note 2)</sup>	N/A <sup>(note 2)</sup>
Profit attributable to:					
— owners of the Company	943	1,465	828	281	511
— non-controlling interests	210	230	264	N/A <sup>(note 2)</sup>	N/A <sup>(note 2)</sup>
Profit for the year	1,153	1,695	1,092	N/A <sup>(note 2)</sup>	N/A <sup>(note 2)</sup>
<b>Profit attributable to owners of the Company before biological fair value adjustments</b>	<b>1,046</b>	<b>1,378</b>	<b>973</b>	<b>353</b>	<b>293</b>
<b>Basic earnings per share (US cents)</b>	<b>6.43</b>	<b>9.96</b>	<b>5.62</b>	<b>1.91</b>	<b>3.47</b>
<b>Basic earnings per share before biological fair value adjustments (US cents)</b>	<b>7.13</b>	<b>9.37</b>	<b>6.60</b>	<b>2.40</b>	<b>1.99</b>

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## LETTER FROM ANGLO CHINESE

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*Sources: Annual reports and the unaudited quarterly results announcement of the Company for the relevant years, or periods*

*Notes:*

1. The fresh pork and hog production segments in FY2018 and FY2019 were combined as the pork segment in FY2020, 2020Q1 and 2021Q1.
2. The information relating to the profit before taxation, profit attributable to non-controlling interests and profit for the year were not available in the Company's quarterly results announcement.

— *2021Q1 versus 2020Q1*

On 27 April, 2021, the Company published the First Quarterly Results Announcement in relation to the Group's unaudited results for the three months ended 31 March, 2021 together with the comparative figures for the corresponding period of 2020. Set forth below is our discussion and analysis on this First Quarterly Results Announcement.

### Revenue

In 2021Q1, the total revenue of the Group increased by 5.2% to US\$6,610 million.

— Packaged meats segment

Revenue of the packaged meats segment increased by 6.9% to US\$3,239 million, which was mainly attributable to a 16.3% increase of revenue in China due to the timing of Chinese New Year and certain new product categories such as Chinese-style marinated deli and catering ingredients, while revenue in the United States had a slight increase of 3.1% as retail demand was strong and the timing of Easter helped.

— Pork segment

Revenue of the pork segment decreased by 0.4% to US\$3,040 million. While revenue in China increased by 3.0% as the increase in sales volume outweighed the decrease in average pork price, revenue in the United States and Europe recorded a decrease of 3.9% and 2.2%, respectively.

### Operating profit

In 2021Q1, the total operating profit of the Group decreased by 8.9% to US\$501 million.

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## LETTER FROM ANGLO CHINESE

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— Packaged meats segment

Operating profit of the packaged meats segment was US\$442 million, up 22.8% from US\$360 million in 2020Q1. Operating profit in China increased by 15.8% as a result of increased sales volume and lower costs as discussed above. Operating profit in the United States also recorded a 24.4% increase due to lower costs in relation to the recovery from COVID-19. Operating profit from Europe was US\$28 million, up 100% as compared to that of 2020Q1, mainly driven by increased sales volume, improved product portfolio and lower raw material costs.

— Pork segment

Operating profit of the pork segment was US\$62 million, down 70.3% as compared that of 2020Q1 mainly due to a 93.4% decrease in operating profit in the United States as higher raw material costs outweighed the benefits of the increased market value of pork. Operating profit in China was also down 19.4% as lower average hog price affected the profitability of inventories sale. Operating profit in Europe was US\$5 million, down 87.8% due to higher cost from animal feed grains and lower market value of pork relative to hog cost.

### Profits attributable to owners of the Company

The Group's profit attributable to owners of the Company increased by 81.9% to US\$511 million despite an 8.9% decrease in operating profit was mainly due to upward adjustments in biological fair value. Profit attributable to owners of the Company before biological fair value adjustments was US\$293 million, down 17.0% as compared to US\$353 million in 2020Q1.

Please refer to the full text of First Quarterly Results Announcement which is set out in Appendix VI to the Offer Document.

— *FY2020 versus FY2019*

### Revenue

In FY2020, the total revenue of the Group increased by 6.2% to US\$25,589 million.

— Packaged meats segment

Revenue of the packaged meats segment decreased by 1.3% to US\$12,167 million. Revenue in China increased by 11.7% as the impact of upward price adjustments outweighed the decrease in sales volume of 0.9% from consumer market slowed down and production was suspended at the beginning of the outbreak of COVID-19. Revenue in Europe also increased by 7.9% as a result of growth in both sales volume and prices through the

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## LETTER FROM ANGLO CHINESE

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improvement of slaughtering operation. However, revenue in the United States was down 8.4% as sales volume and prices were lower as compared to those of the previous year due to demand contraction during the COVID-19 pandemic.

— Pork segment

Revenue of the pork segment, which was a combination of the fresh pork segment and the hog production segment according to the FY2019 annual report, increased by 11.6% to US\$12,296 million in FY2020 as revenue in China grew by 28.5% due to the impact of increased pork prices surpassed the decrease in sales volume, and Europe grew by 11.7% mainly due to the sales volume growth. This was partially offset by a drop in revenue in the U.S by 3.3% primarily due to the reduction in production and sales volume.

Operating profit

In FY2020, the total operating profit of the Group decreased by 14.9% to US\$1,729 million.

— Packaged meats segment

Operating profit of the packaged meats segment was US\$1,499 million in FY2020, representing a decrease of 4.8% as compared to FY2019. This was primarily due to the operating profit in the United States during FY2020 declined notably by 32.6% mainly due to the impact of COVID-19 which included production inefficiency, unfavourable sales, incremental charges on employee protection and workforce stabilization as well as provisions made on the expected losses of receivables and inventories. Such decrease was partially offset by an increase in operating profit in China of 24.2%, as the gain from price and product mix adjustments outpaced the impact of unfavourable costs of sales. In Europe, the Company's operating profit increased substantially by 70.4% as compared to FY2019 because the growth in sales countervailed higher raw material and production costs.

— Pork segment

Operating profit of the pork segment decreased by 40.2% to US\$341 million. In the United States, the Company recorded an operating loss of US\$33 million in FY2020 as compared to an operating profit of US\$233 million in FY2019, representing a change of US\$266 million in absolute amount. Although hog costs were low while pork prices were stable, the negative impact of COVID-19 outweighed the benefit of such market dynamics. Operating profit of pork reduced significantly due to lower sales, production inefficiencies and incremental charges on employee protection. Such decrease was partially offset by the 8.8% increase in operating profit in China due to the increase in earnings associated with

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## LETTER FROM ANGLO CHINESE

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processing and sale of imported pork. In Europe, operating profit increased by 17.0% in FY2020 due to growth in sales and decrease in hog costs with stable pork prices.

Profits attributable to owners of the Company

The Group's profit attributable to owners of the Company in FY2020 decreased by 43.5% to US\$828 million as compared to that of the previous year mainly because of (i) a drop of US\$302 million in operating profit; (ii) a net unallocated expense of US\$108 million as compared to an income of US\$42 million in FY2019; and (iii) downward biological fair value adjustments of US\$185 million as compared to upward adjustments of US\$106 million in FY2019.

— *FY2019 vs FY2018*

Revenue

In FY2019, the total revenue of the Group increased by 6.6% to US\$24,103 million.

— Package meats segment

Revenue of the package meats segment increased by 1.5% to US\$12,331 million, which was mainly attributable to a 4.5% increase in revenue in China as sales volume remained similar to the previous year and prices were raised proactively. While revenue in the United States increased by 0.5%, revenue in Europe recorded a slight decrease of 1.5%.

— Pork segment

Revenue in the pork segment were further categorised into fresh pork and hog production segments in FY2018 and FY2019.

Revenue of the fresh pork segment was US\$10,078 million, up 10.3%, mainly driven by the 31.8% increase in revenue from China as pork prices rose above historically high levels outweighing the decrease in sales volume. Revenue in Europe also increased by 16.3% due to rising average selling prices of raw meat while revenue in the United States decreased by 6.7% as a result of the decrease in sales volume. Revenue of the hog production segment was US\$937 million, up 36.2%. This was mainly driven by an increase in hog prices in the United States.

Operating profit

In FY2019, the total operating profit of the Group increased by 23.1% to US\$2,031 million.

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## LETTER FROM ANGLO CHINESE

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— Package meats segment

Operating profit of the package meats segment was US\$1,574 million, up 1.7%. Operating profit in the United States increased by 7.9% mainly due to product mix improvement and capacity expansion outweighing the effects of higher raw material costs. This is offset by a 5.5% decrease in operating profit in China from the drawback of cost hike outpacing the benefit of upward price adjustments. Operating profit in Europe also increased by 8.0% due to lower administrative expenses outweighing the higher meat costs.

— Pork segment

Operating profit of the pork segment was US\$570 million, up 328.6% mainly driven by strong results in China and the United States. With the increase of gross profit from sales of the pork that was locally produced in the current period, imported from overseas, and inventories, the operating profit in China increased by 35.3% during the year. The operating profit in the United States was US\$233 million (Operating loss of US\$99 million in FY2018). This is due to the positive effect of increase in hedging gain due to higher hog prices and pork value in view of strong export demand as trade disruptions weakened in the latter half of the year, which outweigh the effects of (i) the increase in input costs from the African Swine Fever (“ASF”) in China and other countries; and (ii) the increase of production costs from wages increase.

### Profits attributable to owners of the Company

The Group’s profit attributable to owners of the Company increased by 55.4% to US\$1,465 million mainly due to (i) a 23.1% increase in operating profit and (ii) upward biological fair value adjustments of US\$106 million as compared to downward adjustments of US\$139 million in FY2018.

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**LETTER FROM ANGLO CHINESE**

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***Financial position***

Set out below is a summary of the consolidated statements of financial position of the Group as at 31 December, 2018, 2019 and 2020.

<i>US\$'million</i>	<b>As at 31 December,</b>		
	<b>2018</b>	<b>2019</b>	<b>2020</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
<b>Non-current assets</b>			
— Property, plant and equipment	5,300	5,406	5,531
— Goodwill	1,847	1,955	2,008
— Intangible assets	1,734	1,712	1,762
— Others <i>(note 1)</i>	957	1,502	1,580
<b>Sub-total</b>	<b>9,838</b>	<b>10,575</b>	<b>10,881</b>
<b>Current assets</b>			
— Biological assets	947	1,107	1,047
— Inventories	2,022	2,903	2,641
— Cash and bank balances	525	552	1,599
— Others <i>(note 2)</i>	1,966	2,145	2,547
<b>Sub-total</b>	<b>5,460</b>	<b>6,707</b>	<b>7,834</b>
<b>Total assets</b>	<b>15,298</b>	<b>17,282</b>	<b>18,715</b>
<b>Non-current liabilities</b>	3,552	3,961	3,663
<b>Current liabilities</b>	3,328	3,869	4,067
<b>Total liabilities</b>	<b>6,880</b>	<b>7,830</b>	<b>7,730</b>
<b>Equity attributable to owners of the Company (“NAV”)</b>	<b>7,746</b>	<b>8,684</b>	<b>10,005</b>
Non-controlling interest	672	768	980
<b>Total Equity</b>	<b>8,418</b>	<b>9,452</b>	<b>10,985</b>
<b>Debt profile</b>			
Current portion of			
— Borrowings	819	905	796
— Bank overdrafts	41	—	46
Non-current portion of			
— Borrowings	2,259	2,187	1,840
<b>Total borrowings and bank overdrafts</b>	<b>3,119</b>	<b>3,092</b>	<b>2,682</b>
<b>Net debt</b> <i>(note 3)</i>	<b>2,594</b>	<b>2,540</b>	<b>1,083</b>
<b>Gearing ratio</b> <i>(note 4)</i>	<b>30.8%</b>	<b>26.9%</b>	<b>9.9%</b>
<b>Average interest rate of borrowings</b>	<b>3.50%</b>	<b>3.70%</b>	<b>3.50%</b>

*Source: Annual reports of the Company for the relevant years*

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## LETTER FROM ANGLO CHINESE

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*Notes:*

1. Others non-current assets consist of right-of-use assets, prepaid lease payments, biological assets, interests in associates, interests in joint ventures, other receivables, financial assets at fair value through profit or loss, pledged bank deposits, deferred tax assets, and other non-current assets.
2. Others current assets consist of the properties under development, prepaid lease payments, trade and bill receivables, prepayments, other receivables and other assets, taxation recoverable, financial assets at fair value through profit or loss, and pledged, or restricted bank deposits.
3. Net debt is calculated by total borrowings and bank overdrafts less cash and bank balances.
4. Gearing ratio is the ratio of net debt to total equity.

As at 31 December, 2020, total assets of the Company amounted to US\$18,715 million (as at 31 December, 2019: US\$17,282 million) of which property, plant and equipment, biological assets, goodwill, intangible assets, inventories, and cash and bank balance aggregately comprised approximately 77.9% of total assets (as at 31 December, 2019: 78.9%). The Group's property, plant and equipment increased by approximately 2.3% from approximately US\$5,406 million as at 31 December, 2019 to approximately US\$5,531 million as at 31 December, 2020. The Group's biological assets, comprising its non-current and current portion, decreased by approximately 5.0% from approximately US\$1,244 million as at 31 December, 2019 to approximately US\$1,182 million as at 31 December, 2020 due to adjustments from fair value measurement. The Group's goodwill increased by approximately 2.7% from approximately US\$1,955 million as at 31 December, 2019 to approximately US\$2,008 million as at 31 December, 2020, mainly due to acquisition of subsidiaries and currency realignment.

As at 31 December, 2020, total liabilities of the Company amounted to US\$7,730 million (as at 31 December, 2019: US\$7,830 million), of which the aggregate of borrowings and accrued expenses and other payables amounted to US\$5,063 million (as at 31 December, 2019: US\$4,967 million), representing 65.5% (as at 31 December, 2019: 63.4%) of total liabilities. The Group's accrued expenses and other payables increased by approximately 29.4% from approximately US\$1,875 million as at 31 December, 2019 to approximately US\$2,427 million as at 31 December, 2020 mainly due to increases in accrued staff costs and contract liabilities. The Group's total borrowings and bank overdrafts decreased by approximately 13.3% from approximately US\$3,092 million as at 31 December, 2019 to approximately US\$2,682 million as at 31 December, 2020. The average interest rate of borrowings maintained stable as at 31 December, 2020 of 3.50% (as at 31 December, 2019: 3.70%). Gearing ratio of the Company as at 31 December, 2020 of 9.9% decreased significantly (as at 31 December, 2019: 26.9%) mainly due to increase in cash from issue of shares of a subsidiary and the decrease of the total borrowings and bank overdrafts as mentioned above.

*Code implication on the Group's unaudited results for the three months ended 31 March, 2021*

Pursuant to Rule 10 of the Takeovers Code, the information contained in the First Quarterly Results Announcement (i.e. the Profit Forecast Information) constitutes a profit forecast and shall be reported on by the Company's auditors and us as the Independent Financial Adviser in accordance with the requirements under Rules 10.3 and 10.4 of the Takeovers Code. The two reports are set out in Appendices VII and VIII to the Offer Document, respectively.

*Prospects and outlook of the Group*

As discussed in the 2020 annual report of the Company, the Company's business has always been affected by external factors, including economic growth, consumers' preference, industry cycle and the pandemic.

In August 2018, China reported its first case of ASF, a fatal disease for hogs. The outbreak of ASF in China led to a decrease in total pork production and an increase in hog prices as farms had to cull their infected hogs. According to the statistics by the Ministry of Agriculture and Rural Affairs of the People's Republic of China (the "PRC"), a total of 63 cases of ASF have been reported in China and approximately 390,000 head of hogs were culled in 2019. The situation improved in China in 2020 with a total of 19 cases of ASF having been reported and approximately 19,000 hogs were culled. Nevertheless, ASF remains a biosecurity threat. As of May, 2021, numerous Asian and European countries continued to report new cases.

According to the "Livestock and Poultry: World Markets and Trade" report dated 12 July, 2021 published by the United States Department of Agriculture ("USDA Report"), global pork production grew at a rate of 0.8% from 2017 to 2018 before contracting in 2019 and 2020 by an annual rate of 9.7% and 5.2% respectively. Overall, global pork production shrunk at a compounded annual growth rate ("CAGR") of 4.8% from 2017 to 2020 to approximately 96.7 million metric tons in 2020. In 2020, China was the largest producer of pork worldwide, followed by the European Union, the United States and Brazil. Meanwhile, global pork consumption followed a similar trend to global production and shrunk at a CAGR of 4.8% from 2017 to 2020 to 96.2 million metric tons in 2020. In 2020, China was the largest pork consumer worldwide, followed by the European Union, the United States and Russia.

Since February, 2020, the outbreak of the COVID-19 pandemic has spread throughout China and around the world on an unprecedented scale. The pandemic, with the continued widespread of ASF in China and Europe as discussed above, has led to an adverse and prolonged impact on the overall economic and social conditions globally, including China and the United States. Policies and measures imposed by various governments in response to the outbreak of COVID-19, including the lockdown of cities, travel restrictions and the suspension of business operations, has led to business interruptions for many

companies. However, with the recent improvement in the COVID-19 situation, the global economic gradually picked up since mid-2020 as lockdown measures eased. According to the Organisation for Economic Co-operation and Development (OECD)'s economic outlook report which was published in March, 2021, seven countries, including the United States and China, have already seen their per capita gross domestic product (“GDP”)’s return to pre-pandemic standing. While China, in particular, exceeded expectations, and became one of the few major economies to record growth in 2020 and to recover to pre-pandemic levels. According to the National Bureau of Statistics of China, China has recorded a GDP growth rate of 2.3% in 2020.

In 2020, the effects of the COVID-19 pandemic and continuation of ASF as discussed above brought unprecedented challenges for the industry. In the current financial year, as signs of alleviation of COVID-19 are seen in many economies, demand and production are expected to gradually return to normal. Against a backdrop of projected global GDP growth of 6% in 2021 (2020: a negative 3.3% growth) reported by the International Monetary Fund in April, 2021, the USDA Report expected both global pork production and consumption in 2021 to grow at an annual rate of 8.7% and 9.7% respectively based on January to July, 2021 figures. With the sizable population in China of approximately 1.4 billion, as well as the economic growth, rapid urbanisation and improvements on living standards in that country, the pork market in China is expected to grow. According to the “OECD-FAO Agricultural Outlook 2021–2030” report dated 5 July, 2021 by the OECD, and Food and Agriculture Organisation of the United Nations, the increase in global pork production will remain limited in 2021 to 2023 due to the slow recovery from the outbreaks of ASF in China, Philippines and Vietnam. The recovery process is assumed to be completed by 2023, especially in China, supported by the rapid development of large-scale production facilities that can ensure biosecurity.

Based on the above, we concur with the view of the Company that the global economy is expected to gradually recover while the production and daily life will resume to normal, which will have a positive impact on the Company given its size and position in the markets it serves for resumption in the growth of its production and operations in the future.

Moreover, as stated in the section headed “L. FURTHER INTENTION IN RELATION TO THE GROUP” in the letter of the Board, the completion of the Offer will not result in a change in the Controlling Shareholders or in the composition of the Board. The Controlling Shareholders intend to continue with the existing businesses of the Group and do not intend to introduce any major changes to the businesses of the Group, nor conduct any redeployment of the fixed assets of the Group. Accordingly, there will be no material change to the existing businesses and employment of the existing employees of the Group as a result of the Offer.

### III. REASONS FOR THE OFFER

The following are the principal reasons which we have taken into account in assessing the fairness and reasonableness of the Offer and the Whitewash Waiver, and in giving our advice to the Independent Board Committee and the Independent Shareholders.

- (i) Return a portion of the Company's capital to the Shareholders pursuant to the Offer -

As discussed in the sub-section headed “— Business and financial performance” above, the Company's revenue and profits has remained relatively stable in the past three years. At the same time the Company's equity attributable to owners of the Company has increased from US\$5,130 million as at 31 December, 2014 to US\$10,005 million as at 31 December, 2020. On 7 July 2021, the Company has made the payment of a final dividend of HK\$0.125 per Share for the year ended 31 December, 2020 in the amount of approximately HK\$1,843 million (equivalent to approximately US\$238 million in total, based on the exchange rate of HK\$7.75 to US\$1). Furthermore, having reviewed the working capital forecast for the twelve months ending 31 July, 2022 provided by the Company and discussed with the management of the Company, we concur with the view of the Company that it does not foresee any material capital outlays or commitments (other than the capital required for its current operational and expansion needs in its ordinary course of business) and thus considers it reasonable to return a portion of the Company's the capital to the Shareholders, as discussed in the letter from the Board. If the Offer is accepted in full, the consideration payable under the Offer will be approximately HK\$14,952.1 million (equivalent to approximately US\$1,929 million), of which approximately 41.5% will be funded as to US\$800 million by internal resources of the Group and the balance of approximately US\$1,129 million by the committed facility of up to US\$2 billion pursuant to the Facility Agreement secured by the Company (the “**Facility**”). Please refer to the following section regarding our discussion of the funding.

- (ii) Enhance earnings per Share and reduce the cost of capital of the Group upon completion of the Offer -

As stated in the section headed “D. CONFIRMATION OF FINANCIAL RESOURCES” in the letter from the Board, the consideration for the Offer, being approximately HK\$14,952.1 million if the Offer is accepted in full, will be paid in cash and will be funded by (i) the Facility; and (ii) internal resources of the Group. We understand that the favourable borrowing costs available in the market is another factor the management of the Company has taken into consideration. As stated in the sub-section headed “— Business and financial performance — financial position” above, the average interest rate of the Company's borrowings ranged from 3.5% to 3.7% in the past three years. We have further reviewed the Facility Agreement and noted the interest rate of the committed facility for the Offer is lower than 1.5% based on the prevailing HIBOR and LIBOR rate.

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## LETTER FROM ANGLO CHINESE

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The cost of capital, or the weighted average cost of capital of a company, is calculated by multiplying the cost of each capital source (being debt and equity) by its relevant weight, and then adding the products together to determine the value. Generally, the cost of debt is lower than the cost of equity. The interest expense on debt is tax deductible in most countries, which reduces its after-tax cost of debt. Assuming other factors are constant, the company can increase its debt weighting at a lower cost as compared to cost of equity to lower the weighted average cost of capital in order to optimise the capital structure and improve the overall market value of the Company. Therefore, funding the Offer with the Facility, for which the interest rate is lower than the average interest rate of the Company's borrowing for the past three years consequently, is expected to reduce the Company's cost of capital. For illustrative purposes only, we have analysed the cost of equity of the Company using the dividend discount model.<sup>1</sup> We consider that such approach is reasonable as it is one of the commonly used approaches taking into account the Company has maintained dividend payments at a relatively stable dividend payout ratio in the past five year which is further discussed in the sub-section headed "— Dividend" below. Based on this approach, the estimated cost of equity of the Company is approximately 7.7%, which is higher than the interest rate of below 1.5% of the Facility. Therefore, we concur with view of the Company that it would be in the interests of the Shareholders and the Company as a whole to take advantage of the favourable borrowing costs to finance the Offer with the Facility and further optimise the capital structure of the Company.

Furthermore, as shown in the sub-section headed "— (i) Financial effects of the Offer" below, the basic earnings per Share would have increased by approximately 11.92% from approximately US\$5.62 cents per Share to US\$6.29 cents per Share for the year ended 31 December, 2020 as a result of the Offer. We have also considered other financial impacts, including but not limited to, the changes of NAV per Share and the level of liabilities, upon the completion of the Offer. Details of the financial effects of the Offer are set out in the section headed "K. FINANCIAL EFFECTS OF THE OFFER" in the letter from the Board.

As a result, we concur with the Directors that the earnings per Share will be enhanced and the cost of capital of the Group will be reduced upon completion of the Offer and cancellation of the Shares which are repurchased.

(iii) The Offer provides an opportunity but not an obligation for the Shareholders either to monetise all or a portion of their investment in the Company at a premium to the prevailing recent market price or to increase their proportionate interests in the Company by retaining their holdings and participating in the future prospects of the Company.

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<sup>1</sup> According to the dividend discount model, the cost of equity is calculated based on the sum of (i) the sustainable growth rate ("SGR"); and (ii) the product of the current dividend yield and the SGR. The SGR is determined based on the product of (i) the latest retention ratio of the Company (being 1 minus the dividend payout ratio) and (ii) the return on equity of the Company (being the profit attributable to owners of the Company for the year ended 31 December, 2020 divided by the equity attributable to owners of the Company as at 31 December, 2020. Please refer to the sub-section headed "— Dividend" below for the detailed calculations on the dividend yield and dividend payout ratio.

The Offer provides an opportunity for Shareholders to realise at least part of their investment in the Company at a premium to the recent historic market prices of the Shares and to the Group's NAV per Share, if they so wish. Please refer to the sections headed “— (i) Offer Price — Share price performance” and “— Net asset value attributable to Shareholders” below for our analysis. Moreover, according to the Offer, the share buy-back by way of the conditional cash offer is an equitable mechanism by which all Shareholders can participate equally on the same terms, and allows them to decide upon their preferred level of investment in the Company and allows the Shareholders who do not wish to exit from their investment in the Company to enjoy the benefits of enhanced Shareholder value. As illustrated in the sub-section headed “— Trading liquidity” below which sets out an analysis of the historical trading volume of the Shares, the average daily trading volume of the Shares represented less than 0.27% of the public float of the Company as at the Last Trading Day. As a result, we are of the view that, given the relatively low trading volume, the Offer provides an opportunity for those Shareholders who wish to realise a portion of their holdings to do so at a fixed price and without incurring transaction costs, being the commissions and dealing charges.

### **Analysis of the Offer**

#### ***(i) Offer Price***

As stated in the section headed “C. THE OFFER PRICE” in the letter of the Board, the Offer Price of HK\$7.80 in cash per Share, which was determined after taking into account, among other things, the historical prices of the Shares traded on the Stock Exchange, historical financial information of the Group and the prevailing market conditions and sentiments, and with reference to the share buy-back transactions of companies listed on the Main Board of the Stock Exchange in recent years, and which represents:

- (a) a premium of approximately 17.29% over the closing price of HK\$6.6500 per Share as quoted on the Stock Exchange on 1 June, 2021 (being the Last Trading Day);
- (b) a premium of approximately 16.35% over HK\$6.7040 which is the average closing price per Share as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day;
- (c) a premium of approximately 16.31% over HK\$6.7060 which is the average closing price per Share as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day;
- (d) premium of approximately 15.64% over HK\$6.7453 which is the average closing price per Share as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day;

## LETTER FROM ANGLO CHINESE

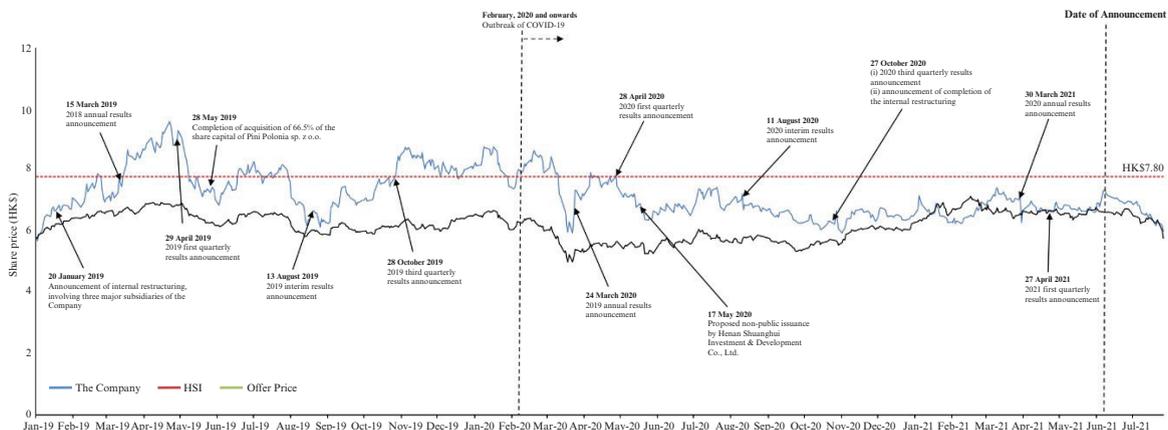
- (e) a premium of approximately 13.54% over HK\$6.8700 which is the average closing price per Share as quoted on the Stock Exchange for the 60 consecutive trading days up to and including the Last Trading Day;
- (f) a premium of approximately 15.22% over HK\$6.7698 which is the average closing price per Share as quoted on the Stock Exchange over the 90 consecutive trading days up to and including the Last Trading Day;
- (g) a premium of approximately 29.78% over the closing price of HK\$6.0100 per Share quoted on the Stock Exchange on the Latest Practicable Date;
- (h) a premium of approximately 35.10% to the consolidated net asset value of the Company as at 31 December, 2020 of approximately US\$0.74 per Share (equivalent to approximately HK\$5.77 per Share based on the exchange rate of US\$1:HK\$7.75) pursuant to the latest audited consolidated financial statements of the Company; and
- (i) a premium of approximately 45.25% to the Reassessed NAV per Share (as defined below) of approximately HK\$5.37 taking into account the property valuation of the Group, the details of which are set out in the summary report in Appendix IV to this Offer Document.

Accordingly, in assessing the fairness and reasonableness of the Offer Price, we have considered (i) the relative performance of the Shares and the Hang Seng Index (the “HSI”) from 1 January, 2019, covering two full financial years and up to and including the date of the Announcement (the “**Review Period**”) and the Latest Practicable Date; (ii) the trading liquidity of the Shares; (iii) the historical net asset value of the Company; (iv) the valuation of property assets of the Company; and (v) historical dividend payment of the Company.

### — Share price performance

The graph below shows the historical share price performance of the Shares and the relative performance of the HSI during the Review Period and up to the Latest Practicable Date. See the chart below.

**Relative historical share price performance of the Shares**



Source: Bloomberg

Note: The closing prices of the HSI have been rebased for comparison

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The Review Period covers two full financial years of the Company and is considered to appropriately represent a sufficient period of time to provide a general overview of the recent Share price performance, before and after the outbreak of COVID-19, for the purpose of this analysis. As illustrated by the chart above, during the Review Period, the Share price generally moved horizontally without a sustained uptrend or downtrend. The Share price outperformed the HSI in general since the beginning of the Review Period until the outbreak of COVID-19 in February, 2020. Thereafter, the outperformance of the Share price against the HSI began to shrink as the Share price displayed a general downtrend while the HSI rebounded gradually from its bottom in March, 2020.

Prior to the outbreak of COVID-19 in February, 2020, the closing price of the Shares traded between the range of HK\$5.69 on 3 January, 2019 and HK\$9.60 on 23 April, 2019. The Offer Price represents a premium of 37.1% over the lowest closing price of HK\$5.69 and the Offer Price represents a discount of 18.8% to the highest closing price of HK\$9.60 during the Review Period. The Share price dropped drastically from HK\$8.45 on 5 March, 2020 to HK\$5.96 on 23 March, 2020, or 29.5%, compared to a 18.9% drop in the HSI, due to market reaction to the outbreak of COVID-19. The Share price recovered partially and closed at above HK\$7.80 on 7, 9 and 28 April, 2020. Subsequently, the Shares have been consistently traded below the Offer Price of HK\$7.80 per Share up till the Last Trading Day. During the six-month period preceding the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$7.43 on 11 March, 2021, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$6.27 on 4 and 9 February, 2021.

Following the Announcement, the Share price increased by approximately 7.7% reaching HK\$7.33 on 7 June, 2021. After that, the Share price declined gradually and closed at HK\$6.01 on the Latest Practicable Date, representing a decrease of approximately 18.0%. The HSI dropped approximately 12.9% in the same period. Save for this, we are not aware of any particular reason for the decrease in the Share price in this period.

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**LETTER FROM ANGLO CHINESE**

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— *Trading liquidity*

The table below illustrates (i) the average daily trading volume of the Shares; (ii) the percentage of the average daily trading volume of the Shares as a percentage of the issued Shares of the Company; and (iii) the percentage of the average daily trading volume of the Shares as a percentage of the public float of the Company covering the Review Period, and from the Last Trading Day and up to the Latest Practicable Date:

**Trading volume during the Review Period, and  
from the Last Trading Day up to the Latest Practicable Date**

Period	Average daily trading volume (No. of Shares)	Average daily trading volume of Shares as a percentage of the issued Shares of the Company <sup>(note 1)</sup>	Average daily trading volume of Shares as a percentage of the public float of the Company <sup>(note 2)</sup>	
		(%)	(%)	
<b>2019</b>	January	30,010,950	0.20%	0.32%
	February	49,959,474	0.34%	0.53%
	March	82,596,928	0.56%	0.88%
	April	78,538,035	0.53%	0.83%
	May	84,964,125	0.58%	0.90%
	June	46,045,377	0.31%	0.49%
	July	34,431,244	0.23%	0.37%
	August	54,723,318	0.37%	0.58%
	September	39,876,262	0.27%	0.42%
	October	54,331,090	0.37%	0.58%
	November	40,110,325	0.27%	0.42%
	December	42,854,117	0.29%	0.45%
<b>2020</b>	January	36,372,595	0.25%	0.38%
	February	34,056,481	0.23%	0.36%
	March	61,640,117	0.42%	0.65%
	April	47,118,088	0.32%	0.50%
	May	51,960,300	0.35%	0.55%
	June	48,315,163	0.33%	0.51%
	July	47,594,127	0.32%	0.50%
	August	38,491,909	0.26%	0.41%
	September	25,850,445	0.18%	0.27%
	October	48,196,123	0.33%	0.51%
	November	52,063,199	0.35%	0.55%
	December	31,313,687	0.21%	0.32%
<b>2021</b>	January	43,058,156	0.29%	0.44%
	February	45,773,317	0.31%	0.47%
	March	47,776,915	0.32%	0.49%
	April	43,623,621	0.30%	0.45%
	May	27,082,490	0.18%	0.28%
	June (From 1 June, 2021 up to the Announcement date)	26,310,904	0.18%	0.27%
	June (From 7 June, 2021 to 30 June, 2021)	46,410,560	0.31%	0.48%
	July (From 1 July, 2021 to the Latest Practicable Date)	34,933,842	0.24%	0.36%
<b>Minimum</b>		<b>0.18%</b>	<b>0.27%</b>	
<b>Maximum</b>		<b>0.58%</b>	<b>0.90%</b>	

Sources: Bloomberg and information provided by the Company

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## LETTER FROM ANGLO CHINESE

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*Notes:*

- (1) The calculation is based on the average daily trading volumes of the Shares in a month divided by all the issued Shares at the end of that month.
- (2) The calculation is based on the average daily trading volumes of the Shares in a month divided by the total number of Shares held by the public at the end of that month as provided by the Company.

As illustrated from the table above, during the Review Period, the daily average trading volumes of the Shares represented (i) approximately 0.18% to 0.58% of the total issued Shares, and (ii) approximately 0.27% to 0.90% of the Shares constituting the public float of the Company, which remained low and has been relatively consistent. During the Review Period, the daily average trading volume of the Shares were approximately 47,055,380 Shares. The historically low level of trading liquidity of the Shares would indicate that any sale of a large number of Shares in the market would be difficult to accomplish within a short period of time without adversely affecting the Share price. Moreover, as the Offer will involve the buy-back of up to a maximum of 1,916,937,202 Shares, representing approximately 13.0% of the total issued Shares as at the Latest Practicable Date, the Offer therefore represents a liquidity event for Shareholders to realise their investment in the Company at a favourable price as compared to recent market prices, with price certainty. Please refer to the sub-section headed “— Share price performance” above for our analysis on the performance of recent market Share price.

The trading volume of the Shares were 184,025,679 Shares on 7 June, 2021, being the trading day after the publication of the Announcement. We believe that the increase in the liquidity of the Shares was due primarily to the release of the Announcement. During the period from 7 June, 2021 (i.e. the first trading day after the publication of the Announcement) up to the Latest Practicable Date, the average daily trading volume was 40,508,247 Shares.

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**LETTER FROM ANGLO CHINESE**

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— *Net asset value attributable to Shareholders*

We have compared the premium to NAV per Share as implied by the Offer Price with the historic price-to-book ratio (“P/B”) and Share price premium to NAV per Share during the Review Period, and up to the Latest Practicable Date as shown in the table below:

**Historic P/B and premium to NAV during the Review Period, and up to the Latest Practicable Date**

Period	NAV per Share (HK\$)	Average closing Share price (HK\$)	P/B (times)	Premium to NAV (%)	
<b>2019</b>	January	3.96	6.53	1.65x	64.9%
	February	3.96	7.32	1.85x	85.0%
	March	4.09	7.87	1.93x	92.6%
	April	4.08	8.96	2.19x	119.4%
	May	4.08	7.71	1.89x	88.9%
	June	4.08	7.61	1.87x	86.5%
	July	4.08	7.92	1.94x	94.1%
	August	4.37	6.66	1.53x	52.5%
	September	4.37	6.98	1.60x	59.8%
	October	4.37	7.57	1.73x	73.5%
	November	4.36	8.43	1.93x	93.1%
	December	4.36	7.98	1.83x	82.8%
<b>2020</b>	January	4.36	8.28	1.90x	89.7%
	February	4.36	8.15	1.87x	86.9%
	March	4.57	7.26	1.59x	58.8%
	April	4.57	7.59	1.66x	66.1%
	May	4.57	6.86	1.50x	50.2%
	June	4.57	6.75	1.48x	47.6%
	July	4.57	7.13	1.56x	55.9%
	August	4.76	6.90	1.45x	45.0%
	September	4.76	6.53	1.37x	37.3%
	October	4.76	6.30	1.32x	32.5%
	November	4.75	6.50	1.37x	36.7%
	December	4.75	6.52	1.37x	37.2%
<b>2021</b>	January	4.75	6.69	1.41x	40.6%
	February	4.75	6.51	1.37x	36.9%
	March	5.26	7.08	1.35x	34.6%
	April	5.26	6.76	1.29x	28.6%
	May	5.26	6.75	1.28x	28.3%
	June	5.26	7.07	1.34x	34.4%
	July (Up to the Latest Practicable Date)	5.26	6.51	1.24x	23.8%
	<b>Maximum</b>			2.19x	119.4%
	<b>Average</b>			1.60x	60.2%
	<b>Minimum</b>			1.24x	23.8%
	<b>Implied P/B of the Offer Price based on the NAV of the Company as at 31 December, 2020:</b>			<b>1.48x</b>	<b>48.3%</b>

*Source: Bloomberg*

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As illustrated in the table above, the Shares have been consistently traded at a premium to the NAV per Share, ranging from (i) approximately 23.8% to 119.4% during the Review Period, and up to the Latest Practicable Date, and (ii) approximately 23.8% to 40.6% during 2021, or the period from January, 2021 to the Latest Practicable Date. However, we are not aware of any particular reasons for such lower premium to the NAV in 2021 when compared to those in 2019 and 2020, but as discussed above, the increase in NAV per Share in 2021 was mainly attributable to an increase in cash from issue of shares of a subsidiary amounting to US\$996 million (or approximately HK\$0.52 per Share) in October, 2020.

Based on the Company's NAV per Share of HK\$5.26 as at 31 December, 2020, the premium to the NAV per Share based on the Offer Price of HK\$7.80 was approximately 48.3%. Such premium is lower than the average premium to NAV, but is within the range of the historic premium to NAV during the Review Period and up to the Latest Practicable Date. The P/B ratio implied by the Offer Price is 1.48 times, which is lower than the average P/B ratio, but within the range of the Company's historic P/B ratio ranging from 1.24 times to 2.19 times during the Review Period and up to the Latest Practicable Date.

Although the P/B and premium to NAV implied by the Offer Price is lower than the P/B and historic premium to NAV between January, 2019 and May, 2020, as well as July, 2020, the 48.3% premium to the NAV per Share as at 31 December, 2020 and P/B of 1.48 times implied by the Offer Price is higher than the historic premium to NAV and P/B since January, 2021. Therefore, in light of the recent market prices of the Shares, the Offer provides an opportunity for the Shareholders to monetise their shareholding at a higher premium to the Group's NAV per share and P/B since January, 2021.

- (1) Valuation of property assets of the Company as at 30 April, 2021 for determining the reassessed NAV per Share

The property valuation report (the "**Property Valuation Report**") by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, (the "**Valuer**") as at 30 April, 2021 relating to the valuation of property interests of the Company (the "**Properties**") is set out in Appendix IV to the Offer Document.

We are satisfied that the terms, including the scope of work, of engagement between the Company and the Valuer are appropriate. We have reviewed the Property Valuation Report, and have enquired with the Valuer the methodologies and assumptions used in arriving at the market valuations of the properties being valued. Details in respect of the valuation methodologies adopted by the Valuer are set out in the Property Valuation Report. We also note that the Valuer did not carry out site inspections of most properties in the United States, Poland and Romania owing to the unfavourable effect of COVID-19 and certain restrictions on travelling in these countries. Nevertheless, alternative procedures have been adopted for

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the inspection purposes of the valuation of these properties as disclosed in the Property Valuation Report. We have discussed with the Valuer on such approach, and understand that such alternative procedure is compliant with HKIS Valuation Standard 2017, VS.7.1.5 and VS.7.1.8 and the Valuer is of the view that the alternative procedures does not have any material impact on the valuation of the Properties.

Details of the property valuations in the Property Valuation Report are summarised below:

**Summary of property valuations in the Property Valuation Report**

Types of property interests	Valuation methodology(ies) used	As at 30 April, 2021			
		Market value (RMB' million)	Reference value (Note 1) (RMB' million)	Total (note 2) (RMB' million)	Total (US\$' million)
<b>Part A: Property interests held by the Group in the PRC</b>					
— Group I: Property interests held and occupied	65 properties by the cost approach, 1 property by the comparison approach, and portions of 4 properties by the cost approach (see Group III for the remaining portions)	6,274	1,695	7,969	1,230
— Group II: Property interests held for investment	5 properties by the income approach	22	1	23	4
— Group III: Property interests held under development	7 properties by the cost approach, and portions of 4 properties by the cost approach	1,096	243	1,339	207
— Group IV: Property interest held for sale	1 property by the comparison approach	15	9	24	4
	<b>Sub-total</b>	<b>7,407</b>	<b>1,948</b>	<b>9,355</b>	<b>1,445</b>
		<i>(US\$' million)</i>			<i>(US\$' million)</i>
<b>Part B: Property interests held by the Group in United States (Group I: Property interests held and occupied)</b>	375 properties by the cost approach and 5 properties by the comparison approach	1,687	N/A	N/A	1,687

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Types of property interests	Valuation methodology(ies) used	Market value (PLN' million)	Reference value (Note 1)	Total (note 2)	Total (US\$' million)
<b>Part C:</b> Property interests held by the Group in Poland					
Group I: Property interests held and occupied	55 properties by the cost approach	779	N/A	N/A	205
Group II: Property interests held for investment	1 property by the income approach	10	N/A	N/A	3
	<b>Sub-total</b>	<b>789</b>	<b>N/A</b>	<b>N/A</b>	<b>208</b>
<i>(RON' million)</i>					
<b>Part D:</b> Property interests held by the Group in Romania (Group I: Property interests held and occupied)					
	199 properties by the cost approach	738	N/A	N/A	180
	<b>Total</b>				<b>3,520</b>
<i>(US\$' million)</i>					

*Notes:*

1. From the Property Valuation Report, we noted that certain properties in the PRC either have not obtained proper title certificates or construction permits, or due to the allocated land nature of the land parcel on which the property is erected thereon. Nonetheless, the Valuer was able to provide depreciated replacement costs of these buildings (excluding the land) for reference. As the aggregate depreciated replacement cost of the buildings (excluding the land) which were attributed no commercial value to them represents approximately 8.5% of the total value of the Properties of the Company as at 30 April, 2021 and approximately 1.6% of the total assets of the Company as at 31 December, 2020, we are of the view that this does not affect our analysis and recommendation in respect of the Offer.
2. Total value is calculated by market value plus reference value.
3. Certain amounts shown and calculated in this summary table have been subject to rounding adjustments. Any discrepancies between the total shown and the sum of the amounts listed are due to rounding.

According to the Property Valuation Report, the total valuation of the Properties were approximately US\$3,520 million.

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We have reviewed the valuation methodologies adopted in the Property Valuation Report, and further enquired with the Valuer on the methodologies adopted in valuing the majority of the Properties as at 30 April, 2021, which are mainly income approach, comparison approach, and cost approach, as well as the relevant assumptions adopted in arriving at the values of the property interests. According to the Valuation Report and upon the enquiries with the Valuer, we note that the valuation methodologies were adopted on the following basis, which the Valuer consider as the most appropriate:

- (a) “Income approach” is by taking into account the rental income of the property derived from the existing leases and, or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalised to determine the market value at an appropriate capitalisation rate. Where appropriate, reference has also been made to the comparable sales transactions as available in the relevant market;
- (b) “Comparison approach” is by assuming sale of the property interests in their existing states with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the market. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors. For properties under construction, the comparison approach is adopted by making reference to land comparable sales evidence as available in the relevant market and have also taken into account the accrued construction cost and professional fees relevant to the stage of construction as at the valuation date. The Valuer has relied on the information on accrued construction cost and professional fees provided by the Group according to the different stages of construction of the properties as at the valuation date, and did not find any material inconsistency from those of other similar developments; and
- (c) “Cost approach” is applicable where, due to the nature of the buildings and structures of the properties, and the particular location in which they are situated, there are unlikely to be relevant market comparable sales readily available, the relevant property interests have been valued by the cost approach with reference to their depreciated replacement cost. Depreciated replacement cost is defined as “the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.” It is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement of the improvements, less deduction for physical deterioration and all relevant forms of obsolescence and optimization. In arriving at the value of the

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land portion, reference has been made to the sales evidence as available in the locality. The depreciated replacement cost of the property interest is subject to adequate potential profitability of the concerned business. In the valuation, it applies to the whole of the complex or development as a unique interest, and no piecemeal transactions of the complex or development is assumed.

We note that the methodologies being adopted, namely the income approach, comparison approach and cost approach, in the Property Valuation Report, are common valuation approaches and in line with market practice. The Valuer considers these approaches to be appropriate given (i) these are the most commonly accepted methods for valuing properties; and (ii) recent comparable sales transactions with similar attributes in terms of size, characteristics and location as the properties are available in the market. We have further discussed with the Valuer in respect of the methodologies, bases and assumptions adopted in arriving at the values of the property interests, which we understand were cross-checked with available market data. Taking into consideration of the nature of these properties and that the respective valuation is conducted in accordance with the above requirements, we consider that the methodologies and basis adopted by the Valuer for determining the market values of the property interests are appropriate.

### (2) Reassessed NAV

The total appraised value of the Properties as at 30 April, 2021 amounted to approximately US\$3,520 million, representing a valuation surplus of approximately US\$421 million as compared to the audited book value of the Properties of approximately US\$3,099 million as at 31 December, 2020. Taken into account (i) the potential tax liabilities in relation to the valuation surplus of US\$232 million; and (ii) the valuation deficit shared by non-controlling interests of approximately US\$12 million, this gives rise to a net revaluation surplus of approximately US\$201 million (“**Net Revaluation Surplus**”) over the audited book value of the Properties attributable to the Company as at 31 December, 2020.

The table below shows the calculations of the reassessed NAV (“**Reassessed NAV**” and “**Reassessed NAV per Share**” on a per share basis) taking into account the audited consolidated NAV as at 31 December, 2020 and the Net Revaluation Surplus.

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**Calculation of the Reassessed NAV per Share**

	<i>US\$ million</i>	<i>Notes</i>
Audited consolidated NAV as at 31 December, 2020	<b>10,005</b>	
Audited consolidated NAV per Share as at 31 December, 2020	<b>HK\$5.26 per Share</b>	<i>1</i>
 Add: Valuation surplus arising from the valuation of the property interests of the Company as at 30 April, 2021 according to the summary of the property valuation as show in table above	 <b>421</b>	 <i>2</i>
Less: Potential tax liabilities	<b>(232)</b>	<i>3</i>
Add: valuation deficit attributable to the non-controlling interests	<b>12</b>	
Net Revaluation Surplus	<b>201</b>	
 Reassessed NAV	 <b>10,206</b>	
Reassessed NAV per Share	<b>HK\$5.37 per Share</b>	<i>1</i>

*Notes:*

1. Based on 14,745,214,342 Shares in issue as at 31 December, 2020 and the exchange rate of US\$1:HK\$7.75.
2. Calculated based on the difference between (i) the market valuation of the Properties as at 30 April, 2021 and (ii) the audited book value of the Properties as at 31 December, 2020.
3. Represents the potential tax liabilities that would crystallise upon the disposal of the property interests of the Company at the market valuation as provided by the Company.

Accordingly, the Offer Price of HK\$7.80 per Share represents a premium of approximately 45.3% over the Reassessed NAV attributable to the Shareholders per Share of HK\$5.37. Such premium is within the range of the Company's historic premium to NAV ranging from 23.8% to 119.4% during the Review Period and up to the Latest Practicable Date, and in particular, is higher than the historic premium to NAV since January, 2021. Please refer to the sub-section headed “— Net asset value attributable to Shareholders” above for further details.

— *Dividend*

We have analysed in the table below the dividend paid and dividend payout ratios of the Company for the past five years since 2016.

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### Dividend paid and dividend payout ratios of the Company

	2016	2017	2018	2019	2020	
Dividend paid ( <i>US\$ million</i> )	491	505	375	597	333	
Dividend paid ( <i>HK\$ million</i> )	3,809	3,961	2,940	4,639	2,580	
Dividend per share ( <i>HK cents</i> )	0.260	0.270	0.200	0.315	0.175	
						<b>Average</b>
Dividend payout ratio ( <i>note 1</i> )	47.4%	44.6%	39.8%	40.8%	40.2%	<b>42.5%</b>
Dividend yield (%) ( <i>note 2</i> )	4.3%	3.1%	2.6%	4.8%	2.4%	<b>3.4%</b>

Sources: Bloomberg and annual reports of the Company for the relevant years

Notes:

1. Dividend payout ratio is expressed as a percentage of annual dividend paid divided by net profit attributable to owners of the Company for the relevant year.
2. Dividend yield is calculated by the dividend per Share divided by the Share price on the day which final dividend was announced.

As can be seen from table above, the Company's dividend payout ratio has been maintained at least approximately 40% for the past five years, with the dividend yield ranging from approximately 2.4% to 4.8% in the past five years.

#### *(ii) Analysis of the valuation of the Company implied by the Offer Price*

##### *— Comparable companies' analysis*

As mentioned above, the Group's business activities can be mainly categorised into two segments, being (i) the packaged meats segment which represents mainly the production, wholesale and retail sales of low temperature and high temperature pork products which contributed 47.5% of the Group's total revenue for the year ended 31 December, 2020; and (ii) the pork segment which represents slaughtering, wholesale and retail sales of fresh and frozen pork and hog farming which contributed 48.1% of the Group's total revenue for the year ended 31 December, 2020.

Accordingly, in order to assess the fairness and reasonableness of the Offer Price, we have conducted a comparable analysis comparing peer companies listed on the Stock Exchange with market capitalisation of over HK\$1 billion and more than 50% of revenue generated from breeding, processing and sale of pork. Based on the above criteria, we have identified an exhaustive list of two companies ("**Comparable Companies**") that satisfied these criteria and we consider that the Comparable Companies are appropriate for comparison purposes as they are all engaged in a similar business sector as the Company, and have majority of their revenue derived from this sector.

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In assessing the fairness and reasonableness of the Offer Price, we have used the price-to-earnings ratio (“P/E”) and price-to-book ratio (“P/B”) of the Comparable Companies, which are the most commonly adopted valuation benchmarks in comparing the valuation of a company’s shares. Further, having taken into account that (i) one of the Comparable Companies recorded negative earnings in its latest financial year, we have adopted the price-to-sales ratio (“P/S”) of the Comparable Companies, being a proxy of its financial performance in addition to net profit; and (ii) the intangible assets and goodwill together make up a substantial portion of approximately 20% of the Company’s total assets as at 31 December, 2020, we have adopted the price-to-net tangible asset ratio (“P/NTA”) of the Comparable Companies, for a more comprehensive analysis.

Stock code	Company name	As at the Latest Trading Day							As at the Latest Practicable Date				
		Market capitalisation as at the Latest Trading Day <small>(note 1)</small> <i>(HK\$ billion)</i>	Market capitalisation as at the Latest Practicable Date <small>(note 1)</small> <i>(HK\$ billion)</i>	P/E before biological fair value adjustments <small>(note 3)</small> <i>(times)</i>	P/E after biological fair value adjustments <small>(note 3)</small> <i>(times)</i>	P/B	P/NTA <small>(note 4)</small> <i>(times)</i>	P/S	P/E before biological fair value adjustments <small>(note 3)</small> <i>(times)</i>	P/E after biological fair value adjustments <small>(note 3)</small> <i>(times)</i>	P/B	P/NTA <small>(note 4)</small> <i>(times)</i>	
1610	COFCO Joycome Foods Limited (“COFCO Joycome”)	13.2	8.4	0.58x	3.78x	2.73x	1.16x	1.17x	0.36x	2.40x	1.73x	0.73x	0.74x
1068	China Yurun Food Group Limited (“China Yurun”)	1.8	1.5	0.12x	negative earnings	negative earnings	negative book value	negative NTA	0.10x	negative earnings	negative earnings	negative book value	negative NTA
		Average		0.35x	3.78x	2.73x	1.16x	1.17x	0.23x	2.40x	1.73x	0.73x	0.74x
		Maximum		0.58x	3.78x	2.73x	1.16x	1.17x	0.36x	2.40x	1.73x	0.73x	0.74x
		Minimum		0.12x	3.78x	2.73x	1.16x	1.17x	0.10x	2.40x	1.73x	0.73x	0.74x
0288	The Company	98.1	88.6	0.49x	12.95x	15.22x	1.26x	2.02x	0.45x	11.71x	13.76x	1.14x	1.83x
	The Company implied by the Offer Price <small>(note 2)</small>	115.0	115.0	0.58x	15.20x	17.86x	1.48x	2.37x	0.58x	15.20x	17.86x	1.48x	2.37x

Source: the website of the Stock Exchange and the respective annual reports of the Comparable Companies

*Notes:*

1. Market capitalisation is based on the number of shares in issue and the closing share price as at the Last Trading Day or Latest Practicable Date.
2. The market capitalisation of the Company is implied by the Offer Price, which is the Offer Price times the number of issued Shares as at the Latest Practicable Date.
3. Earnings before and after biological fair value adjustments are obtained from the annual reports of the Company and the Comparable Companies.
4. Net tangible value is derived by the equity attributable to shareholders of the company minus intangible assets and goodwill.

We noted that China Yurun recorded a net loss for the year ended 31 December, 2020, as well as a negative book value and net tangible assets as at 31 December, 2020, and therefore there is only one Comparable Company, COFCO Joycome, for our comprehensive analysis of the P/E (before and after biological value adjustments), P/B and P/NTA ratios. We are of the view that COFCO Joycome forms an appropriate reference to assess the Offer Price as its business

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scope is similar to that of the Company, which meets the criteria described above. As part of the selection process of the Comparable Companies, we have also considered companies which are principally engaged in the breeding and, or, processing and sale of chicken and, or other meats, which includes Shandong Fengxiang Company Limited (stock code: 9977) (“**Shandong Fengxiang**”), while the Company derives its revenue mainly from pigs, or hogs, with only less than 10% from poultry-related business in FY2020. However, we consider that the business of Shandong Fengxiang is not comparable to the Company because it is mainly engaged in the production and sale of chicken. Moreover, we consider that the supply, demand and price changes of different meats varies, and the companies that engaged in breeding and, or processing of other meats have not impacted by the ASF unlike the Company. Nevertheless, for illustrative purposes, the P/S and P/E after biological adjustments ratios (earnings before biological adjustments was not reported) of Shandong Fengxiang was 0.73 times and 18.57 times, respectively as at the Last Trading Day, which does not differ greatly from the respective ratios of the Company implied by the Offer Price of 0.58 times and 17.86 times. The P/B and P/NTA ratios of Shandong Fengxiang were 0.84 times and 0.84 times, respectively, as compared to the respective ratios of the Company implied by the Offer Price of 1.48 times and 2.37 times. We noted that Shandong Fengxiang was recently listed on 16 July, 2020 and the total equity of the company increased as a result of the proceeds received from the initial public offering. Furthermore, the Company has a higher P/NTA mainly due to the elimination of the goodwill recognised in connection with the acquisition of 100% of the equity interests of Smithfield in September, 2013. In view of above, we consider that COFCO Joycome, with reference to the ratios of Shandong Fengxiang mentioned above, provides an appropriate reference to the Offer Price for our analysis purpose.

As set out in the table above, as at the Last Trading Day the P/S of the Comparable Companies ranged from 0.12 times to 0.58 times and have an average of 0.35 times. The implied P/S of the Offer Price of 0.58 times is in line with the upper range of that of the Comparable Companies.

As at the Last Trading Day, the P/E of the Comparable Companies, being COFCO Joycome, before and after biological fair value adjustments are 3.78 times and 2.73 times respectively, while China Yurun recorded a net loss for the year ended 31 December, 2020. The implied P/E before and after biological fair value adjustment of the Offer Price of 15.20 times and 17.86 times are both higher than those of the Comparable Companies, before and after biological fair value adjustments respectively.

As at the Last Trading Day, the P/B of the Comparable Companies, being COFCO Joycome, is 1.16 times, while China Yurun recorded a negative net book value as at 31 December, 2020. The implied P/B of the Offer Price of 1.48 times is higher than the P/B of the Comparable Companies.

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As at the Last Trading Day, the P/NTA of the Comparable Companies, being COFCO Joycome, is 1.17 times, while China Yurun recorded a negative net tangible asset as at 31 December, 2020. The implied P/NTA of the Offer Price of 2.37 times is higher than the P/NTA of the Comparable Companies.

As at the Last Practicable Date the P/S of the Comparable Companies ranged from 0.10 times to 0.36 times and have an average of 0.23 times. The P/E of the Comparable Companies, being COFCO Joycome, before and after biological fair value adjustments, P/B and P/NTA are 2.40 times, 1.73 times, 0.73 times and 0.74 times respectively. The implied P/S, P/E, P/B and P/NTA of the Offer Price are higher than the Comparable Companies.

The results of the above comparison may still be of reference value providing indication on how the ratios implied by the Offer Price compare with the limited number of Comparable Companies. As illustrated above, despite the ratios implied by the Offer Price are higher than the Comparable Companies, having considered the Offer Price is within the range of historical Share prices during the Review Period as discussed in the sub-section headed “— Share price performance”, and the implied premium of the Offer Price is within the range of the Comparable Transactions as discussed in the sub-section headed “— Comparable share buy-back transactions in Hong Kong” below, we are of view that the Offer Price is on balance fair and reasonable.

— *Comparable share buy-back transactions in Hong Kong*

We have, to the best of our knowledge and belief, identified a list of successful transactions regarding the share buy-back transactions made by way of a general offer in the Review Period by Rykadan Capital Limited (stock code: 2288), Oriental Watch Holdings Limited (stock code: 0398), Shougang Fushan Resources Group Limited (stock code: 0639), and Skyworth Group Limited (stock code: 0751) which represent an exhaustive list during the Review Period. Share buy-back transactions conducted by other listed companies in conjunction with other types of corporate transactions, such as privatisation, acquisitions and reorganisations were not included in our comparable transaction list<sup>1 and 2</sup>.

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1 On 18 March 2021, CK Asset Holdings Limited (stock code: 1113) announced that it would acquire certain assets by issuing new shares as consideration, and would also buy-back and cancel the same number of the newly issued shares to offset the effect of share dilution. The maximum number of shares subject to the share buy-back offer was subsequently increased from 333,333,333 shares to 380,000,000 shares, being larger than the number of the newly issued shares. Based on such rationale, the price of share buy-back was the same as the consideration shares. Due to the difference in nature, we have not included this precedent in the analysis above. For reference purpose only, the consideration shares issued represented a premium of approximately 8.4%, 9.8% and 10.0% to the closing prices of the shares as quoted on the Stock Exchange on the date of the share purchase agreement (i.e. last trading day), for the last five and 10 consecutive trading days ending on the date of the share purchase agreement, respectively.

2 The share buy-back transaction made by general offer by Zhejiang Cangnan Instrument Group Limited (stock code: 1743) in April, 2021 was to buy-back for cancellation of the entire issued H share capital of the company and voluntary withdrawal of listing of the H shares of the company on the Stock Exchange, which we consider in substance different from the nature of the Offer as the Company will continue to be listed on the Stock Exchange upon the completion of the Offer. Therefore, we did not consider such share buy-back transaction is comparable to the Offer.

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However, we noted the offer sizes of these transactions ranged from approximately HK\$69 million to approximately HK\$1,100 million, which are significantly lower than that of the Offer of approximately HK\$14,952 million. Therefore, in order to assess the fairness and reasonableness of the Offer, and provide to the Independent Board Committee and the Independent Shareholders a meaningful analysis on the share buy-back transactions made by way of a general offer in the market, we have expanded the scope to cover comparable transactions in the past five years, being a longer time span to obtain sufficient samples for our analysis. Accordingly, we have further identified four additional comparable transactions, of which the share buy-back transaction conducted by Red Star Macalline Group Corporation Ltd (stock code: 1528) (“**Red Star**”), with the offer size of approximately HK\$4,581 million as the largest amongst the comparable transactions identified. We noted that such offer size by Red Star, while still lower than the Offer, was over four times larger than that of Skyworth Group Limited in June, 2020, which was the largest buy-back transaction during the Review Period. However, for the sake of completeness of our analysis, taking into consideration of the offer size of other comparable transaction, as well as the market capitalisation of selected companies, in which the market capitalisation of the Red Star of approximately HK\$65 billion (see note 2 to table below) is comparable to that of the Company of approximately HK\$98 billion, we consider the Comparable Transactions (as defined below) provide a meaningful and appropriate reference to that of the Offer, and the analysis of which are useful for assessing the fairness and reasonableness of the Offer despite the differences in offer size and other factors.

It should also be noted that the Comparable Transactions were conducted under different market conditions. Therefore, the factors and considerations, such as the rationale behind the Comparable Transactions, that affect the premium or discounts of offer prices vary on a case-by-case basis, and may be different from those applicable to the Offer. However, given that the Comparable Transactions could provide us with a meaningful analysis of the market trend of the pricing of share buy-back transactions made by way of a general offer in the Hong Kong equity capital market over the past five years, as well as a meaningful benchmark for the Independent Shareholders when evaluating the premium provided in the Offer, we regard the Comparable Transactions have reference value and provides a basis to assess the Offer Price.

Based on the criteria as discussed above of share buy-back transactions made by way of a general offer in the last five years by listed companies in Hong Kong, the following sets out the exhaustive list of the comparable transactions (the “**Comparable Transactions**”) with the premium of the Offer Price over the Share price compared against those premium or discount paid for the Comparable Transactions.

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Date of initial announcement	Company name	Stock code	Market capitalisation (note 1) (HK\$' billion)	Percentage of shares to be purchased (%)	Offer size (HK\$' million)	Premium/(Discount) of offer price to			
						The closing price on the last trading day (%)	Average closing price for the five consecutive trading days prior to and including the last trading day (%)	Average closing price for the 10 consecutive trading days prior to and including the last trading day (%)	
28 September, 2020	Rykadan Capital Limited	2288	0.2	21.36%	69	51.11%	50.78%	51.45%	
14 September, 2020	Oriental Watch Holdings Limited	0398	1.1	14.55%	249	53.85%	55.44%	56.25%	
20 July, 2020	Shougang Fushan Resources Group Limited	0639	9.7	4.72%	500	9.30%	21.50%	22.90%	
17 June, 2020	Skyworth Group Limited	0751	6.2	12.83%	1,100	37.30%	35.30%	30.80%	
29 May, 2018	SOCAM Development Limited	0983	1.2	20.64%	250	4.60%	16.82%	20.19%	
13 April, 2018	Water Oasis Group Limited	1161	0.6	11.50%	70	(2.44)%	(2.44)%	(4.76)%	
5 April, 2018	Red Star	1528	65.4 (Note 2)	36.59% (Note 3)	4,581	17.56%	22.58%	23.22%	
26 October, 2017	APAC Resources Limited	1104	1.0	20.00%	239	16.10%	13.00%	14.00%	
						<b>Maximum</b>	<b>53.85%</b>	<b>55.44%</b>	<b>56.25%</b>
						<b>Minimum</b>	<b>(2.44)%</b>	<b>(2.44)%</b>	<b>(4.76)%</b>
						<b>Average</b>	<b>23.42%</b>	<b>26.62%</b>	<b>26.76%</b>
						<b>Median</b>	<b>16.83%</b>	<b>22.04%</b>	<b>23.06%</b>
6 June, 2021	The Company	0288	98.1	13.00%	14,952	17.29%	16.35%	16.31%	

Source: the Stock Exchange

Notes:

1. The market capitalisation of the companies was taken at their respective last trading days.
2. The market capitalisation of Red Star comprised of its H shares portion of approximately HK\$10.7 billion and A shares portion of approximately HK\$54.7 billion respectively as at the last trading day of its offer.
3. The shares to be repurchased, and the shareholding held by substantial shareholder and concert parties in relation to Red Star are based on its H shares in issue only.

As illustrated above, we note that the premium of the Offer Price to the closing price of the Shares on the Last Trading Day of 17.29% compares favourably to the median premium offered in the Comparable Transactions; while the premia of the Offer Price to the five and 10 trading days average Share price of 16.35% and 16.31%, respectively, fall within the corresponding ranges of the Comparable Transactions.

#### IV. OTHER FACTORS AND CONSIDERATIONS

##### (i) Financial effects of the Offer

The unaudited pro forma financial information of the Group upon completion of the Offer setting out the financial effects of the Offer on the basic earnings per Share, net asset value attributable to the owners of the Company per Share, liabilities and working capital of the Group are contained in Appendix III to the Offer Document. It should be noted that the analysis based on the unaudited pro forma financial information of the Group are for illustrative purpose only and do not purport to represent how the financial position of the Group will be upon completion of the Offer.

Based on the unaudited pro forma financial information of the Group and assuming that the Offer had taken place on 31 December, 2020, and the Maximum Number of Shares had been bought-back and cancelled in full by the Company, the weighted average number of Shares in issue would have decreased from 14,745,214,342 to 12,828,277,140 (assuming no Options have been exercised from the Latest Practicable Date to the completion of the Offer),

- (a) the basic earnings per Share would increase by approximately 11.92% from approximately US\$5.62 cents per Share to US\$6.29 cents per Share for the year ended 31 December, 2020 which takes into consideration of estimated finance costs of US\$22 million to be incurred and assuming that the Maximum Number of Shares are bought back pursuant to the Offer;
- (b) the net asset value attributable to the owners of the Company per Share would decrease by approximately 7.35% from approximately US\$0.68 per Share to US\$0.63 per Share as at 31 December, 2020;
- (c) the Offer will be funded as to US\$800 million by internal resources of the Group and as to approximately US\$1,160 million by the Facility. As such, the liabilities of the Group as at 31 December, 2020 would increase from approximately US\$7,730 million to approximately US\$8,890 million. The gearing ratio of the Company would increase from 9.9% to 33.7%; and
- (d) the working capital (expressed as net current assets) as at 31 December, 2020 would decrease by 21.24% from approximately US\$3,767 million to approximately US\$2,967 million. The Directors confirm that the Group will have sufficient working capital to meet its normal operating requirements after completion of the Offer taking into account the acceptance of the Offer in full.

Although the net asset value attributable to the owners of the Company per Share and working capital as at 31 December, 2020 will decrease, this will be offset by the increase in the basic earnings per Share as at 31 December, 2020.

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## LETTER FROM ANGLO CHINESE

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The net asset value per Share attributable to owners of the Company as at 31 December, 2018 and 2019 amounted to approximately US\$0.53 per Share and US\$0.59 per Share, respectively. Therefore, the expected decrease in net asset value per Share attributable to owners of the Company by 7.35% to US\$0.63 per Share would still be higher than the historical net asset value per Share attributable to owners of the Company in 2018 and 2019.

The gearing ratio will increase to approximately 33.7%, while higher than the gearing ratio of 9.9% as at 31 December, 2020, but does not differ greatly from the gearing ratio of 30.8% and 26.9% as at 31 December, 2018 and 2019 respectively. The gearing ratio was particularly low as at 31 December, 2020 mainly due to an increase in cash from issue of shares of a subsidiary and the decrease of the total borrowings and bank overdrafts as mentioned above.

Furthermore, we also note that the Group was able to generate net cash inflow from operating activities of approximately US\$2,357 million and recorded net profit before biological fair value adjustments of approximately US\$1,237 million for the year ended 31 December, 2020. Having reviewed the cashflow forecast prepared by the Company for the 12 months ending 31 July, 2022, we concur with the view of the Directors that the Group will have sufficient working capital to meet its normal operating requirements after completion of the Offer.

Taking into account that the Offer is offered to all Shareholders on a fair and equitable basis, Shareholders who do not tender their Shares for acceptance under the Offer will enjoy an increase in their proportionate interests in shareholding, retained profits and any future earnings of the Group. Therefore, we consider that there is no material adverse effect on the Group's financial condition taken as a whole on the Shareholders regarding the Offer.

### **(ii) Effects on the shareholding interests of the Company**

The table below shows the Company's shareholding structure as at the Latest Practicable Date and the shareholding structure immediately after completion of the Offer, assuming that (i) no Options will be exercised from the Latest Practicable Date up to and including the date of completion of the Offer; and (ii) all Options have been exercised before completion of the Offer, save for the Options held by the Controlling Shareholders Concert Group.

## LETTER FROM ANGLO CHINESE

	As at the Latest Practicable Date		Upon completion of the Offer (assuming no Options will be exercised from the Latest Practicable Date up to and including the date of completion of the Offer)		Upon completion of the Offer (assuming all Options have been exercised before completion of the Offer, save for the Options held by the Controlling Shareholders Concert Group)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
<b>Controlling Shareholders Concert Group</b>						
— Heroic Zone	3,473,820,000	23.56	3,473,820,000	27.08	3,473,820,000	26.60
— Chang Yun	631,580,000	4.28	631,580,000	4.92	631,580,000	4.84
— Sure Pass	573,099,645	3.89	573,099,645	4.47	573,099,645	4.39
— High Zenith	350,877,333	2.38	350,877,333	2.73	350,877,333	2.69
— Mr. Wan Long	1,500,000	0.01	1,500,000	0.01	1,500,000	0.01
— Mr. Wan Hongwei	2,500,000	0.02	2,500,000	0.02	2,500,000	0.02
— Mr. Guo Lijun	100,000	0.00	100,000	0.00	100,000	0.00
— Mr. Ma Xiangjie	3,000	0.00	3,000	0.00	3,000	0.00
<b>Aggregate number of Shares held by the Controlling Shareholders Concert Group</b>	<b>5,033,479,978</b>	<b>34.13</b>	<b>5,033,479,978</b>	<b>39.23</b>	<b>5,033,479,978</b>	<b>38.54</b>
<b>Other core connected persons</b>	<b>420,500</b>	<b>0.00</b>	<b>420,500</b>	<b>0.00</b>	<b>87,261,225</b>	<b>0.67</b>
— Certain directors of subsidiaries of the Company	420,500	0.00	420,500	0.00	86,261,225	0.67
<b>Parties acting in concert with the Company</b>						
— BofA Securities Group	5,996,715	0.04	5,996,715	0.05	5,996,715	0.05
<b>Public Shareholders</b>	<b><u>9,713,256,274</u></b>	<b><u>65.87</u></b>	<b><u>7,796,319,072</u></b>	<b><u>60.77</u></b>	<b><u>7,940,668,727</u></b>	<b><u>60.79</u></b>
<b>Total</b>	<b><u>14,747,156,752</u></b>	<b><u>100.00</u></b>	<b><u>12,830,219,550</u></b>	<b><u>100.00</u></b>	<b><u>13,061,409,930</u></b>	<b><u>100.00</u></b>

*Notes:* Please refer to the section headed “H. CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY” in the letter from the Board for the details of the footnotes disclosure.

As illustrated in the table above, the shareholdings of the public Shareholders in the Company will decrease from approximately 65.87% to 60.77% upon completion of the Offer and the Whitewash Waiver (assuming the Maximum Number of Shares are bought-back pursuant to the Offer, and no Options will be exercised from Latest Practicable Date up to and including the date of completion of the Offer).

On the other hand, the percentage of Shares held by the Controlling Shareholders Concert Group and any parties acting in concert with any of them will increase from approximately 34.13% to 39.23%. Likewise, the percentage of Shares held by the other Shareholders who retain their interests in the Company will increase. Assuming that (i) the Shareholders (other than the Controlling Shareholders Concert Group) will accept the Offer in full; and (ii) no additional Shares will be issued from the date of the Latest Practicable Date up to and including the date of closing of the Offer, over 25% of the issued Shares will be held by public Shareholders and the Company will therefore comply with the public float requirement under Rule 8.08 of the Listing Rules after completion of the Offer.

**(iii) The Antitrust Litigations**

As stated in the announcement of the Company dated 1 July, 2021, while the Group denies any liability in the Antitrust Litigation and believes that the Group's conduct has always been lawful, the Group decided that it was in the best interests of the Group to negotiate a settlement at this time. The settlement eliminates a substantial portion of the Group's exposure in the Antitrust Litigation for an amount that the Directors believe is in the best interests of the Company and its Shareholders. It significantly reduces the distraction, expense, exposure and inconvenience of protracted litigation, and it allows the Group to focus on executing the long-term strategy of its business. Under the agreement, Smithfield will settle all direct-purchaser class claims for a single payment of US\$83 million. The terms of the settlement are subject to court approval following notice to all class members. Upon reviewing the working capital forecast prepared by the Company and discussion with the Company, we are of the view that the legal expenses and the abovementioned single payment will have one-off negative impact on the cash flows and liquidity position of the Group, however, we understand that the Group intends to continue to vigorously defend against the remaining class claims on the Antitrust Litigations. Please refer to the announcement of the Company dated 1 July, 2021 and the section headed "Contingent liabilities or guarantees" in Appendix II to the Offer Document for the details.

**(iv) Alternative of Share buy-backs**

The Company also considered other alternatives with respect to optimising its capital structure, including but not limited to the payment of a special dividend or capital reduction. However, in either of those scenarios, the proceeds are distributed to all Shareholders in proportion to their shareholding.

As discussed in the section headed "III — REASONS FOR THE OFFER" above, the Offer provides the Shareholders a mechanism which allows them to decide upon their preferred level of investment in the Company and allows the Shareholders who do not wish to exit from their investments in the Company to enjoy the benefits of enhanced Shareholder value, having considered their own liquidity needs, which we consider as offering more flexibility for the Shareholders as compared to special dividend or capital reduction proposal.

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## LETTER FROM ANGLO CHINESE

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We have also considered if there are alternative means of share buy-backs, for example, the Company purchasing Shares in the open market. However, given the low average daily trading volume of the Shares (please refer to the section headed “Analysis of the Offer — (i) Offer Price — Trading liquidity” above), it will likely be time consuming and inefficient for the Company to purchase up to 1,916,937,202 Shares as contemplated under the Offer in the open market. Accordingly, we are of the view that it is not practicable for the Company to buy-back the Shares in the open market in this number, and the Offer is a reasonable approach for the Company to take. Further, the certainty of the share price premium cannot be provided to Shareholders by an on-market share buyback. Lastly, according to the principal terms of the Offer as mentioned in the section headed “II. THE OFFER — (i) The background”, we noted that the Offer may provide a cheaper way for Accepting Shareholders to sell their Shares compared to selling in the market since no brokerage commission or dealing charges, save that the amount of stamp duty, will be payable under the Offer.

### V. WHITEWASH WAIVER

As at the Latest Practicable Date, the total number of issued Shares was 14,747,156,752 (including the Shares underlying the ADSs), and a total of 435,691,637 outstanding Options to subscribe for up to 435,691,637 Shares, of which the Controlling Shareholders Concert Group is, in aggregate, interested in 5,033,479,978 Shares, representing approximately 34.13% of the entire issued share capital of the Company as at the Latest Practicable Date.

Pursuant to Rule 32.1 of the Takeovers Code and Rule 6 of the Share Buy-backs Code, if as a result of a share buy-back, a Shareholder’s proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code.

Subject to the level of acceptances received from the Accepting Shareholders pursuant to the Offer and assuming that no Options will be exercised by their holders prior to completion of the Offer (taking into account the Controlling Shareholders Concert Group Undertakings), the aggregate shareholding of the Controlling Shareholders Concert Party will increase to a maximum level of approximately 39.23% upon the completion of the Offer. Accordingly, the Controlling Shareholders Concert Group would be required to make a mandatory offer under Rule 26.1(d) of the Takeovers Code for all the Shares not already owned or agreed to be acquired by it unless the Whitewash Waiver is granted.

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## LETTER FROM ANGLO CHINESE

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An application has been made by Heroic Zone, the Controlling Shareholder having control over the voting rights in approximately 34.10% of the total issued share capital of the Company, to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, will be conditional upon, among others, (i) the approval by at least 75% of the Independent Shareholders in attendance either in person or by proxy at the EGM by way of poll in respect of the Whitewash Waiver; and (ii) the approval by more than 50% of the Independent Shareholders in attendance either in person or by proxy at the EGM by way of poll in respect of the Offer.

As at the Latest Practicable Date, the Company did not believe that the Offer would give rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). The Company notes that the Executive may not grant the Whitewash Waiver if the Offer does not comply with other applicable rules or regulations (including the Listing Rules).

The Executive has indicated its intention, subject to the approval of at least 75% of the Independent Shareholders for the Offer and the Whitewash Waiver at the EGM by way of poll, to waive any obligation of Heroic Zone to make a general offer which might result from completion of the Offer.

Based on the foregoing and in particular the reasons for the Offer as discussed above, we are of the opinion that the approval for the Whitewash Waiver, which is a condition to the completion of the Offer, is in the interests of the Company and the Shareholders as a whole and is fair and reasonable for the purpose of proceeding the Offer.

Shareholders and potential investors should note that the Executive may or may not grant the Whitewash Waiver. If the Whitewash Waiver is not granted by the Executive or if granted, is not approved by the Independent Shareholders at the EGM, the Offer will immediately lapse. Shareholders should note that the conditions to the Offer are not waivable. If any of such conditions is not fulfilled, the Offer will be deemed to be withdrawn. Shareholders and potential investors are therefore reminded to exercise caution when dealings in the Shares.

## **VI. OPINIONS AND RECOMMENDATIONS ON THE OFFER AND THE WHITEWASH WAIVER**

Having considered the principal factors and reasons as discussed above, and in the particular the following:

- (i) the Offer provides an opportunity for the Shareholders, who are at their own discretion, to realise all or a portion of their shareholdings in the Company at premium to the prevailing recent market prices, or increase their proportionate interest in the Company by retaining their shareholdings in the Company;
- (ii) the Offer allows all Shareholders to participate equally on the same terms;

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## LETTER FROM ANGLO CHINESE

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- (iii) the Offer Price represents a premium ranging from 13.54% to 17.29% over the closing price of the Shares on the Last Trading Day, the average five, 10, 30, 60 and 90 trading days average closing prices of the Shares, as well as a 48.3% premium to the NAV per share as at 31 December, 2020 and is higher than the historic premium to NAV since January, 2021;
- (iv) the closing price of the Shares have been consistently traded below the Offer Price of HK\$7.80 per Share since May, 2020;
- (v) given the low liquidity of the Shares during the Review Period, it may be difficult for the Shareholders who wish to realise some of their investments in the Company to dispose of a substantial number of Shares in the open market without causing downward pressure on the market price level of the Shares. Accordingly, the Offer provides an immediate exit to the Shareholders to realise all or a portion of their investments in the Company at the Offer Price without incurring transactions costs (being the commissions and dealing charges);
- (vi) the Offer Price over the closing price of the Shares on the Last Trading Day, the average five and 10 trading days average closing prices of the Shares are within the range of the Comparable Transactions; and
- (vii) as set out in the unaudited pro forma financial information of the Group, although the NAV per Share would decrease by approximately 7.35% and the working capital by approximately 21.24%, basic earnings per Share would increase by approximately 11.92%.

Having taken into consideration the above factors, we consider that the terms of the Offer and the Whitewash Waiver are on balance fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole.

Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM in respect of the Offer and the Whitewash Waiver. We advise that the Shareholders may accept the Offer as partial realisation of their investments.

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## LETTER FROM ANGLO CHINESE

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However, the Shareholders are reminded to monitor the market price of the Shares during the period of the Offer. If during the Offer Period, the market price of the Shares exceeds the Offer Price and the sales proceeds (net of the transaction costs) exceed the net proceeds to be received under the Offer, the Shareholders who wish to realise their investments in the Company in whole or in part should, if they are able to do so, seek to sell their Shares in the market instead of accepting the Offer. On the other hand, for those Shareholders who after considering the information contained in the Offer Document are attracted by the future prospects of the Group following the completion of the Offer, they should consider retaining all or part of their Shares.

Yours faithfully,  
For and on behalf of  
**Anglo Chinese Corporate Finance, Limited**

**Stephen Clark**  
*Managing Director*

**Raymond Cheung**  
*Director*

1. Mr. Stephen Clark is a licensed person registered with the Securities and Futures Commission and as a responsible officer of Anglo Chinese Corporate Finance, Limited to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO. He has over 35 years of experience in corporate finance.
2. Mr. Raymond Cheung is a licensed person registered with the Securities and Futures Commission and as a responsible officer of Anglo Chinese Corporate Finance, Limited to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO. He has over 9 years of experience in corporate finance.

BofA Securities and Morgan Stanley are making the Offer to the Shareholders on behalf of the Company to buy-back Shares for cancellation, on the terms and subject to the conditions set out in this Offer Document. The principal terms and conditions of the Offer are set out below.

## TERMS AND CONDITIONS OF THE OFFER

### 1. The Offer

The Company will buy-back Shares up to the Maximum Number, being 1,916,937,202 Shares, at the Offer Price of HK\$7.80 per Share.

### 2. Conditions

The Offer will be conditional upon fulfilment of all of the following conditions on or before the Long Stop Date:

- (a) the approval by more than 50% of the votes cast by the Independent Shareholders in attendance either in person or by proxy by way of a poll having been obtained at the EGM in respect of the Offer;
- (b) the approval by at least 75% of the votes cast by the Independent Shareholders in attendance either in person or by proxy by way of a poll having been obtained at the EGM in respect of the Whitewash Waiver; and
- (c) the Executive granting the Whitewash Waiver and the satisfaction of any conditions attached to the Whitewash Waiver and the Whitewash Waiver not having been revoked or withdrawn.

None of the Conditions can be waived. Accordingly, if any of the Conditions is not satisfied on or before the Long Stop Date, the Offer will not proceed and will lapse immediately.

**The Offer is subject to all of the Conditions being satisfied in full on or before the Long Stop Date. If the Whitewash Waiver is not granted by the Executive, or if the resolutions to approve the Offer and the Whitewash Waiver are not passed by the Independent Shareholders, the Offer will not proceed and will lapse immediately.**

The Offer is not conditional upon a minimum number of Shares being tendered for buy-backs.

### 3. Maximum Number of Shares

The Maximum Number which will be bought-back by the Company pursuant to the Offer is 1,916,937,202 Shares, representing approximately 13.0% of the issued Shares as at the Latest Practicable Date.

#### 4. Shareholders

The Offer is available to all the Shareholders whose names appear on the Register as at the Latest Acceptance Time.

#### 5. Acceptance

- (1) Shareholders may accept the Offer in respect of some or all of their shareholding at the Offer Price (subject to the procedures for scaling down described under the section headed “6. Buy-back of Shares under the Offer” as set out below) by submitting to the Registrar a duly completed Form of Acceptance, accompanied by the relevant Title Documents, by no later than the Latest Acceptance Time. Each Share may only be accepted for buy-back by the Company once.
- (2) The Offer Price will be paid in cash.
- (3) Form of Acceptances which have been duly completed and received by or on behalf of the Company will become irrevocable and cannot be withdrawn after the Offer has become or been declared unconditional unless in accordance with Rule 19.2 of the Takeovers Code.
- (4) The consideration under the Offer will be in cash, free of brokerage commission, Stock Exchange transaction levies and trading charges, save that the amount of seller’s ad valorem stamp duty due on the Shares bought-back attributable to the Accepting Shareholders and calculated at a rate of 0.13% or part thereof of the market value of the Shares to be bought-back under the Offer or the consideration payable by the Company in respect of relevant acceptances of the Offer, whichever is the higher, will be deducted by the Company from the amount payable to the Accepting Shareholders. The Company will arrange for payment of the seller’s ad valorem stamp duty on behalf of the Accepting Shareholders in respect of the Offer.
- (5) Shares bought-back will be treated as cancelled in accordance with the Articles of Association and the applicable laws of Cayman Islands and will not be entitled to any dividend or distribution declared for any record date set on or after the date of their cancellation. Accordingly, the issued share capital of the Company will be diminished by the nominal value of the Shares being bought-back.
- (6) Subject to the Offer becoming unconditional, the submission of a Form of Acceptance by an Accepting Shareholder in the manner described in paragraph 5(1) above will be deemed to constitute a warranty of such Accepting Shareholder to each of BofA Securities, Morgan Stanley and the Company that the Shares are being sold free from all liens, charges, encumbrances, equitable claims or adverse interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching or accruing thereto (including the right to any dividend or distribution that may be declared for any record date set on or after the date of cancellation as referred to in paragraph 5(5) above).

## 6. Buy-back of Shares under the Offer

Shareholders may accept the Offer in respect of some or all of their shareholding. If valid acceptances are received for the Maximum Number or fewer Shares, all Shares validly accepted will be bought-back. If valid acceptances received exceed the Maximum Number, the total number of Shares to be bought-back by the Company from each Accepting Shareholder will be determined in accordance with the following formula, save that the Company may in its absolute discretion round such figure up or down with the intention of avoiding (as far as practicable) Shares being held by Accepting Shareholders in fractional entitlements:

$$\frac{(A)}{(B)} \times C$$

- A = 1,916,937,202 Shares, being the Maximum Number;
- B = Total number of Shares validly tendered by all Accepting Shareholders under the Offer;
- C = Total number of Share validly tendered by the relevant individual Accepting Shareholder under the Offer

As a result, it is possible that not all of such Shares validly tendered by an Accepting Shareholder will ultimately be bought-back. The total number of Shares which will be bought-back by the Company under the Offer will not exceed the Maximum Number. The decision of the Company as to any scaling down of acceptances in accordance with the above formula and as to the treatment of fractions will be conclusive and binding on all Accepting Shareholders.

## 7. Odd Lots

- (1) The Shares are currently traded in board lot of 500 Shares each. There is no intention to change the board lot size as a result of the Offer. Accepting Shareholders should note that acceptance of the Offer may result in their holding of odd lots of Shares.
- (2) For this purpose, Computershare whose address is at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (telephone number: (852) 2862 8555 during office hours (i.e. 9:00 a.m. to 6:00 p.m.)) has been appointed by the Company as the designated broker to match sales and purchases of odd lot holdings of Shares in the market for a reasonable period after the completion of the Offer in order to enable such Accepting Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots. Shareholders are recommended to make an appointment in advance by dialing the telephone number of Computershare as indicated above to purchase/sell the odd lot Shares. Shareholders should note that the matching of odd lots is not guaranteed. Further details of the related arrangements will be announced after the Offer has become unconditional, as and if appropriate.

**8. Acceptance Period**

- (1) The Offer is open for acceptance from the date of this Offer Document. If the Conditions are satisfied, the Offer will be open for acceptance for a further 14 days thereafter. In order to be valid, a Form of Acceptance must be duly completed, together with the relevant Title Documents in respect of such number of Shares which represent not less than the number of Shares in respect of which the relevant Shareholder intends to tender for acceptance under the Offer, delivered to and received by the Registrar at or before the Latest Acceptance Time, which is currently expected to be 4:00 p.m. (Hong Kong time) on Monday, 30 August 2021, or such later date as the Company may, with the prior consent of the Executive, decide and announce.
- (2) The date when the last one of the Conditions is expected to be satisfied is Monday, 16 August 2021, being the date of the EGM (or any adjournment or postponement thereof, as the case may be). Such date may be deferred by the Company, subject to compliance with the Takeovers Code.

**9. Irrevocable Acceptances**

Form of Acceptances which have been duly completed and received by the Registrar will become irrevocable and cannot be withdrawn after the Offer has become or been declared unconditional unless in accordance with Rule 19.2 of the Takeovers Code.

**10. General**

- (1) Shares will be bought-back by the Company on the basis that they are fully paid, their legal and beneficial ownership will be transferred to the Company for subsequent cancellation on the Register and that the Shares are free from all liens, charges, encumbrances, equitable claims or adverse interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching or accruing thereto.
- (2) The Shareholders may accept the Offer by completing and returning the Form of Acceptance in accordance with the instructions as set out in this Offer Document and printed on the Form of Acceptance (which constitute part of the terms and conditions of the Offer). A Form of Acceptance may be rejected as invalid if the procedures contained in this Offer Document and in the Form of Acceptance are not complied with.
- (3) The Offer and all acceptances of it, the Form of Acceptances, and all actions taken or made or deemed to be taken or made pursuant to these terms will be governed by and construed in accordance with Hong Kong laws. Delivery of a Form of Acceptance will constitute submission to the non-exclusive jurisdiction of the Hong Kong courts.

- (4) Failure of any person to receive an Offer Document and/or a Form of Acceptance will not invalidate any aspect of the Offer. Extra prints of these documents will be available to any Shareholder at the office of the Registrar during office hours from the date of despatch of this Offer Document to the Latest Acceptance Time (both days inclusive), between 9:00 a.m. to 4:30 p.m. (Hong Kong time) from Mondays to Fridays (other than public holidays), and on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and on the Company's website at [www.wh-group.com](http://www.wh-group.com).
- (5) In the event of amendment of the terms of the Offer (which will not, for the avoidance of doubt, include an alteration of the Maximum Number), a supplemental document and new Form of Acceptances will be despatched to the Shareholders. Any revised offer will be kept open for at least 14 days following the date on which the revised offer document is posted. If in the course of the Offer, the Company revises the terms of the Offer, all Shareholders, whether they have accepted the Offer or not, will be entitled to the revised terms. The right of acceptance of the Offer is personal to each Shareholder and is not capable of being assigned or renounced in favour of others or otherwise transferred by the Shareholders.
- (6) All questions as to the number of Shares bought-back, the price to be paid therefor, or any alteration of such price in accordance with the terms contained herein, and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any acceptance will be determined by the Company in its sole discretion, which determination will be final and binding on all of the parties (except as otherwise required under the applicable law or by the Codes). The Company reserves the absolute right to reject any or all acceptances it determines not to be in proper form or the acceptance or payment therefor which may, in the opinion of the Company, be unlawful. The Company also reserves the absolute right (provided that this is exercised consistently with the requirements of the Codes or otherwise with the Executive's consent) to waive any of the terms of the Offer, except the Conditions, either generally or in a particular case and any defect or irregularity in the acceptance of any particular Share or any particular holder thereof. An acceptance may be rejected as invalid unless all defects or irregularities have been cured or waived. In the event of a waiver, cheques for the payment of consideration under the Offer will not be despatched until after the Form of Acceptance is completed in all respects and the Title Documents satisfactory to the Company have been received before the Latest Acceptance Time. None of the Company, BofA Securities, Morgan Stanley, the Registrar or any of their respective directors or any other person involved in the Offer is or will be obliged to give notice of any defects or irregularities in acceptances, and none of them will incur any liability for failure to give any such notice.
- (7) All communications, notices, Form of Acceptance(s), Title Documents and remittances to be delivered or sent by, to or from any Shareholder will be delivered or sent by, to and from them, or their designated agents, at their own risks and none of the Company, BofA Securities, Morgan Stanley, the Registrar

or any of their respective directors or any other person involved in the Offer accepts any liability for any loss or any other liabilities whatsoever which may arise as a result.

- (8) Should any Shareholder require any assistance in completing the Form of Acceptance or have any enquiries regarding the procedures for tendering and settlement or any other similar aspect of the Offer, the Shareholder may contact the Registrar at its hotline at (852) 2862 8555 during the period from Friday, 30 July 2021 to Friday, 27 August 2021 (both days inclusive) between 9:00 a.m. and 6:00 p.m. (Hong Kong time) from Mondays to Fridays (other than public holidays) and on the closing day of the Offer (i.e. Monday, 30 August 2021) between 9:00 a.m. and 4:00 p.m. (Hong Kong time).

## PROCEDURES FOR ACCEPTANCE AND SETTLEMENT

### 1. General Procedures for Acceptance

- (1) In order to accept the Offer, Shareholders should complete and return the accompanying Form of Acceptance in accordance with the instructions set out in this Offer Document and the instructions printed on the Form of Acceptance. The instructions in this Offer Document should be read together with the instructions on the Form of Acceptance (which instructions form part of the terms and conditions of the Offer).
- (2) In order to be valid, the completed Form of Acceptance should be forwarded, together with the Title Documents for not less than the number of Shares in respect of which the relevant Shareholder wishes to accept the Offer, by post or by hand to the Registrar, Computershare, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, in an envelope marked “WH Group Limited — Buy-back Offer” as soon as possible after receipt of the Form of Acceptance but in any event so as to reach the Registrar by no later than the Latest Acceptance Time, i.e. 4:00 p.m. (Hong Kong time) on Monday, 30 August 2021, or such later time and/or date as the Company may, subject to the Takeovers Code, decide and announce.
- (3) Unless the Offer is extended or revised in accordance with the Takeovers Code, no Form of Acceptance received after the Latest Acceptance Time will be accepted.
- (4) If the Form of Acceptance is executed by a person other than the registered holder, appropriate evidence of authority (e.g. a grant of probate or certified copy of a power of attorney) must be delivered to the Registrar with the completed Form of Acceptance.
- (5) No acknowledgement of receipt of any Form of Acceptance or Title Documents will be given.

- (6) The Company reserves the right, at its sole discretion, to investigate, in relation to any acceptance, whether the representations and warranties set out in this Appendix I could have been properly given by the relevant Shareholder and, if such investigation is made and as a result the Company determines (for any reason) that any such representation and/or warranty could not have been properly given, such acceptance may be rejected as invalid.
- (7) Only one Form of Acceptance may be accepted from each Shareholder by the Registrar.

## 2. Nominee Holdings

- (1) If the Title Document(s) in respect of a beneficial owners' Shares is/are in the name of a nominee company (including those Shares held in CCASS) or some name other than its/his/her own, and such beneficial owner wishes to accept the Offer (either in full or in respect of part of his/her holding(s) of Shares), it/he/she must either:
  - (a) lodge the Title Documents with the nominee company, or other nominee, with instructions authorising it to accept the Offer on its/his/her behalf and requesting it to deliver the Form of Acceptance duly completed together with the Title Documents to the Registrar, on or before such deadline (which may be earlier than the deadline specified for the Offer) as may be stipulated by the nominee; or
  - (b) arrange for the Shares to be registered in its/his/her name by the Company through the Registrar, and send the Form of Acceptance duly completed together with the Title Documents to the Registrar; or
  - (c) where its/his/her Shares have been maintained with its/his/her licensed securities dealer/custodian bank through CCASS, instruct its/his/her broker/custodian bank to authorise HKSCC to accept the Offer on its/his/her behalf on or before the deadline set by HKSCC. In order to meet the deadline set by HKSCC, that Shareholder should check with its/his/her broker/custodian bank for the timing on processing of its/his/her instruction, and submit such instruction to its/his/her broker/custodian bank as required by them; or
  - (d) if that beneficial owner's Shares have been lodged with its/his/her Investor Participant Account with CCASS, authorise its/his/her instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC.
- (2) Beneficial owners with such a nominee holding of Shares should ensure that they undertake the above applicable course of action promptly so as to allow their nominee(s) sufficient time to complete the acceptance procedure on their behalf by the Latest Acceptance Time.

### 3. Recent Transfers

If a Shareholder has lodged transfer(s) of Shares for registration in its/his/her name and has not yet received the Share certificate(s) and wishes to accept the Offer, it/he/she should nevertheless complete the Form of Acceptance and deliver it to the Registrar together with the transfer receipt(s) duly signed by it/him/her at or before the Latest Acceptance Time. Such action will be deemed to be an irrevocable authority to the Company and/or BofA Securities, Morgan Stanley and/or their respective agent(s) to collect from the Company or the Registrar on its/his/her behalf the relevant Share certificate(s) when issued and to deliver such Share certificate(s), subject to the terms of the Offer, as if it was/they were delivered to the Registrar with the Form of Acceptance.

### 4. Lost or Unavailable Share Certificates

- (1) If the Title Documents are not readily available and/or are lost and a Shareholder wishes to accept the Offer, the Form of Acceptance should nevertheless be completed and delivered to the Registrar so as to reach the Registrar not later than the Latest Acceptance Time and the Title Documents should be forwarded to the Registrar as soon as possible thereafter and in any event before the Latest Acceptance Time.
- (2) Acceptances of the Offer may, at the discretion of the Company, be treated as valid even if not accompanied by the Title Documents but, in such cases, the cash consideration due will not be despatched until the relevant Title Documents have been received by the Registrar before the Latest Acceptance Time or in the case of loss of Title Documents, such Title Documents have been cancelled and the Register has been updated.
- (3) If a Shareholder has lost its/his/her Title Documents, it/he/she should write to the Registrar and request a form of letter of indemnity in respect of the lost Title Documents (as the case may be) which, when completed by it/him/her in accordance with the instructions given, should be returned, together with the Form of Acceptance and any Title Documents which are available, to the Registrar either by post or by hand, so as to arrive not later than the Latest Acceptance Time. In such cases, the Shareholder will be informed of the fees payable to the Registrar for which it/he/she will be responsible. If the Shareholder subsequently find such Title Documents or if they subsequently become available, it/he/she should forward the relevant Title Documents to the Registrar as soon as possible thereafter.

### 5. Additional Form of Acceptance

If a Shareholder has lost the accompanying Form of Acceptance or such original has become unusable, and requires a replacement of such form, it/he/she should write to the Registrar or visit the Registrar at its office and request an additional Form of Acceptance for completion by such Shareholder. Alternatively, its/he/she could download the Form of Acceptance from the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) or the Company's website at [www.wh-group.com](http://www.wh-group.com).

**6. Settlement**

- (1) Subject to the Offer becoming unconditional and provided that a duly completed Form of Acceptance, accompanied by the relevant Title Documents are received by the Registrar by not later than the Latest Acceptance Time and are or are deemed to be in order, the Registrar will inform the relevant Accepting Shareholder by ordinary post of the buy-back of its/his/her Shares. At the same time, the Registrar will send, by ordinary post at that Accepting Shareholder's risk, a remittance for such total amount as is due to that Accepting Shareholder under the Offer, subject to deduction of seller's ad valorem stamp duty pursuant to paragraph 5(4) in the section headed "Terms and Conditions of the Offer" above, as soon as possible, but in any event within 7 Business Days following the close of the Offer.
- (2) If the Shares of an Accepting Shareholder have not been bought-back by the Company in full, the Title Documents in respect of the balance of such Shares or a replaced certificate therefor will be returned or sent to it/him/her by ordinary post at its/his/her own risk, as soon as possible, but in any event within 10 days following the close of the Offer.
- (3) If the Offer does not become unconditional, the Title Documents will be returned and/or sent to each Accepting Shareholder (by ordinary post, at that Accepting Shareholder's own risk) within 10 days of the lapse of the Offer. Where any Accepting Shareholder has sent one or more transfer receipt(s) and in the meantime one or more Share certificate(s) has/have been collected on that Shareholder's behalf in respect thereof, that Accepting Shareholder will be sent (by ordinary post, at that Accepting Shareholder's own risk) such Share certificate(s) in lieu of the transfer receipt(s).

**7. New Shareholders**

Any new Shareholder may collect a copy of this Offer Document, together with the form of proxy and Form of Acceptance from the Registrar, Computershare, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong during business hours from Friday, 30 July 2021 to the closing date of the Offer, i.e. Monday, 30 August 2021 (both days inclusive). Such Shareholder may also contact the Registrar (through the enquiry general telephone line referred to in paragraph 10(9) under the section headed "Terms and Conditions of the Offer" above) and request a copy of this Offer Document, the accompanying form of proxy and Form of Acceptance (as appropriate) to be sent to its/his/her registered address as recorded in the Register.

**OVERSEAS SHAREHOLDERS**

Based on the Register, as at the Latest Practicable Date, the Company had one Overseas Shareholder with registered address located in United Kingdom.

As at the Latest Practicable Date, the Company has obtained advice from law firms qualified to advise on laws of United Kingdom and the United States, and it had been advised that under the applicable legislations and regulations of these jurisdictions, there was no regulatory restriction of any regulatory body or stock exchange with respect to extending the Offer to these Overseas Shareholders in the relevant jurisdictions. Accordingly, the Offer will be extended to the Overseas Shareholders with registered addresses in the above jurisdictions.

**It is the responsibility of each Overseas Shareholder who wishes to accept the Offer to satisfy himself or herself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consents which may be required or compliance with other necessary formalities or legal requirements. Any acceptance of the Offer by any Shareholder shall be deemed to constitute a representation and warranty from such Shareholder to each of BofA Securities, Morgan Stanley and the Company that all applicable local laws and requirements have been observed and complied with. Shareholders should consult their professional advisers if in doubt.**

A summary of the requirements applicable to Overseas Shareholders or persons in certain jurisdictions is set out below.

#### **Overseas Shareholders residing or located in the United Kingdom**

This Offer Document does not constitute an offer of securities to the public within the meaning of section 85(1) of the Financial Services and Markets Act 2000 (“FSMA”) or article 3 of the UK Prospectus Regulation and has not been approved by the Financial Conduct Authority (the “FCA”). Any offer of securities to the public in the United Kingdom must be made in accordance with FSMA and other relevant regulations which may require the publication of a prospectus approved by the FCA. The communication of this Offer Document and any other documents or materials relating to it have not been approved by an authorised person for the purposes of section 21 of FSMA. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is exempt from the restriction on financial promotions under section 21 of FSMA on the basis that it is only directed at and may be communicated to those persons who are existing members or creditors of the Company or other persons within article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended).

#### **Overseas Shareholders residing or located in the United States (other than holders of ADSs)**

Shareholders in the United States are advised that the Shares are not listed on a U.S. securities exchange and that the Company is not subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), and is not required to, and does not, file any reports with the U.S. Securities and Exchange Commission (the “SEC”) thereunder. The Offer will be made in the United States in compliance with Section 14(e) and Regulation 14E under the Exchange Act, taking into consideration the Tier II exemptions described in Section 14d-1(d) under the Exchange Act and possibly other certain exemptions from such regulations.

The Offer will be subject to Hong Kong disclosure and procedural requirements, including with respect to offer timetable, settlement procedures, timing of payments and withdrawal rights, which may differ in certain aspects from those applicable to tender offers carried out in the United States. Persons in the United States are urged, before accepting the Offer, to consult their own professional advisers regarding the consequences of acceptance of the Offer, including but not limited to tax consequences, whether in relation to United States federal income tax or taxes under applicable state and local tax laws, or foreign tax laws.

It may be difficult for Shareholders in the United States (if any) to enforce their rights and claims arising under United States or other federal securities laws, since the Company is located in a country other than the United States, some or all of its officers and directors may be residents of a country other than the United States and a significant portion of the assets of the Company are located outside the United States. Shareholders in the United States may not be able to sue a non-United States company or its officers or directors in a United States or non-United States court for violations of United States securities laws. It may be difficult for such Shareholders to effect service of process within the United States upon the Company or its officers or directors or to enforce against them any judgment of a United States or non-United States court predicated upon the federal or state securities laws of the United States.

The Company will not engage in any on-market share buy-back following the Announcement up to and including the date on which the Offer closes, lapses or is withdrawn, as the case may be. Subject to compliance with Hong Kong law and relevant regulations (including the Takeovers Code), members of the BofA Securities Group and/or the Morgan Stanley Group may engage in ordinary course trading activities in securities of the Company, which may include purchases or arrangements to purchase such securities. To the extent required in Hong Kong, any information about such purchases will be made public in Hong Kong in the manner required by Hong Kong law or relevant regulations (including the Takeovers Code).

The receipt of cash pursuant to the Offer by a U.S. Shareholder of Company shares may be a taxable transaction for U.S. federal income tax purposes and under applicable state and local, as well as foreign and other tax laws. Each holder of Shares is urged to consult his or her independent professional adviser regarding the tax consequences of accepting the Offer.

Neither the SEC nor any securities commission of any state of the United States has approved or disapproved the Offer, passed upon the merits or fairness of the Offer, or provided any comment upon the adequacy, accuracy or completeness of the disclosure in this stock exchange release. Any representation to the contrary is a criminal offence in the United States.

### **Holders of ADSs**

The Offer will not be made for the ADSs and will be made only for the Shares, including those Shares represented by the ADSs. Holders of ADSs who would like to accept the Offer in respect of the Shares represented by the ADSs held by such holders may elect to

become Shareholders by cancelling their ADSs and withdrawing the Shares represented by the ADSs, subject to compliance with the terms of the Deposit Agreement (including payment of cancellation fees and any other fees, taxes and governmental charges). Holders of ADSs who are not resident in Hong Kong and who wish to accept the Offer should inform themselves about and observe any applicable requirements in their own jurisdictions. For the avoidance of doubt, the terms of the Offer will apply identically in all respects to Shares withdrawn from ADSs as such terms apply to all other Shares.

### **EFFECT OF ACCEPTANCE OF THE OFFER BY SHAREHOLDERS**

Each Shareholder by whom, or on whose behalf, an Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with the Company, BofA Securities and Morgan Stanley (so as to bind it/him/her, its/his/her personal representatives, heirs, successors and assigns) to the effect:

#### **1. Representations and Warranties**

that by delivery to the Registrar a duly completed Form of Acceptance with the Title Documents, the Accepting Shareholder represents and warrants to the Company, BofA Securities and Morgan Stanley:

- (a) that it/he/she has full power and authority to tender, sell, assign and transfer all the Shares specified in such Form of Acceptance for buy-back and that the Shares are fully paid, free from all liens, charges, encumbrances, equitable claims or adverse interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching or accruing thereto; and
- (b) that if it/he/she is an Overseas Shareholder, it/he/she has fully observed and is permitted under all applicable laws and regulations to which such Overseas Shareholder is subject to receive and accept the Offer and any revision thereof, and that it/he/she has obtained all requisite governmental, exchange control or other consents and made all registrations or filings required in compliance with all necessary formalities and regulatory or legal requirements, and all requirements for the payment by the Accepting Shareholder of any transfer or other taxes due from such Accepting Shareholder in respect of its acceptance, and that it/he/she has not taken or omitted to take any action which will or may result in the Company, BofA Securities, Morgan Stanley, or any other person acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Offer or its/his/her acceptance thereof and such acceptance shall be valid and binding in accordance with all applicable laws and regulations.

## 2. Appointment and Authority

that the execution of the Form of Acceptance by any Accepting Shareholder constitutes:

- (a) the irrevocable appointment of any director or officer of the Company, BofA Securities or Morgan Stanley, or such other person as any of them may direct, as such Accepting Shareholder's agent (the "**Agent**"); and
- (b) an irrevocable instruction to the Agent to complete and execute the Form of Acceptance and/or any other document at the Agent's discretion on behalf of such Accepting Shareholder and to do any other acts or things as may in the opinion of the Agent be necessary, expedient or desirable for the purpose of the Company buying-back some or all of the Shares (as the Company may in its absolute discretion determine in accordance with the procedures for scaling down excess acceptances and treatment of fractions as described under the sub-section headed "Terms and Conditions of the Offer — 6. Buy-back of Shares under the Offer" of this Appendix) in respect of which such Accepting Shareholder has accepted the Offer.

## 3. Undertakings

that by executing the Form of Acceptance, it/he/she:

- (a) Undertakes and agrees to ratify and confirm each and every act or thing which may be done or effected by the Company, BofA Securities, Morgan Stanley or any Agent in the proper exercise of its or its/his/her powers and/or authorities under the terms of the Offer;
- (b) undertakes to deliver to the Registrar the Title Documents in respect of the Shares for which the Offer is accepted, or an indemnity or indemnities acceptable to the Company in lieu thereof, or to procure the delivery of such document(s) to the Registrar as soon as possible thereafter and, in any event, no later than the Latest Acceptance Time;
- (c) accepts that the provisions of the Form of Acceptance and the other terms and conditions in this Offer Document are deemed to be incorporated into the terms and conditions of the Offer;
- (d) undertakes to execute any further documents, take any further action and give any further assurances which may be required in connection with its/his/her acceptance of the Offer as the Company or any Agent may consider to be necessary, expedient or desirable, including without limitation, to complete the buy-back of any Shares in respect of which it/he/she has accepted the Offer free from all liens, charges, encumbrances, equitable claims or adverse interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching or accruing thereto and/or to perfect any of the authorities expressed to be given hereunder;

- (e) authorises the Company or the Agent to procure the despatch by ordinary post of the consideration to which it/he/she is entitled at its/his/her own risk to the first-named holder at its/his/her registered address in Box 4 of the Form of Acceptance; and
- (f) submits to the jurisdiction of the courts of Hong Kong in relation to all matters arising out of or in connection with the Offer or the Form of Acceptance.

## **TAXATION**

Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of their acceptances of the Offer. It is emphasized that none of the Company, its ultimate beneficial owners and parties acting in concert with any of them, BofA Securities, Morgan Stanley, the Independent Financial Adviser, the Registrar or any of their respective directors or any persons involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any person or persons as a result of their acceptances of the Offer.

## **ANNOUNCEMENTS**

1. Following the EGM (or any adjournment or postponement thereof, as the case may be) at which the Offer and the Whitewash Waiver are to be approved by the Independent Shareholders, the Company will announce through the Stock Exchange's website the results of the EGM and whether or not the Offer has become unconditional.
2. By 6:00 p.m. (or such later time as the Executive may permit) on the closing date of the Offer, the Company shall inform the Executive and the Stock Exchange of its decision in relation to the closing and the results of the Offer and shall publish an announcement through the Stock Exchange's website by 7:00 p.m. on such date stating that the Offer has been closed. A draft of such announcement must be submitted to the Executive and the Stock Exchange by 6:00 p.m. for clearance and publication through the website of the Stock Exchange by 7:00 p.m. on the same day. The announcement shall, among others (except in the case of lapse of the Offer), specify the details as required under Rule 19.1 of the Takeovers Code.
3. In calculating the number of the Shares represented by a Form of Acceptance, acceptances which are not in all respects in order or are still subject to verification by the Latest Acceptance Time will not be counted as valid acceptances.

## **INTERPRETATION**

1. A reference in this Offer Document to a Shareholder includes a reference to a person(s) who, by reason of an acquisition or transfer of Shares, is entitled to execute an Form of Acceptance and in the event of more than one person executing an Form of Acceptance, the provisions of this Offer Document apply to them jointly and severally.

2. A reference in this Offer Document and the Form of Acceptance to the masculine gender includes the feminine and neuter genders, and a reference to the singular includes the plural, and vice versa.
3. Reference to the Offer in this Offer Document and in the Form of Acceptance shall include any revision thereof (as applicable).
4. In making their decision with regard to the Offer, the Shareholders should rely on their own examination of the Company and the terms of the Offer, including the merits and risks involved. The contents of this Offer Document, including any general advice or recommendation contained herein, together with the Form of Acceptance shall not be construed as any legal or business advice on the part of the Company, BofA Securities, Morgan Stanley, the Independent Financial Adviser, the Registrar nor any of their respective directors or any persons involved in the Offer. The Shareholders should consult their own professional advisers for professional advice.

## FINANCIAL SUMMARY

The following is a summary of the financial results of the Group for each of the three years ended 31 December 2020 as extracted from the audited financial statements set out in the annual reports of the Company. The auditor's reports from Ernst & Young in respect of the Group's audited consolidated financial statements for the three years ended 31 December 2018, 31 December 2019 and 31 December 2020 respectively did not contain any modified opinion, emphasis of matter or material uncertainty related to going concern.

	2018			For the year ended 31 December 2019			2020		
	Results before biological fair value adjustments	Biological fair value adjustments	Total	Results before biological fair value adjustments	Biological fair value adjustments	Total	Results before biological fair value adjustments	Biological fair value adjustments	Total
	US\$'million	US\$'million	US\$'million	US\$'million	US\$'million	US\$'million	US\$'million	US\$'million	US\$'million
Revenue	22,605	—	22,605	24,103	—	24,103	25,589	—	25,589
Cost of sales	(18,103)	196	(17,907)	(19,209)	338	(18,871)	(21,096)	533	(20,563)
<b>Gross profit</b>	<b>4,502</b>	<b>196</b>	<b>4,698</b>	<b>4,894</b>	<b>338</b>	<b>5,232</b>	<b>4,493</b>	<b>533</b>	<b>5,026</b>
Distribution and selling expenses	(2,139)	—	(2,139)	(2,059)	—	(2,059)	(1,914)	—	(1,914)
Administrative expenses	(732)	—	(732)	(811)	—	(811)	(874)	—	(874)
Loss arising from agricultural produce at fair value less costs to sell at the point of harvest	—	(209)	(209)	—	(208)	(208)	—	(511)	(511)
Loss arising from changes in fair value less costs to sell of biological assets	—	(130)	(130)	—	(22)	(22)	—	(209)	(209)
Other income	98	—	98	59	—	59	74	—	74
Other gains and (losses)	(21)	—	(21)	53	—	53	(47)	—	(47)
Other expenses	(74)	—	(74)	(63)	—	(63)	(111)	—	(111)
Finance costs	(115)	—	(115)	(144)	—	(144)	(135)	—	(135)
Share of profits of associates	8	—	8	4	—	4	4	—	4
Share of profits of joint ventures	23	4	27	13	(2)	11	10	2	12
<b>Profit before tax</b>	<b>1,550</b>	<b>(139)</b>	<b>1,411</b>	<b>1,946</b>	<b>106</b>	<b>2,052</b>	<b>1,500</b>	<b>(185)</b>	<b>1,315</b>
Taxation	(293)	35	(258)	(336)	(21)	(357)	(263)	40	(223)
<b>Profit for the year</b>	<b>1,257</b>	<b>(104)</b>	<b>1,153</b>	<b>1,610</b>	<b>85</b>	<b>1,695</b>	<b>1,237</b>	<b>(145)</b>	<b>1,092</b>
Other comprehensive income (expense) for the year:									
<i>Items that will not be reclassified subsequently to profit or loss</i>									
— re-measurement on defined benefit pension plans			(6)			(143)			(90)
			(6)			(143)			(90)
<i>Items that may be reclassified subsequently to profit or loss:</i>									
— exchange differences arising on translation of foreign operations			(198)			(51)			312
— fair value change in cash flow hedge, net of tax			6			15			31
			(192)			(36)			343
Other comprehensive income (expense) for the year, net of tax			(198)			(179)			253
<b>Total comprehensive income for the year</b>			<b>955</b>			<b>1,516</b>			<b>1,345</b>
Profit for the year attributable to									
— owners of the Company			943			1,465			828
— non-controlling interests			210			230			264
			1,153			1,695			1,092
Total comprehensive income for the year attributable to									
— owners of the Company			783			1,305			1,016
— non-controlling interests			172			211			329
			955			1,516			1,345
<b>Earnings per share</b>									
— Basic (US cents)			6.43			9.96			5.62
— Diluted (US cents)			6.40			9.90			5.60

The Company had recognised (i) interim dividend and final dividend for the year ended 31 December 2018 of HK\$0.05 and HK\$0.15 per Share respectively; (ii) interim dividend and final dividend for the year ended 31 December 2019 of HK\$0.05 and HK\$0.265 per Share respectively; and (iii) interim dividend and final dividend for the year ended 31 December 2020 of HK\$0.05 and HK\$0.125 per Share respectively.

The amounts of dividends recognised as distributed to the Shareholders for the three years ended 31 December 2018, 31 December 2019 and 31 December 2020 respectively were HK\$2,940 million, HK\$4,638 million and HK\$2,580 million respectively.

The following is a summary of the unaudited key financial data of the Group for the three months ended 31 March 2021 as extracted from the First Quarterly Results Announcement.

	<b>For the three months ended 31 March 2021</b>	
	<b>Results before biological fair value adjustments</b>	<b>Results after biological fair value adjustments</b>
	<i>US\$'million</i>	<i>US\$'million</i>
<b>Key financial data</b>	(unless otherwise stated)	
Revenue	6,610	6,610
EBITDA	672	958
Operating profit	501	501
Profit attributable to owners of the Company	293	511
Basic earnings per Share ( <i>US cents</i> )	1.99	3.47

Save as disclosed in the table above, no other items including the profit before taxation, profit attributable to non-controlling interests, comprehensive income attributable to owners of the Company, comprehensive income attributable to non-controlling interests, tax expense, the amount of dividends distributed to owners and dividends per Share as required by Schedule III of the Takeovers Code were disclosed in First Quarterly Results Announcement.

Saved as disclosed above, there are no other items of income or expenses which are material for the three years ended 31 December 2020 and the three months ended 31 March 2021.

#### **AUDITED CONSOLIDATED FINANCIAL STATEMENT**

Details of the audited consolidated financial statements of the Group for the three years ended 31 December 2018, 2019 and 2020 respectively are disclosed in the following documents which have been published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.wh-group.com](http://www.wh-group.com)).

- (i) The audited financial information of the Group for the year ended 31 December 2020 is disclosed in the annual report of the Company for the year ended 31 December 2020 published on 22 April 2021, from pages 63 to 182:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0422/2021042200535.pdf>

- (ii) The audited financial information of the Group for the year ended 31 December 2019 is disclosed in the annual report of the Company for the year ended 31 December 2019 published on 20 April 2020, from pages 63 to 193:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0420/2020042000666.pdf>

- (iii) The audited financial information of the Group for the year ended 31 December 2018 is disclosed in the annual report of the Company for the year ended 31 December 2018 published on 23 April 2019, from pages 64 to 185:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0423/ltn20190423574.pdf>

## STATEMENT OF INDEBTEDNESS AND CONTINGENT LIABILITIES

As at the close of business on 30 April 2021, being the most recent practicable date for the purpose of this indebtedness statement prior to the printing of this Offer Document, the indebtedness of the Group was as follows:

### **Borrowings**

The Group had total bank loans, bank overdrafts, debt securities and other borrowings of US\$3,711 million, of which:

- (a) US\$247 million were secured by certain trade receivables of the Group and unguaranteed;
- (b) US\$2 million were secured and guaranteed;
- (c) US\$2,099 million were unsecured and guaranteed; and
- (d) US\$1,363 million were unsecured and unguaranteed.

### **Lease liabilities**

The Group had total lease liabilities of US\$459 million, which were unsecured and unguaranteed.

**Contingent liabilities or guarantees**

Reference is made to the inside information announcement of the Company dated 1 July 2021 (the “**Inside Information Announcement**”). As disclosed in the Inside Information Announcement, Smithfield, a wholly-owned subsidiary of the Company, has been named as one of 16 defendants in a series of purported class actions alleging antitrust violations in the pork industry (the “**Antitrust Litigations**”). The purported class cases have been filed by three different class of named plaintiffs: (i) direct purchasers (companies that purchase pork products directly from pork producers), (ii) commercial indirect purchasers (companies such as restaurants and hotels that purchase pork from wholesalers for resale), and (iii) individual indirect purchasers (such as people who purchase pork at grocery stores). In all of these cases, the plaintiffs allege that starting in 2009 and continuing through at least June 2018, the defendant pork producers agreed to reduce the supply of hogs in the United States in order to raise the price of hogs and all pork products. The plaintiffs in all of these cases also challenge the defendant pork producers’ use of benchmarking reports from defendant Agri Stats, Inc., alleging that the reports allowed the pork producers to share proprietary information and monitor each producer’s compliance with the supposed agreement to reduce supply. The direct purchasers seek treble damages, attorneys’ fees, and costs under the federal antitrust laws of the United States and the two groups of indirect purchasers seek treble damages, attorneys’ fees, and costs under various state antitrust and consumer-protection statutes of the United States.

In the fall of 2018, Smithfield joined with the other defendants in filing two joint motions to dismiss and also filed its own individual motion to dismiss. On 8 August 2019, the court granted the defendants’ two joint motions to dismiss and dismissed all plaintiff’s claims in all cases without prejudice. The court granted plaintiffs in all cases permission to file an amended complaint within 90 days. The plaintiffs filed amended complaints. Smithfield again joined with the other defendants in filing two joint motions to dismiss the amended complaints. Additionally, Smithfield filed its own individual motion to dismiss the amended complaints.

On 16 October 2020, the court mostly denied the defendants’ renewed motions to dismiss, except it dismissed all claims against Indiana Packers Corporation, dismissed damages claims arising from certain time periods as barred by the statute of limitations, dismissed certain state law claims in the indirect purchaser suits, and a claim under Puerto Rico law.

In addition to the putative class actions filed in 2018, Smithfield has been named as a defendant in similar antitrust lawsuits brought by a number of individual purchasers and not on behalf of a class. The plaintiffs in the two non-class cases assert the same antitrust claims as the plaintiffs in the putative class actions and filed amended complaints. The Attorney General for the State of New Mexico has filed a similar complaint on behalf of the state, its agencies and its citizens.

Under an agreement dated 29 June 2021, Smithfield has agreed to settle all direct-purchasers class claims for a single payment of US\$83 million. The terms of the settlement are subject to approval from federal court in Minnesota following notice to all class members.

The Group intends to continue to vigorously defend against the remaining class claims on the Antitrust Litigations.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities, intra-group guarantees and normal trade payables in the ordinary course of business, as at the close of business on 30 April 2021, the Group did not have any material outstanding (i) debt securities, whether issued and outstanding, authorised or otherwise created but unissued, or term loans, whether guaranteed, unguaranteed, secured (whether the security was provided by the Group or by third parties) or unsecured; (ii) other loans or indebtedness in the nature of loans including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments, whether guaranteed, unguaranteed, secured or unsecured; (iii) mortgage or charges; or (iv) guarantees or other contingent liabilities.

## **MATERIAL CHANGES**

The Directors confirm that as at the Latest Practicable Date, there had been no material change in the financial or trading position or outlook of the Group since 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Group were made up.

## **FINANCIAL AND TRADING PROSPECTS OF THE GROUP**

As a leading pork enterprise globally, the Company possesses international production deployment and vertically integrated production chain, and is a consumer good company with branded packaged meats as the core business of the Group. The business of the Group has always been affected by changes in environment, including economic growth, consumers' preference, industry cycle and pandemic.

In 2020, the overlay effects of COVID-19 pandemic, continuation of African swine fever and unstable geopolitical relations brought the Company unprecedented challenges. The sales volume of packaged meats and pork of the Group for the year ended 31 December 2020 amounted to 3,276 thousand and 3,946 thousand metric tons, which decreased by 2.1% and 6.6% as compared to that for the year ended 31 December 2019, respectively. The revenue of the Group for the year ended 31 December 2020 amounted to US\$25,589 million, representing an increase of 6.2% as compared to that for the year ended 31 December 2019. Operating profit of the Group for the year ended 31 December 2020 amounted to US\$1,729 million, which decreased by 14.9% as compared to the that for the year ended 31 December 2019. Profit attributable to owners of the Company (before biological fair value adjustments) for the year ended 31 December 2020 amounted to US\$973 million, decreased by 29.4% as compared to that for the year ended 31 December 2019. Stepping into 2021, as signs of alleviation of COVID-19 were shown across the globe, demand and

production are expected to gradually return to normal. Nonetheless, ASF pandemic still remains in China and Europe, while there are uncertainties in world economic trend and geopolitical relations as well as surge in commodities price. The Company will closely keep abreast of these issues and make timely adjustments to prevent risks and overcome challenges.

Preventing the pandemic and maintaining safety are still the Company's top priorities. For operation, the Company will continue to promote product structure adjustment, innovate marketing, optimize production chain, and develop diversified segments of meat industry. By increasing investment and optimizing management, the Company will unleash our potentials, enhance production efficiency, consolidate our resources, expand the added value for international trading and imported products processing, thereby creating an optimal synergy. The Company will also increase efforts on hedging management and curb commodities price fluctuation risk.

Looking forward, the Company will capture the favorable time of industry integration and foster corporate expansion in a stable manner. By further ramping up our corporate competitiveness and expanding our comprehensive strengths, the Company will maintain our industry leading position, continuously offer consumers with quality products, and create long term value for the Shareholders, employees and the community.

1. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

For illustrative purposes, the financial information prepared in accordance with Rule 4.29 of the Listing Rules is set out here to provide further information about how the financial information of the Group might be affected by the assumption of the completion of the Offer as if the Offer had been completed as at 31 December 2020, 1 January 2020 or at any future date.

The following illustrative and unaudited pro forma statements of adjusted consolidated net assets per Share and adjusted earnings per Share (the “**Unaudited Pro Forma Financial Information**”) of the Group attributable to owners of the Company which have been prepared on the basis of the notes set out below, for the purpose of illustrating the effect of the Offer as if it had taken place on 31 December 2020 for the unaudited pro forma adjusted consolidated net assets per Share attributable to owners of the Company after completion of the Offer or 1 January 2020 for the pro forma adjusted earnings per Share to owners of the Company after completion of the Offer. This Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the financial position or financial results of the Group had the Offer been completed as at 31 December 2020, 1 January 2020 or any future date.

Unaudited pro forma statement of adjusted consolidated net assets per Share

	Audited net assets attributable to owners of the Company as at 31 December 2020 <i>US\$'million</i> <i>(Note 1)</i>	Pro forma adjustments <i>US\$'million</i> <i>(Note 2)</i>	Unaudited pro forma adjusted net assets attributable to owners of the Company as at 31 December 2020 <i>US\$'million</i>
Non-current assets	10,881		10,881
Current assets	7,834	(800)	7,034
Current liabilities <i>(Note 5)</i>	4,067		4,067
Net current assets <i>(Note 6)</i>	3,767	(800)	2,967
Non-current liabilities <i>(Note 5)</i>	3,663	1,160	4,823
Net assets	<u>10,985</u>	(1,960)	<u>9,025</u>
Net assets attributable to owners of the Company	<u>10,005</u>	(1,960)	<u>8,045</u>
	<i>US\$</i> <i>(Note 3)</i>		<i>US\$</i> <i>(Note 4)</i>
Net assets attributable to owners of the Company per Share	<u>0.68</u>		<u>0.63</u>

*Notes:*

- (1) The audited financials of the Group as at 31 December 2020 are extracted from the audited consolidated statement of financial position of the Company as at 31 December 2020 as set out in the Annual Report 2020.
- (2) The pro forma adjustment represents cash of US\$800 million and non-current borrowings of US\$1,160 million (under a credit facility with US\$2,000 million credit limit entered by WHG Investment Limited, a subsidiary of the Company with various banks and financial institutions and guaranteed by the Company) used to buy back 1,916,937,202 Shares at HK\$7.80 per Share, assuming that the Maximum Number of Shares are bought-back pursuant to the Offer, and estimated finance costs and transaction fees including stamp duty, legal fees, financial advisory fees and other professional fees incurred. The transaction fees are incurred for an equity transaction and are accounted for as a reduction from equity.

For the purposes of the consideration payable from the Offer, the amount denominated in HK\$ has been converted into US\$ at an exchange rate of HK\$1 to US\$0.1290. No representation is made that the HK\$ amounts have been, could have been or may be converted to US\$, at that rate or at all.

- (3) The net assets attributable to owners of the Company per Share as at 31 December 2020 was approximately US\$0.68, which is calculated based on the audited net assets attributable to owners of the Company as at 31 December 2020 of HK\$10,005 million and 14,745,214,342 Shares in issue as at 31 December 2020.
- (4) The unaudited pro forma adjusted net assets attributable to owners of the Company per Share as at 31 December 2020 is approximately US\$0.63, which is calculated based on the unaudited pro forma adjusted net assets attributable to owners of the Company as at December 31, 2020 of US\$8,045 million and 12,828,277,140 Shares in issue as at 31 December 2020. The 12,828,277,140 Shares is calculated based on 14,745,214,342 Shares in issue as at 31 December 2020 deduct the 1,916,937,202 Shares bought-back on the same date assuming that the Maximum Number of Shares are bought back pursuant to the Offer.
- (5) The total of non-current liabilities as at 31 December 2020 would increase from US\$3,663 million to US\$4,823 million had the Offer been completed on 31 December 2020.
- (6) The working capital (expressed as net current assets) as at 31 December 2020 would decrease from US\$3,767 million to US\$2,967 million had the Offer been completed on 31 December 2020.

Unaudited pro forma statement of adjusted earnings per Share

	Audited profit attributable to owners of the Company for the year ended 31 December 2020 <i>US\$' million</i> <i>(Note 1)</i>	Pro forma adjustments <i>US\$' million</i> <i>(Note 2)</i>	Unaudited pro Forma adjusted profit attributable to owners of the Company for the year ended 31 December 2020 <i>US\$' million</i>
Profit attributable to owners of the Company	<u>828</u>	(22)	<u>806</u>
	<i>US cents</i> <i>(Note 3)</i>		<i>US cents</i> <i>(Note 4)</i>
Earnings per Share			
— Basic	<u>5.62</u>		<u>6.29</u>
— Diluted	<u>5.60</u>		<u>6.26</u>

Notes:

- (1) The audited profit attributable to owners of the Company for the year ended 31 December 2020 is extracted from the audited consolidated statement profit or loss and other comprehensive income of the Company for the year ended 31 December 2020 as set out in the Annual Report 2020.
- (2) The pro forma adjustment represented the estimated finance costs to be incurred as if the completion of the Offer had taken place at 1 January 2020 and assuming that the Maximum Number of Shares are bought back pursuant to the Offer.
- (3) The audited basic and diluted earnings per Share for the year ended 31 December 2020 is calculated based on the audited profit attributable to owners of the Company for the year ended 31 December 2020 of US\$828 million and weighted average number of ordinary shares of 14,733,553,798 and 14,788,774,103 for the year ended 31 December 2020, respectively.
- (4) The unaudited pro forma adjusted basic and diluted earnings per Share for the year ended 31 December 2020 is calculated based on the unaudited pro forma adjusted profit attributable to owners of the Company of US\$806 million and the adjusted number of 12,816,616,596 and 12,871,836,901 pro forma weighted average number of ordinary shares used in the calculation of basic and diluted earnings per Share, respectively, which is the weighted average number of ordinary shares of 14,733,553,798 and 14,788,774,103 used in the calculation of basic and diluted earnings per Share for the year ended 31 December 2020, each reduced by 1,916,937,202 Shares bought back as if the completion of the Offer had taken place at 1 January 2020 and assuming that the Maximum Number of Shares are bought back pursuant to the Offer.

**2. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

*The following is the text of a report, received from the independent reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, on the unaudited pro forma financial information of the Group as set out in this appendix and prepared, for incorporation in this Offer document:*



**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

**TO THE DIRECTORS OF WH GROUP LIMITED**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of WH Group Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purpose only. The unaudited pro forma financial information consists of unaudited pro forma statement of adjusted consolidated net assets per Share attributable to owners of the Company as at 31 December 2020, unaudited pro forma statement of adjusted earnings per share attributable to owners of the Company for the year ended 31 December 2020 and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages III-1 to III-3 of the Company’s offer document dated 30 July 2021 (the “**Offer Document**”) in connection with the proposed conditional voluntary cash offer by Merrill Lynch (Asia Pacific) Limited and Morgan Stanley Asia Limited on behalf of the Company to buy-back up to 1,916,937,202 shares at a price of HK\$7.80 per share (the “**Offer**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on page III-1 to III-3 of the Offer Document.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Offer on the Group’s financial position as at 31 December 2020 and the Group’s earnings per share for the year ended 31 December 2020 as if the Offer had taken place at 31 December 2020 and 1 January 2020, respectively. As part of this process, information about the Group’s financial position and the Group’s earnings per share have been extracted by the Directors from the Group’s financial statements for the year ended 31 December 2020, on which an audit report has been published.

### **Directors' responsibility for the Unaudited Pro Forma Financial Information**

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline (“AG”) 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

### **Our independence and quality control**

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* issued by the HKICPA, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Reporting Accountants' responsibilities**

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Offer Document is solely to illustrate the impact of the Offer on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Offer at 31 December 2020 or 1 January 2020 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Offer, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

**Ernst & Young**  
*Certified Public Accountants*  
Hong Kong  
30 July 2021

*The following is the text of a letter and valuation summaries prepared for the purpose of incorporation in this Offer Document received from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, in connection with its valuation as at 30 April 2021 of the property interests held by the Group. As stated in “Appendix V — General Information — Documents Available for Inspection”, a copy of full property valuation report is available for public inspection.*



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公司牌照號碼：C-030171

The Board of Directors  
**WH Group Limited**  
Unit 7602B-7604A  
Level 76, International Commerce Centre  
1 Austin Road West  
Kowloon  
Hong Kong

30 July 2021

Dear Sirs,

#### **Introductions, Purpose and Valuation Date**

In accordance with your instructions to value the property interests held by WH Group Limited (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) in the People’s Republic of China (the “**PRC**”), the United States, Poland and Romania, we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion on the market values of the property interests as at 30 April 2021 (the “**valuation date**”) (i) for incorporation into the circular and offer document and an announcement dated 30 July 2021 issued by the Company; and (ii) to be a document on display in accordance with The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission.

**Basis of Valuation**

Our valuation is carried out on a market value basis. Market value is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

**Methods of Valuation**

We have valued property no. C41 in Group I which is held and occupied by the Group in the PRC, property no. C51 in Group IV which is held for sale by the Group in the PRC and property nos. U40, U81 to U83 and U284 to U351 which are bare land and occupied by the Group in United States by the comparison approach assuming sale of the property interests in their existing states with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the market. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

We have valued property nos. C3, C8, C38, C39, C69 and P30 in Group II which are held for investment by the Group in the PRC and Poland by the income approach by taking into account the rental income of the property derived from the existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalized to determine the market value at an appropriate capitalization rate. Where appropriate, reference has also been made to the comparable sales transactions as available in the relevant market.

In valuing the property nos. C35, C36, C50, C52, C56, C59 to C63 in Group III and portions of the property nos. C13, C40, C57, C73, which were held under development by the Group in the PRC, we have assumed that they will be developed and completed in accordance with the latest development proposals provided to us by the Group. In arriving at our opinion of values, we have adopted the comparison approach by making reference to land comparable sales evidence as available in the relevant market and have also taken into account the accrued construction cost and professional fees relevant to the stage of construction as at the valuation date. We have relied on the accrued construction cost and professional fees information provided by the Group according to the different stages of construction of the properties as at the valuation date, and we did not find any material inconsistency from those of other similar developments.

Where, due to the nature of the buildings, structures and facilities of the remaining properties in Group I which are held and occupied by the Group in the PRC and the United States, all the properties in Poland (except for property no. P30) and in Romania, and the particular location in which they are situated, there are unlikely to be relevant market comparable sales readily available, the relevant property interests have been valued by the cost approach with reference to their depreciated replacement cost.

Depreciated replacement cost is defined as “the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization.” It is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement of the improvements, less deduction for physical deterioration and all relevant forms of obsolescence and optimization. In arriving at the value of the land portion, reference has been made to the sales evidence as available in the locality. The depreciated replacement cost of the property interest is subject to adequate potential profitability of the concerned business. In our valuation, it applies to the whole of the complex or development as a unique interest, and no piecemeal transaction of the complex or development is assumed.

### **Assumptions**

Our valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interests valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

### **Valuation Standards**

In valuing the property interests, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; Rule 11 of the Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission; the RICS Valuation — Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards published by the International Valuation Standards Council.

### **Source of Information**

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy and all other relevant matters.

We have been shown copies of title documents including State-owned Land Use Rights Certificates, Real Estate Title Certificates and Building Ownership Certificates in the PRC and other official documents relating to the property interests in other countries and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied

considerably on the advice given by the Company's PRC Legal Advisors — All Bright Law Offices, concerning the validity of the property interests in the PRC and the legal opinion is dated 28 July 2021.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

#### **Area Measurement and Inspection**

Due to the unfavourable effect of the novel coronavirus and certain restrictions on travelling in the United States, Poland and Romania, site inspection of most properties have not been arranged. As an alternative procedure, we have sought the assistance from the property valuation experts of Ryan Werkheiser and Jochen Niemeyer in the locations in July 2021, and video record or live broadcast or photos of those properties were taken to our experienced valuers Johnny Lee, Ran Wang, Elvin Zhang and Shuo Yang so that we could understand the conditions of the properties. They are members of Royal Institution of Chartered Surveyors or local qualified property valuers or have more than 3 years' experience in the United States and Europe. Our inspections of the valuation of the properties have been based on the above alternative procedure. In the course of conducting the alternative procedure to onsite inspections, we not only trained the Company's employees by video call, telephones and emails, but also analysed the information provided by them, information that is available through general searches on the internet and our existing databases to ensure that we had a sufficient understanding on the situations of the properties. Such alternative procedure is compliant with HKIS Valuation Standard 2020, VS.7.1.5 and VS.7.1.8, and we are of the view that the alternative procedure does not have any material impact on our valuations of the Group's properties. We have tried to have a comprehensive understanding on the situations of the properties, although there may still be omissions or incompleteness in the above alternative procedures. Such omissions or incompleteness may arise from the lack of onsite inspections include, for example, as to the exact physical properties of the land and fixtures thereon and (if any) their loss of utility due to physical deterioration resulting from age and usage. However, based on the alternative procedures already adopted, we do not expect such discrepancies to be material in nature.

Inspection of some properties in the PRC was carried out in June and July of 2021 by Mr. Owen Zhang, Mr. Kai Zhang, Ms. Yao Xiao and Ms. Hao Wang. They are China Real Estate Appraisers or have more than 2 years' experience in the valuation of properties.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory and that no unexpected cost and delay will be incurred during construction. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the property is free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

### **Currency**

The monetary stated in our valuations are in Renminbi (“**RMB**”) for properties in the PRC, in United States Dollar (“**USD**”) for properties in the United States, in Polish Zloty (“**PLN**”) for properties in Poland and in Romanian Leu (“**RON**”) for properties in Romania.

### **Market Volatility**

We are instructed to provide our opinion of value as per the valuation date only. It is based on economic, market and other conditions as they exist on, and information made available to us as of, the valuation date and we assume no obligation to update or otherwise revise these materials for events in the time since then. In particular, the outbreak of the Novel Coronavirus (COVID-19) since declared Global Pandemic on 11 March 2020 has caused much disruption to economic activities around the world. As of the report date, China’s economy has recovered and most business activities have been back to normal. We also note that market activity and market sentiment in these particular market sectors remains stable. However, we remain cautious due to uncertainty for the pace of global economic recovery in the midst of the outbreak which may have future impact on the real estate market. Therefore, we recommend that you keep the valuation of the properties under frequent review.

### **Potential Tax Liability**

As advised by the Company, the potential tax liabilities would arise if the properties specified in this report were to be sold. The tax liabilities are mainly comprise the following:

***For the PRC properties:*** Value-added tax at the rate of 5% of capital gains for properties purchased before 30 April 2016 or 9% of the transaction amount for properties purchased after 30 April 2016, stamp duty at the rate of 0.05% of the transaction amount, land appreciation tax at progressive rates ranging from 30% to 60% on the appreciated amount (being the proceeds of sales of the property less deductible expenditure including costs of land, development and construction) and enterprise income tax at the rate of 25% on the gain.

***For United States properties:*** Federal tax at the rate of 21% on the gain (no differences between capital gains and ordinary gains).

***For Poland properties:*** Transfer tax on the sale of real estate at the rate of 2% unless value-added tax applies or some other exemption, income tax at the rate of 19% on the gain (no differences between capital gains and ordinary gains).

***For Romania properties:*** Income tax at the rate of 16% on the gain (no differences between capital gains and ordinary gains).

As advised by the Company, they have no intention to sell the properties as those properties are mainly occupied for production. Therefore, the possibility of incurrence of such tax liabilities is very remote.

Our summary of values and valuation certificates are attached below for your attention.

Yours faithfully,  
For and on behalf of  
**Jones Lang LaSalle Corporate Appraisal and Advisory Limited**  
**Gilbert C. H. Chan**  
*MRICS MHKIS RPS (GP)*  
*Senior Director*

*Note:*

Gilbert C.H. Chan is a Chartered Surveyor who has 28 years' experience in the valuation of various fields of the property industry in different regions including the PRC, Asia Pacific regions, Europe, the United States, etc.

## SUMMARY OF VALUES

**Abbreviation:**

Part A: Property interests held by the Group in the PRC

Part B: Property interests held by the Group in United States

Part C: Property interests held by the Group in Poland

Part D: Property interests held by the Group in Romania

Group I: Property interests held and occupied by the Group

Group II: Property interests held for investment by the Group

Group III: Property interests held under development by the Group

Group IV: Property interest held for sale by the Group

“GFA”: Gross Floor Area

“N/A”: Not Available or Not Applicable

“NCV”: No commercial value

“LURC”: State-owned Land Use Right Certificate

“BOC”: Building Ownership Certificate

“RETC”: Real Estate Title Certificate

**Part A: Property interests held by the Group in the PRC**

Province	Property no.	Market value	Market value	Market value	Market value	Total market	Reference	Aggregate	Market value
		in existing state as at the valuation date	in existing state as at the valuation date	in existing state as at the valuation date	in existing state as at the valuation date	value in existing state as at the valuation date	value for properties without proper certificates as at the valuation date		at the valuation date
		Group I	Group II	Group III	Group IV	Total	Total	Total	
		(RMB):	(RMB):	(RMB):	(RMB):	(RMB):	(RMB):	(RMB):	(RMB):
Henan	C1 to C56	2,401,700,000	18,940,000	1,023,770,000	14,940,000	3,459,350,000	1,196,020,000	4,655,370,000	2,271,140,000
Liaoning	C57 to C63	220,230,000	—	72,300,000	—	292,530,000	430,520,000	723,050,000	191,780,000
Heilongjiang	C64 to C66	231,830,000	—	—	—	231,830,000	11,240,000	243,070,000	122,280,000
Hubei	C67 to C69	383,320,000	2,960,000	—	—	386,280,000	8,620,000	394,900,000	271,670,000
Shanghai	C70 to C71	516,090,000	—	—	—	516,090,000	2,820,000	518,910,000	362,970,000
Shandong	C72	335,200,000	—	—	—	335,200,000	27,310,000	362,510,000	235,750,000
Sichuan	C73	301,460,000	—	—	—	301,460,000	—	301,460,000	212,020,000
Jiangsu	C74	250,000,000	—	—	—	250,000,000	1,020,000	251,020,000	175,830,000
Hebei	C75	156,410,000	—	—	—	156,410,000	—	156,410,000	110,000,000
Guangxi Zhuang Autonomous Region	C76	251,030,000	—	—	—	251,030,000	—	251,030,000	176,550,000
Anhui	C77	395,610,000	—	—	—	395,610,000	320,000	395,930,000	278,230,000
Guangdong	C78	116,150,000	—	—	—	116,150,000	—	116,150,000	81,690,000
Inner Mongolia Autonomous Region	C79	115,460,000	—	—	—	115,460,000	—	115,460,000	81,200,000
Yunnan	C80	90,330,000	—	—	—	90,330,000	—	90,330,000	63,530,000
Zhejiang	C81	65,310,000	—	—	—	65,310,000	5,250,000	70,560,000	36,750,000
Shaanxi	C82	95,200,000	—	—	—	95,200,000	264,850,000	360,050,000	66,950,000
Jiangxi	C83	348,430,000	—	—	—	348,430,000	—	348,430,000	245,050,000
<b>Total:</b>		<b>6,273,760,000</b>	<b>21,900,000</b>	<b>1,096,070,000</b>	<b>14,940,000</b>	<b>7,406,670,000</b>	<b>1,947,970,000*</b>	<b>9,354,640,000</b>	<b>4,983,390,000</b>

- \* Reference value for those properties where certificates have not been obtained yet but no material legal obstacle to obtain them was approximately RMB550,070,000 and reference value for those properties where buildings were illegally built and the Group would not obtain relevant certificates was approximately RMB1,397,900,000.

*Notes:*

1. We have attributed no commercial value to portions of completed buildings of property nos. C1, C4, C7, C9 to C12, C16, C18 to C24, C26, C27, C30, C35, C36, C43 to C46, C48, C49, C53 to C59, C61 to C64, C67, C68, C71, C72, C74, C77, C81 and C82 due to lack of proper title certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of those buildings (excluding the land element) as at the valuation date would be RMB1,887,640,000.
2. We have attributed no commercial value to the underground car parking spaces and storage rooms of property no. C51 due to lack of proper title certificates. For reference purposes, we are of the opinion that the market value of the underground car parking spaces and storage rooms of property no. C51 as at the valuation date would be RMB8,760,000 assuming that all relevant title certificates had been obtained and they could be freely transferred.
3. We have attributed no commercial value to property no. C38 due to its allocated land nature. However, for reference purposes, we are of the opinion that the market value of these properties as at the valuation date would be RMB870,000 assuming that they could be freely transferred.
4. We have attributed no commercial value to property nos. C28, C29 and C45 due to the leased land nature on which the properties are erected thereon. However, for reference purposes, we are of the opinion that the depreciated replacement cost of these properties as at the valuation date would be RMB50,700,000.

## Part B: Property interests held by the Group in United States

State	Property no.	Market value	Market value	Market value	Market value	Total market	Market value
		in existing state as at the valuation date	in existing state as at the valuation date	in existing state as at the valuation date	in existing state as at the valuation date	value in existing state as at the valuation date	attributable to the Group as at the valuation date
		Group I (USD):	Group II (USD):	Group III (USD):	Group IV (USD):	Total (USD):	(USD):
Arizona	U1	2,259,000	—	—	—	2,259,000	2,259,000
California	U2 to U5	108,014,000	—	—	—	108,014,000	108,014,000
Colorado	U6 to U25	23,751,000	—	—	—	23,751,000	23,751,000
Georgia	U26	4,324,000	—	—	—	4,324,000	4,324,000
Iowa	U27 to U34	83,543,000	—	—	—	83,543,000	83,543,000
Illinois	U35 to U40	55,649,000	—	—	—	55,649,000	55,649,000
Indiana	U41 to U42	5,115,000	—	—	—	5,115,000	5,115,000
Kansas	U43 to U44	19,225,000	—	—	—	19,225,000	19,225,000
Kentucky	U45 to U47	21,400,000	—	—	—	21,400,000	21,400,000
Massachusetts	U48	1,475,000	—	—	—	1,475,000	1,475,000
Minnesota	U49	4,645,000	—	—	—	4,645,000	4,645,000
Missouri	U50 to U83	226,846,000	—	—	—	226,846,000	226,846,000
North Carolina	U84 to U300	710,240,000	—	—	—	710,240,000	709,919,000
Nebraska	U301 to U304	34,676,000	—	—	—	34,676,000	34,676,000
Nevada	U305	18,496,000	—	—	—	18,496,000	18,496,000
Ohio	U306 to U311	25,418,000	—	—	—	25,418,000	25,418,000
Oklahoma	U312 to U319	28,530,000	—	—	—	28,530,000	28,530,000
Pennsylvania	U320 to U322	4,191,000	—	—	—	4,191,000	4,191,000
South Carolina	U323 to U324	1,965,000	—	—	—	1,965,000	1,965,000
South Dakota	U325	64,630,000	—	—	—	64,630,000	64,630,000
Texas	U326 to U328	3,149,000	—	—	—	3,149,000	3,149,000
Utah	U329 to U357	67,083,000	—	—	—	67,083,000	67,083,000
Virginia	U358 to U379	126,757,000	—	—	—	126,757,000	126,575,000
Wisconsin	U380	45,390,000	—	—	—	45,390,000	45,390,000
<b>Total:</b>		<b>1,686,770,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,686,770,000</b>	<b>1,686,449,000</b>

**Part C: Property interests held by the Group in Poland**

Province	Property no.	Market value	Market value	Market value	Market value	Total market	Market value
		in existing state as at the valuation date	in existing state as at the valuation date	in existing state as at the valuation date	in existing state as at the valuation date	value in existing state as at the valuation date	attributable to the Group as at the valuation date
		Group I (PLN):	Group II (PLN):	Group III (PLN):	Group IV (PLN):	Total (PLN):	(PLN):
Podlaskie	P1 to P9	46,777,000	—	—	—	46,777,000	46,777,000
Greater Poland	P10 to P15	100,047,000	—	—	—	100,047,000	100,047,000
Kuyavian-Pomeranian	P16 to P17	18,382,000	—	—	—	18,382,000	18,382,000
Lesser Poland	P18 to P20	14,770,000	—	—	—	14,770,000	14,770,000
Lodz	P21 to P26	173,195,000	—	—	—	173,195,000	173,195,000
Lower Silesian	P27 to P28	212,000	—	—	—	212,000	212,000
Lublin	P29	853,000	—	—	—	853,000	853,000
Masovian	P30 to P31	48,124,000	10,200,000	—	—	58,324,000	58,324,000
Opole	P32 to P34	4,607,000	—	—	—	4,607,000	4,607,000
Pomeranian	P35 to P38	159,583,000	—	—	—	159,583,000	159,583,000
S'więtokrzyskie	P39	52,378,000	—	—	—	52,378,000	52,378,000
Warmian-Masurian	P40 to P51	77,739,000	—	—	—	77,739,000	77,739,000
West Pomeranian	P52 to P56	82,552,000	—	—	—	82,552,000	82,552,000
<b>Total:</b>		<b>779,220,000</b>	<b>10,200,000</b>	—	—	<b>789,420,000</b>	<b>789,420,000</b>

**Part D: Property interests held by the Group in Romania**

Province	Property no.	Market value	Market value	Market value	Market value	Total market	Market value
		in existing state as at the valuation date	in existing state as at the valuation date	in existing state as at the valuation date	in existing state as at the valuation date	value in existing state as at the valuation date	attributable to the Group as at the valuation date
		Group I (RON):	Group II (RON):	Group III (RON):	Group IV (RON):	Total (RON):	(RON):
Alba	R1 to R3	23,994,000	—	—	—	23,994,000	23,994,000
Arad	R4 to R117	147,599,000	—	—	—	147,599,000	147,599,000
Bucuresti	R118 to R120	36,912,000	—	—	—	36,912,000	36,912,000
Caras Severin	R121 to R122	15,941,000	—	—	—	15,941,000	15,941,000
Dolj	R123	773,000	—	—	—	773,000	773,000
Hunedoara	R124 to R128	13,672,000	—	—	—	13,672,000	13,672,000
Ilfov	R129	57,000	—	—	—	57,000	57,000
Prahova	R130	69,000	—	—	—	69,000	69,000
Timisoara	R131 to R199	499,197,000	—	—	—	499,197,000	499,197,000
<b>Total:</b>		<b>738,210,000</b>	—	—	—	<b>738,210,000</b>	<b>738,210,000</b>

\* In above tables, the total values have been rounded to ten thousand.

## THE COMPANY AND ITS SUBSIDIARIES

We listed all relevant companies and the equity interests as below:

Holding Entity	Abbreviation	Equities interests owned by the Company
WH Group Limited	the Company	
Henan Shuanghui Investment & Development Co., Ltd. (“河南雙匯投資發展股份有限公司”)	Shuanghui Development	70.33%
Shandong Dezhou Shuanghui Food Co., Ltd. (“山東德州雙匯食品有限公司”)	Dezhou Shuanghui Food	70.33%
Mianyang Shuanghui Food Co., Ltd. (“綿陽雙匯食品有限責任公司”)	Mianyang Shuanghui Food Co., Ltd.	70.33%
Hubei Wuhan Shuanghui Food Co., Ltd. (“湖北武漢雙匯食品有限公司”)	Wuhan Shuanghui Food	70.33%
Jiangsu Huai’an Shuanghui Food Co., Ltd. (“江蘇淮安雙匯食品有限公司”)	Huai’an Shuanghui Food	70.33%
Tangshan Shuanghui Food Co., Ltd. (“唐山雙匯食品有限責任公司”)	Tangshan Shuanghui Food	70.33%
Jiyuan Shuanghui Food Co., Ltd. (“濟源雙匯食品有限公司”)	Jiyuan Shuanghui Food	70.33%
Yichang Shuanghui Food Co., Ltd. (“宜昌雙匯食品有限責任公司”)	Yichang Shuanghui Food	70.33%
Nanning Shuanghui Food Co., Ltd. (“南寧雙匯食品有限公司”)	Nanning Shuanghui Food	70.33%
Wuhu Shuanghui Food Co., Ltd. (“蕪湖雙匯食品有限公司”)	Wuhu Shuanghui Food	70.33%
Shenyang Shuanghui Food Co., Ltd. (“瀋陽雙匯食品有限公司”)	Shenyang Shuanghui Food	70.33%
Chinachem Shuanghui Industrial (Group) Co., Ltd. (“華懋雙匯實業(集團)有限公司”)	Chinachem Shuanghui Industrial	70.33%
Luohe Shuanghui Meat Co., Ltd. (“漯河雙匯肉業有限公司”)	Luohe Shuanghui Meat	70.33%
Ye County Shuanghui Farming Co., Ltd. (“葉縣雙匯牧業有限公司”)	Ye County Shuanghui Farming	70.33%
Luohe Huixing Farming Co., Ltd. (“漯河匯興牧業有限公司”)	Luohe Huixing Farming	70.33%
Luohe Lianbang Chemical Co., Ltd. (“漯河連邦化學有限公司”)	Luohe Lianbang Chemical	70.33%
Luohe Shuanghui Oils and Fats Industry Co., Ltd. (“漯河雙匯油脂工業有限公司”)	Luohe Shuanghui Oils and Fats Industry	70.33%
Wugang Chinachem Shuanghui Food Co., Ltd. (“舞鋼華懋雙匯食品有限公司”)	Wugang Chinachem Shuanghui Food	70.33%
Qingyuan Shuanghui Food Co., Ltd. (“清遠雙匯食品有限公司”)	Qingyuan Shuanghui Food	70.33%
Inner Mongolia Shuanghui Food Co., Ltd. (“內蒙古雙匯食品有限公司”)	Inner Mongolia Shuanghui Food	70.33%
Kunming Shuanghui Food Co., Ltd. (“昆明雙匯食品有限公司”)	Kunming Shuanghui Food	70.33%

<b>Holding Entity</b>	<b>Abbreviation</b>	<b>Equities interests owned by the Company</b>
Luohe Zhuozhi Newtype Packaging Co., Ltd. ("漯河卓智新型包裝有限公司")	Luohe Zhuozhi Newtype Packaging	68.42%
Luohe Shuanghui Wanzhong Poultry Development Company Limited ("漯河雙匯萬中禽業發展有限公司")	Luohe Shuanghui Wanzhong Poultry Development	63.30%
Luohe Wanzhong Poultry Processing Co., Ltd. ("漯河萬中禽業加工有限公司")	Luohe Wanzhong Poultry Processing	63.30%
Fuxin Shuanghui Meat Processing Co., Ltd. ("阜新雙匯肉類加工有限公司")	Fuxin Shuanghui Meat Processing	56.26%
Zhejiang Jinhua Shuanghui Food Co., Ltd. ("浙江金華雙匯食品有限公司")	Jinhua Shuanghui Food	56.26%
Wangkui Shuanghui Beidahuang Food Co., Ltd. ("望奎雙匯北大荒食品有限公司")	Wangkui Shuanghui Beidahuang Food	52.75%
Heilongjiang Baoquanling Shuanghui Beidahuang Food Co., Ltd. ("黑龍江寶泉嶺雙匯北大荒食品有限公司")	Baoquanling Shuanghui Beidahuang Food	52.75%
Harbin Shuanghui Beidahuang Food Co., Ltd. ("哈爾濱雙匯北大荒食品有限公司")	Harbin Shuanghui Beidahuang Food	52.75%
Henan Wandong Farming Co., Ltd. ("河南萬東牧業有限公司")	Henan Wandong Farming	52.75%
Luohe Shuanghui Biological Engineering Technology Co., Ltd. ("漯河雙匯生物工程技術有限公司")	Luohe Shuanghui Biological Engineering Technology	70.33%
Shanghai Shuanghui Dachang Co., Ltd. ("上海雙匯大昌有限公司")	Shanghai Shuanghui Dachang	70.33%
Luohe Huite Shuanghui Food Co., Ltd. ("漯河匯特食品有限公司")	Luohe Huite Shuanghui Food	70.33%
Shaanxi Shuanghui Food Co., Ltd. ("陝西雙匯食品有限公司")	Shaanxi Shuanghui Food	70.33%
Nanchang Shuanghui Food Co., Ltd. ("南昌雙匯食品有限公司")	Nanchang Shuanghui Food	70.33%
Zhengzhou Shuanghui Food Co., Ltd. ("鄭州雙匯食品有限公司")	Zhengzhou Shuanghui Food	70.33%
Luohe Shineway Haiying Seasoning Food Co., Ltd. ("漯河雙匯海櫻調味料食品有限公司")	Luohe Shineway Haiying Seasoning Food	49.59%
Xihua Shuanghui Food Co., Ltd. ("西華雙匯食品有限公司")	Xihua Shuanghui Food	70.33%
Xihua Shuanghui Poultry Co., Ltd. ("西華雙匯禽業有限公司")	Xihua Shuanghui Poultry	70.33%
Hubei Shuanghui Commercial Investment Co., Ltd. ("湖北雙匯商業投資有限公司")	Hubei Shuanghui Commercial Investment	70.33%
Luohe Shuanghui Commercial Chain Co., Ltd. ("漯河雙匯商業連鎖有限公司")	Luohe Shuanghui Commercial Chain	70.33%
Fuxin Shuanghui Poultry Co., Ltd. ("阜新雙匯禽業有限公司")	Fuxin Shuanghui Poultry	70.33%
Fuxin Shuanghui Farming Co., Ltd. ("阜新雙匯牧業有限公司")	Fuxin Shuanghui Farming	70.33%

<b>Holding Entity</b>	<b>Abbreviation</b>	<b>Equities interests owned by the Company</b>
Luohe Huisheng Biotech Co., Ltd. (“漯河匯盛生物科技有限公司”)	Luohe Huisheng Biotech	100%
Luohe Huisheng Pharmaceutical Co., Ltd. (“漯河匯盛藥業有限公司”)	Luohe Huisheng Pharmaceutical	100%
Luohe Shuanghui Logistics Investment Co., Ltd. (“漯河雙匯物流投資有限公司”)	Luohe Shuanghui Logistics Investment	85%
Henan Shuanghui Lengyitong Logistics Co., Ltd. (“河南雙匯冷易通物流有限公司”)	Henan Shuanghui Lengyitong Logistics	85%
Henan Shuanghui Properties Co., Ltd. (“河南雙匯地產有限公司”)	Henan Shuanghui Properties	51%
Luohe Jiahui Industrial Co., Ltd. (“漯河嘉匯實業有限公司”)	Luohe Jiahui Industrial	51%
Murphy-Brown LLC (Murphy Farms)		100%
Murphy-Brown LLC		100%
Murphy-Brown LLC (Quarter M Farms)		100%
PFFJ INC		100%
Smithfield-Carroll’s Farms		100%
Carroll’s Realty Partnership		100%
NPD Investments (NPD Texas)		100%
Murphy-Brown LLC (Premium Standard Farms)		100%
Brown’s Realty Partnership		100%
Murphy-Brown LLC (MB Farms Sub)		100%
Murphy-Brown LLC (Dogwood Farms)		100%
Murphy-Brown LLC (L&S Farms)		100%
Murphy-Brown LLC (Chief Milling Partners)		100%
KC2 Real Estate LLC		100%
Smithfield Fresh Meats Corp.		100%
Murphy-Brown LLC (Iowa)		100%
Smithfield Fresh Meats Corp. (Clinton)		100%
Kansas City Sausage Company, LLC		100%
The Edelman Provision Company		100%
Pine Ridge Real Estate, LLC		100%
Smithfield Foods Inc.		100%
Smithfield Fresh Meats Corp. (Smithfield Farmland)		100%
American Skin Food Group LLC		85%
Smithfield Packaged Meats Corp.		100%
Smithfield Packaged Meats Corp. (Armour Eckrich)		100%
Smithfield Packaged Meats Corp. (Smithfield Ham & Product)		100%
Smithfield Packaged Meats Corp. (Patrick Cudahy)		100%
Smithfield Bioscience, Inc.		100%
Smithfield Transportation Co., Inc.		100%
Smithfield Packaged Meats Corp. (John Morrell)		100%
Agri Plus Sp. z o.o.		100%

<b>Holding Entity</b>	<b>Abbreviation</b>	<b>Equities interests owned by the Company</b>
Smithfield Polska Sp. z o.o.		100%
Maier Com SRL		100%
Vericom 2001 SRL		100%
Smithfield Romania (Prod)		100%
Smithfield Romania		100%
Smithfield Romania (Pirin)		100%
Smithfield Romania (Ferme)		100%
Elit SRL		100%
Animex Foods Sp. z o.o.		100%
Animex Kutno Sp. z o.o. (Animex K4)		100%
Animex SF Sp. z o.o.		100%
SF Holding Sp. z o.o.		100%
Agri Vet Sp. z o.o.		100%
Ferma Kraplevice Sp. z o.o.		100%
Murphy-Brown LLC (Rocky Mountain)		100%
Smithfield Distribution, LLC		100%
Clougherty Packing, LLC		100%
FJ Foodservice, Inc.		100%
Smithfield Packaged Meats Sales Corp.		100%
Smithfield Specialty Foods Group LLC		100%
Smithfield Support Services Corp.		100%
Smithfield Direct LLC		100%
Duplin Marketing Company LLC		100%

## VALUATION CERTIFICATE

## Part A — Property interests held by the Group in the PRC

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>RMB</i>
C1 to C56	52 industrial complexes, 7 hog farms, 31 chicken farms, 12 retail units, a residential unit, various unsold units of a residential development and 2 residential developments under construction located in Henan Province The PRC	<p>The properties located in Henan Province mainly comprise 52 industrial complexes. These industrial complexes include industrial buildings, warehouses and ancillary buildings, portions of them were under construction (“CIPs”) as at the valuation date.</p> <p>The properties also comprise 7 hog farms, 31 chicken farms, 12 retail units, a residential unit, various unsold units of a residential development and 2 residential developments under construction CIPs.</p> <p>The land use rights of the properties (excluding property no. 38) have been granted for terms expiring between 2044 and 2071 for industrial use, for terms expiring between 2050 and 2059 for commercial use and for terms expiring between 2080 and 2089 for residential use.</p> <p>The land use rights of the property no. C38 have been allocated to the Group.</p>	As at the valuation date, the properties were mainly occupied by the Group for production, office and ancillary purposes, while some of the properties were rented to various tenant for retail purpose and the CIPs were under construction.	3,459,350,000 (interest attributable to the Group: RMB2,271,140,000)

## Notes:

## 1. As advised by the Group, the property interests located in Henan Province of the PRC comprise the following:

Property no.	Property	City	Detailed location	Use	Status	Site Area (sq.m.)	Total (planned) GFA (sq.m.)	GFA with proper title certificate (sq.m.)	GFA without (Scheduled) proper title certificate (sq.m.)	Owner	Market value in existing state as at the valuation date RMB	Interest attributable to the Group	Market value attributable to the Group RMB	Reference value* for properties without proper certificates as at the valuation date RMB
C1.	An industrial complex	Jiyuan	the eastern side of Donghuan Raod and the northern side of Mang River	Industrial	Completed <sup>(9a)(9b)</sup>	111,130.00	56,570.80	56,276.82	293.98 <sup>(9)</sup>	2009 to 2013	130,970,000	70.33%	92,110,000	660,000
C2.	An industrial complex	Luohé	No. 100 Renmin East Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	105,868.23	86,016.90	86,016.90	—	1997	56,100,000	70.33%	39,460,000	—
C3.	3 retail units	Luohé	Block Nos. 15, 19 and 22, Lijiang Road, Shaoling District	Commercial	Completed <sup>(9b)</sup>	N/A	1,725.83	1,725.83	—	1997	13,400,000	70.33%	9,420,000	—
C4.	An industrial complex	Luohé	southeastern side of the junction of Hengshan Road and Zhuijiang Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	220,231.23	55,647.31	51,183.81	4,463.50 <sup>(9)</sup>	2009 to 2014	186,200,000	70.33%	130,950,000	5,920,000
C5.	An industrial complex	Luohé	the southwestern side of the junction of Hualian Road and Yangshan Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	122,673.80	51,259.81	51,259.81	—	2011 to 2014	109,630,000	70.33%	77,100,000	—
C6.	An industrial complex	Luohé	No. 20 Zhuijiang Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	46,225.40	26,449.07	26,449.07	—	2010	51,850,000	70.33%	36,470,000	—
C7.	An industrial complex	Luohé	No. 38 Renmin East Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	32,597.30	16,950.54	16,567.44	383.10 <sup>(9)</sup>	2010	20,470,000	70.33%	14,400,000	200,000
C8.	An industrial complex	Luohé	northeastern side of the junction of Taishan Road and Minzhu Road, Yuanhui District	Industrial	Completed <sup>(9a)(9b)</sup>	6,508.10	2,279.91	2,279.91	—	1999	4,740,000	70.33%	3,330,000	—
C9.	A hog farm (excluding land element) <sup>(2)</sup>	Pingdingshan	Xiali Town, Ye County	Industrial	Completed	N/A	43,660.42	—	43,660.42 <sup>(9)</sup>	2009	—	70.33%	—	50,460,000
C10.	A hog farm (excluding land element) <sup>(2)</sup>	Pingdingshan	Bao'an Town, Ye County	Industrial	Completed	N/A	71,492.88	—	71,492.88 <sup>(9)</sup>	2010	—	70.33%	—	63,210,000
C11.	A hog farm (excluding land element) <sup>(2)</sup>	Pingdingshan	Bao'an Town, Ye County	Industrial	Completed	N/A	23,706.69	—	23,706.69 <sup>(9)</sup>	2011	—	70.33%	—	22,400,000
C12.	A hog farm	Luohé	Jishi Town, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	62,814.82	12,018.00	11,695.80	322.20 <sup>(9)</sup>	2002	23,400,000	70.33%	16,460,000	150,000

Property no.	Property	City	Detailed location	Use	Status	Site Area (sq.m.)	Total (planned) GFA (sq.m.)	GFA with proper title certificate (sq.m.)	GFA without (Scheduled) proper title certificate date (sq.m.)	Owner	Market value in existing state as at the valuation date RMB	Interest attributable to the Group RMB	Market value attributable to the Group RMB	Reference value* for properties without proper certificates as at the valuation date RMB
C13.	An industrial complex	Luohu	the eastern side of Yangshan Road, Shaoling District	Industrial	Completed/Under construction <sup>(9)(a)(9b)</sup>	145,682.79	49,034.89 <sup>(9)</sup>	43,732.75	—	Luohu Liangbang Chemical	139,020,000	70.33%	97,170,000	—
C14.	An industrial complex	Luohu	Block No. 3, Zhujiang Road, Shaoling District	Industrial	Completed <sup>(9)(a)(9b)</sup>	6,780.06	3,967.18	3,967.18	—	Luohu Liangbang Chemical	4,220,000	70.33%	2,970,000	—
C15.	An industrial complex	Luohu	No. 18 Zhujiang Road, Shaoling District	Industrial	Completed <sup>(9)(a)(9b)</sup>	23,462.20	3,913.81	3,913.81	—	Luohu Shuanghui Oils and Fats Industry	11,640,000	70.33%	8,190,000	—
C16.	An industrial complex	Pingdingshan	No.18 Jianshe Road, Wugang City	Industrial	Completed <sup>(9)(a)</sup>	39,630.46	10,292.77	—	10,292.77 <sup>(9)</sup>	Wugang Chinachem Shuanghui Food	8,040,000	70.33%	5,650,000	8,350,000
C17.	An industrial complex	Luohu	the eastern side of Hengshan Road, Shaoling District	Industrial	Completed <sup>(9)(a)(9b)</sup>	96,976.60	50,404.87	50,404.87	—	Luohu Zhuozhi Newtype Packaging	75,620,000	68.42%	51,740,000	—
C18.	4 breeder farms (excluding land element) <sup>(2)</sup>	Luohu	Linying County	Industrial	Completed	N/A	44,145.65	—	44,145.65 <sup>(9)</sup>	Luohu Shuanghui Wanzhong Poultry Development	—	63.30%	—	44,340,000
C19.	10 breeder farms (excluding land element) <sup>(2)</sup>	Luohu	Yancheng District	Industrial	Completed	N/A	133,454.41	—	133,454.41 <sup>(9)</sup>	Luohu Shuanghui Wanzhong Poultry Development	—	63.30%	—	68,580,000
C20.	3 chicken farms (excluding land element) <sup>(2)</sup>	Luohu	Linying County	Industrial	Completed	N/A	120,778.80	—	120,778.80 <sup>(9)</sup>	Luohu Shuanghui Wanzhong Poultry Development	—	63.30%	—	63,550,000
C21.	6 chicken farms (excluding land element) <sup>(2)</sup>	Luohu	Wuyang County	Industrial	Completed	N/A	239,151.38	—	239,151.38 <sup>(9)</sup>	Luohu Shuanghui Wanzhong Poultry Development	—	63.30%	—	127,880,000
C22.	3 chicken farms (excluding land element) <sup>(2)</sup>	Luohu	Yuanhui District	Industrial	Completed	N/A	125,190.70	—	125,190.70 <sup>(9)</sup>	Luohu Shuanghui Wanzhong Poultry Development	—	63.30%	—	66,130,000
C23.	4 chicken farms (excluding land element) <sup>(2)</sup>	Luohu	Shaoling District	Industrial	Completed	N/A	164,026.94	—	164,026.94 <sup>(9)</sup>	Luohu Shuanghui Wanzhong Poultry Development	—	63.30%	—	85,240,000
C24.	A chicken hatching farm (excluding land element) <sup>(2)</sup>	Luohu	Shuanglou Village, Xindian Town, Yancheng District	Industrial	Completed	N/A	11,233.14	—	11,233.14 <sup>(9)</sup>	Luohu Shuanghui Wanzhong Poultry Development	—	63.30%	—	17,710,000
C25.	An industrial complex	Luohu	Xiaoxiang Road, Duqu Town, Linying County	Industrial	Completed <sup>(9)(a)(9b)</sup>	38,094.00	14,747.81	14,747.81	—	Luohu Shuanghui Wanzhong Poultry Development	38,120,000	63.30%	24,130,000	—
C26.	An industrial complex (excluding land element) <sup>(2)</sup>	Luohu	Wenshi Town, Yuanhui District	Industrial	Completed	N/A	10,303.10	—	10,303.10 <sup>(9)</sup>	Luohu Shuanghui Wanzhong Poultry Development	—	63.30%	—	24,960,000

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C27.	An industrial complex	Luohé	the western side of Yangshan Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	133,943.36	76,593.59	38,529.38	38,064.21 <sup>(9b)</sup>	2010 to 2015	113,850,000	63.30%	72,060,000	73,050,000
C28.	A hog farm (excluding Zhumadian land element) <sup>(2)</sup>		north section of Sushang Road, Suiping County	Industrial	Completed	N/A	47,299.31	45,745.81 <sup>(9b)</sup>	1,553.50 <sup>(9b)</sup>	2004 to 2020	—	52.75%	—	31,210,000
C29.	A hog farm (excluding Pingdingshan land element) <sup>(2)</sup>		Wugang City	Industrial	Completed	N/A	24,316.31	23,150.81 <sup>(9b)</sup>	1,165.50 <sup>(9b)</sup>	2004 to 2020	—	52.75%	—	16,620,000
C30.	A hog farm (excluding Luohé land element) <sup>(2)</sup>		Xiying Village, Mengmiao Town, Yancheng District	Industrial	Completed	N/A	47,727.18	—	47,727.18 <sup>(9a)(9b)</sup>	2005 to 2020	—	52.75%	—	29,760,000
C31.	An industrial complex	Luohé	No. 12 Zhujiang Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	31,358.67	21,327.48	21,327.48	—	1996 to 2014	42,300,000	70.33%	29,750,000	—
C32.	An industrial complex	Luohé	South Section of Hengshan Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	15,133.79	13,543.61	13,543.61	—	1997 to 2001	19,850,000	70.33%	13,960,000	—
C33.	An industrial complex	Zhengzhou	No. 1897 Hanghai East Road, Guancheng District	Industrial	Completed <sup>(9a)(9b)</sup>	363,342.23	175,729.26	175,729.26	—	2011 to 2016	704,310,000	70.33%	495,340,000	—
C34.	An industrial complex	Luohé	Block No. 1, Shuanghui Industrial Park, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	35,933.90	17,748.13	17,748.13	—	2004 to 2014	28,460,000	49.59%	14,110,000	—
C35.	An industrial complex	Zhoukou	the southeastern side of the junction of Zhongdu Road and Weisan Road, Xihua County	Industrial	Under construction <sup>(6)(9a)</sup>	32,647.40	23,629.42	—	23,629.42 <sup>(9b)</sup>	September 2021	10,550,000	70.33%	7,420,000	4,080,000
C36.	18 industrial complexes	Zhoukou	Xihua County	Industrial	Under construction <sup>(6)(9a)</sup>	143,001.39	648,508.06	—	648,508.06 <sup>(9b)</sup>	December 2021	45,190,000	70.33%	31,780,000	189,750,000
C37.	A parcel of land and 2 buildings	Luohé	No. 4 Zhujiang Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	14,625.00	10,356.08	10,356.08	—	2008	16,980,000	70.33%	11,940,000	—
C38.	3 retail units	Luohé	Project Germany Town, Jingtangshan North Road, Yancheng District	Commercial	Completed	N/A	134.12	134.12 <sup>(9a)</sup>	—	2009	—	70.33%	—	870,000
C39.	6 retail units	Luohé	Project Shuanghui International Garden, the southeastern side of the junction of Songjiang Road and Jinshan Road, Yancheng District	Commercial	Completed <sup>(9b)</sup>	N/A	161.74	161.74	—	2005	800,000	70.33%	560,000	—

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C40.	An industrial complex	Luoh	No. 1 Shuanghui Road, Shaoling District	Industrial and commercial	Completed/Under construction <sup>(6)(9a)(9b)</sup>	132,769.63	147,738.87 <sup>(9)</sup>	35,575.63	—	December 2022	Shuanghui Development	252,020,000	70.33%	177,250,000	—
C41.	A residential unit	Zhengzhou	Unit 1903 of Block No. 1, No. 72 Nongye Road, Jinshui District	Residential	Completed <sup>(9b)</sup>	N/A	210.78	210.78	—	2005	Shuanghui Development	3,560,000	70.33%	2,500,000	—
C42.	An industrial complex	Luoh	the eastern side of Hengshan Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	90,269.73	55,850.01	55,850.01	—	2021	Shuanghui Development	98,530,000	70.33%	69,300,000	—
C43.	An industrial complex	Luoh	the eastern side of Hengshan Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	32,219.70	33,800.73	21,461.73	12,339.00 <sup>(9)</sup>	2000 to 2015	Shuanghui Development	38,540,000	70.33%	27,110,000	14,920,000
C44.	An industrial complex	Luoh	No. 4 Hengshan Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	86,073.41	63,796.52	49,794.70	14,001.82 <sup>(9)</sup>	2000 to 2010	Shuanghui Development	127,080,000	70.33%	89,380,000	32,060,000
C45.	An industrial complex (excluding land element) <sup>(12)</sup>	Luoh	No. 613 Jiaotong Road, Yuanhui District	Industrial	Completed	N/A	6,162.83	6,162.83 <sup>(9a)(9b)</sup>	—	1998 to 2004	Shuanghui Development	—	70.33%	—	2,870,000
C46.	An industrial complex	Luoh	The northern side of Ganjiang Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	31,373.30	64,847.34	14,322.34	50,525.00 <sup>(9)</sup>	2003 to 2015	Shuanghui Development	29,880,000	70.33%	21,010,000	74,400,000
C47.	An industrial complex	Luoh	the northeastern side of the junction of Hengshan Road and Nanhuan Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	31,053.00	7,082.35	7,082.35	—	2010	Luohe Huisheng Biotech	27,450,000	100.00%	27,450,000	—
C48.	An industrial building (excluding land element) <sup>(12)</sup>	Luoh	the northwestern side of the junction of Yanshan Road and Nanhuan Road, Shaoling District	Industrial	Completed	N/A	1,315.55	—	1,315.55 <sup>(9)</sup>	2003	Luohe Huisheng Biotech	—	100.00%	—	1,010,000
C49.	An industrial complex	Luoh	No. 4 Ganjiang Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	28,545.00	11,050.70	7,471.33	3,579.17 <sup>(9)</sup>	2003 to 2020	Luohe Huisheng Pharmaceutical	20,070,000	100.00%	20,070,000	5,510,000
C50.	Project Jinyufu	Luoh	the southwestern side of the junction of Mudanjiang Road and Qianshan Road, Yancheng District	Residential and commercial	Under construction <sup>(5)(9a)</sup>	112,973.83 <sup>(9a)(9b)</sup>	344,529.91	—	—	February 2022	Henan Shuanghui Properties	585,800,000	51.00%	298,760,000	—
C51.	The unsold units of Project HuaFu	Luoh	the northeastern side of the junction of Jiefang South Road and Shuanghui Road, Shaoling District	Residential	Completed <sup>(6)(9b)</sup>	N/A	3,922.94 <sup>(9a)(9b)</sup>	1,450.49	2,472.45 <sup>(9)</sup>	2019	Luohe Jiathui Industrial	14,940,000	51.00%	7,620,000	8,760,000

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C52.	Project Jinzunfu	Luohu	the northeastern side of the junction of Jinshan South Road and Xiangjiang East Road, Shaoling District	Residential and commercial	Under construction <sup>(7)(9a)</sup>	27,875.02	88,499.19 <sup>(9)(9a)</sup>	—	—	Luohu Jiahui Industrial	297,900,000	51.00%	151,930,000	—
C53.	An industrial complex	Luohu	the northern side of Ganjiang Road, Shaoling District	Industrial	Completed <sup>(9a)(9b)</sup>	32,800.40	23,177.76	15,568.43	7,609.33 <sup>(9)</sup>	Luohu Shuanghui Logistics Investment	23,540,000	85.00%	20,010,000	6,880,000
C54.	An industrial complex (excluding land element) <sup>(2)</sup>	Luohu	the southern side of Renmin East Road, Shaoling District	Industrial	Completed	N/A	9,015.52	—	9,015.52 <sup>(9)</sup>	Luohu Shuanghui Logistics Investment	—	85.00%	—	5,150,000
C55.	An industrial complex (excluding land element) <sup>(2)</sup>	Luohu	Shuanghui Industrial Park, Shaoling District	Industrial	Completed	N/A	23,281.36	—	23,281.36 <sup>(9)</sup>	Luohu Shuanghui Logistics Investment	—	85.00%	—	21,780,000
C56.	An industrial complex	Zhengzhou	the northeastern side of the junction of Hanghai East Road and 22nd Street, Guancheng District	Industrial	Under construction <sup>(9)(9a)</sup>	126,427.54	27,519.42	—	27,519.42 <sup>(9b)</sup>	Henan Shuanghui Lengyitong Logistics	84,330,000	85.00%	71,680,000	27,600,000

\* Reference value refers to the depreciated replacement cost of buildings/CIP (excluding the land element) without proper title certificates and the value of properties (including the land element) lack of proper title certificates with the assumption that they could be freely transferred.

2. According to the information provided by the Group, the buildings and structures of property nos. C9 to C11, C18 to C24, C26, C28 to C30, C45, C48, C54 and C55 were built on leased land parcels. Therefore, we have only taken into account the buildings and structures (excluding the land) in arriving at the market value of these properties.

3. Pursuant to a Construction Work Planning Permit — Jian Zi Di No. 411104202100003 in favour of Luohe Lianbang Chemical, an industrial building of the property no. C13 with a total planned GFA of approximately 5,302.14 sq.m. has been approved for construction.

Pursuant to a Construction Work Commencement Permit — 4111042103240101-SX-001, in favour of Luohe Lianbang Chemical, permission by the relevant local authority was given to commence the construction of an industrial building of property no. C13 with a total planned GFA of approximately 5,302.14 sq.m.

As advised by the Group, the CIP of property no. C13 is scheduled to be completed in September 2021 and the total construction cost of the CIP of property no. C13 is estimated to be approximately RMB11,000,000, of which approximately RMB4,400,000 had been incurred up to the valuation date.

The total replacement cost of the CIP of property no. C13 (excluding the land) as if completed as at the valuation date is estimated to be approximately RMB11,500,000.

4. Pursuant to 2 Construction Work Planning Permits — Jian Zi Di Nos. 411192202000002-1 and 411192202000002-2 in favour of Shuanghui Development, an office building of property no. C40 with a total planned GFA of approximately 112,163.24 sq.m. has been approved for construction.

Pursuant to 2 Construction Work Commencement Permits — Jian Shi Di Nos. 4111002006170101-SX-001 and 4111002006170102-SX-001 in favour of Shuanghui Development, permission by the relevant local authority was given to commence the construction of an office building of property no. C40 with a total planned GFA of approximately 112,163.24 sq.m.

As advised by the Group, the CIP of property no. C40 is scheduled to be completed in December 2022 and the total construction cost of the CIP of property no. C40 is estimated to be approximately RMB196,700,000, of which approximately RMB39,000,000 had been incurred up to the valuation date.

The total replacement cost of the CIP of the property (excluding the land) as if completed as at the valuation date is estimated to be approximately RMB210,000,000.

5. Pursuant to 39 Construction Work Planning Permits in favour of Henan Shuanghui Properties, property no. C50 with a total planned GFA of approximately 344,529.63 sq.m. has been approved for construction.

Pursuant to 39 Construction Work Commencement Permits in favour of Henan Shuanghui Properties, permission by the relevant local authority was given to commence the construction of property no. C50 with a total planned GFA of approximately 344,529.91 sq.m.

Pursuant to 17 Pre-sale Permits in favour of Henan Shuanghui Properties, the Group is entitled to sell portions of property no. C50 (representing a total GFA of approximately 180,367.87 sq.m.) to purchasers.

As advised by the Group, the property no. C50 is scheduled to be completed in February 2022 and the total construction cost of property no. C50 is estimated to be approximately RMB1,067,500,000, of which approximately RMB152,400,000 had been incurred up to the valuation date.

The market value of property no. C50 as if completed is estimated to be RMB1,767,400,000.

6. Pursuant to 2 Construction Work Planning Permits — Jian Zi Di No. 411100201800017 and Jian Zi Di No. 411100201800029 in favour of Luohe Jiahui Industrial, Project Huafu (including property no. C51) with a total planned GFA of approximately 50,779.27 sq.m. has been approved for construction.

Pursuant to 2 Construction Work Commencement Permits — 4111041803130101-SX-001 and 4111041805010101-SX-001 in favour of Luohe Jiahui Industrial, permission by the relevant local authority was given to commence the construction of Project Huafu (including property no. C51) with a total planned GFA of approximately 50,779.27 sq.m.

Pursuant to 6 Pre-sale Permits — (2018) Luo Zhu Jian Shou Zi Di Nos. 0515, 0582, 0531, 0554, 0613 and (2019) Luo Zhu Jian Shou Zi Di No. 0812 in favour of Luohe Jiahui Industrial, the Group is entitled to sell Project Huafu (including property no. C51) (representing a total GFA of approximately 34,740.35 sq.m.) to purchasers.

Pursuant to 10 Construction Work Completion and Inspection Tables in favour of Luohe Jiahui Industrial, the construction of Project Huafu (including the property) with a total GFA of approximately 36,234.55 sq.m. has been completed and passed the inspection acceptance. As advised by the Group, the Construction Work Completion and Inspection Table for remaining one building is in application and it is scheduled to be obtained within 6 months.

7. Pursuant to 11 Construction Work Planning Permits in favour of Luohe Jiahui Industrial, property no. C52 with a total planned GFA of approximately 92,232.86 sq.m. has been approved for construction.

Pursuant to 11 Construction Work Commencement Permits in favour of Luohe Jiahui Industrial, permission by the relevant local authority was given to commence the construction of property no. C52 with a total planned GFA of approximately 88,499.19 sq.m.

Pursuant to 6 Pre-sale Permits — (2019) Luo Zhu Jian Shou Zi Di Nos. 0656, 0711, 0758, 0837, 0848 and (2020) Luo Zhu Jian Shou Zi Di No. 0053 in favour of Luohe Jiahui Industrial, the Group is entitled to sell property no. C52 (representing a total GFA of approximately 66,550.38 sq.m.) to purchasers.

As advised by the Group, the property no. C52 is scheduled to be completed in May 2022 and the total construction cost of property no. C52 is estimated to be approximately RMB242,700,000, of which approximately RMB163,200,000 had been incurred up to the valuation date.

The market value of property no. C52 as if completed is estimated to be RMB401,000,000.

8. For the portions of property nos. C35, C36 and C56 which were under construction, we have not been provided with any construction permits.

As advised by the Group, the total construction cost of the property no. C35 is estimated to be approximately RMB80,000,000, of which approximately RMB4,078,000 had been incurred up to the valuation date. The market value of the property no. C35 as if completed as at the valuation date is estimated to be approximately RMB91,000,000.

As advised by the Group, the total construction cost of the property no. C36 is estimated to be approximately RMB755,370,000, of which approximately RMB181,300,000 had been incurred up to the valuation date. The market value of the property no. C36 as if completed as at the valuation date is estimated to be approximately RMB805,000,000.

As advised by the Group, the total construction cost of the property no. C56 is estimated to be approximately RMB110,650,000, of which approximately RMB27,510,000 had been incurred up to the valuation date. The market value of the property no. C56 as if completed as at the valuation date is estimated to be approximately RMB170,000,000.

9. We have been provided with a legal opinion regarding the property interests by the Company's PRC legal advisors, which contains, *inter alia*, the following:
- a. the Group is legally in possession of the land use rights of property nos. C1, C2, C4 to C8, C12 to C17, C25, C27, C31 to C37, C40, C42 to C44, C46, C47, C49, C50, C52, C53 and C56 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances;
  - b. the Group is legally in possession of the building ownership rights of the property nos. C1 to C8, C12 to C15, C17, C25, C27, C31 to C34, C37, C39 to C44, C46, C47, C49, C51 and C53 with a GFA of approximately 906,405.48 sq.m. and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the properties and these buildings are not subject to any encumbrances;
  - c. for property nos. C28, C29 and C45 which the buildings were built on leased land parcels but obtained the Building Ownership Certificates, there may be difficult for the Group when disposing of these properties;
  - d. for the property no. C38 which has obtained the Building Ownership Certificates, the Group has to obtain the approvals from authorised government authorities and pay the land premium when transferring it due to the allocated land nature and there will be no material legal impediment for the Group to obtain the approvals if the land premium has been fully paid;
  - e. for property no. C45, the register on Building Ownership Certificates ceased operation and deregistered in 2019 and all the assets, liabilities, employees, contracts and any other rights and obligations were succeeded to Shuanghui Development, therefore the Group is entitled to occupy and use the property. However, the Group has to alter the register on Building Ownership Certificates before transferring or mortgaging of the property;
  - f. for the buildings of property nos. C13, C40, C50, C52 which were under construction and property no. C51, the Group has obtained necessary requisite construction permits issued by authorised government authorities;
  - g. the Group has the rights to legally pre-sell the property nos. C50 to C52 according to the obtained Pre-sale Permits;
  - h. for the buildings of property nos. C35, C36 and C56, there is a possibility of being ordered to stop construction and correcting or dismantling by authorised government authorities within a time limit and the Group has not received any government objection notice nor punishment about these buildings;
  - i. portions of the buildings of property no. C30 with a total GFA of approximately 35,504.82 sq.m. and the buildings of property no. C16 were built legally and they have passed construction work completion acceptance and fire protection acceptance, and can be delivered for use in accordance with the law. There will be no material legal impediment for the Group to obtain the Building Ownership Rights and the Group cannot neither transfer nor mortgage the buildings of the property no. C16 before obtaining the Building Ownership Certificates, as advised by the Group, the Group will obtain the Building Ownership Certificates for property no. C30 within 12 months and it is unable to expect when the Building Ownership Certificates for property no. C16 will be obtained. The Group can continue using the buildings of property no. C16; and

- j. the Group will not obtain the building ownership rights for the properties (excluding portions of the buildings of property no. C30 with a total GFA of approximately 35,504.82 sq.m. and property no. C16) with a total GFA of approximately 1,169,751.66 sq.m. as they were not built legally, the Group has not received any government objection notice nor punishment about these buildings and the Group can continue using these buildings before obtaining the demolition notice or rectification notice.
10. For the purpose of this report, the properties are classified into 4 groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

<b>Group</b>	<b>Market value in existing state as at the valuation date (RMB)</b>	<b>Market value attributable to the Group as at the valuation date (RMB)</b>
Group I — Held and Occupied by the Group	2,401,700,000	1,688,630,000
Group II — Held for Investment by the Group	18,940,000	13,320,000
Group III — Held under Development by the Group	1,023,770,000	561,570,000
Group IV — Held for sale by the Group	14,940,000	7,620,000
<b>Total:</b>	<b>3,459,350,000</b>	<b>2,271,140,000</b>

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>RMB</i>
C57 to C63	6 industrial complexes and 4 hog farms located in Liaoning Province The PRC	The properties located in Liaoning Province mainly comprise 6 industrial complexes and 4 hog farms, most of which were under construction as at the valuation date.  The land use rights of the properties have been granted for terms expiring between 2053 and 2070 for industrial use.	As at the valuation date, most of the properties were under construction whilst the remaining completed properties were occupied by the Group for production, office and ancillary purposes.	292,530,000 (interests attributable to the Group: RMB191,780,000)

## Notes:

1. As advised by Group, the property interests located in Liaoning Province of the PRC comprise the following:

Property no.	Property	City	Detailed location	Use	Status	Site area (sq.m.)	Total GFA (sq.m.)	GFA with proper title certificate (sq.m.)	GFA without (Scheduled) proper title certificate date (sq.m.)	Owner	Market value in existing state as at the valuation date RMB	Interest attributable to the Group	Market value attributable to the Group RMB	Reference value* for properties without proper certificates as at the valuation date RMB
C57.	An industrial complex	Shenyang	No. 170 Puhle Road, Shenbei New District	Industrial	Completed/Under Construction <sup>(5)(6)(c)</sup>	287,683.00	129,785.75	—	129,785.75 <sup>(6)</sup>	Shenyang Shuanghui Food	120,970,000	70.33%	85,080,000	254,730,000
C58.	An industrial complex	Fuxin	the western side of Kaifa Street and southern side of Shengong Road Fuxin Economic Development Zone	Industrial	Completed <sup>(6)(6b)</sup>	142,426.00	55,104.99	53,698.53	1,406.46 <sup>(6f)</sup>	Fuxin Shuanghui Meat Processing	99,260,000	56.26%	55,850,000	2,660,000
C59.	An industrial complex	Fuxin	Baishantu Village, Xiliujiazi Town, Zhangwu County	Industrial	Under Construction <sup>(5)(6a)</sup>	55,335.00	30,000.00	—	30,000.00 <sup>(6d)</sup>	Fuxin Shuanghui Poultry	7,530,000	70.33%	5,300,000	15,680,000
C60.	An industrial complex	Fuxin	Xiliujiazi Village, Xiliujiazi Town, Zhangwu County	Industrial	Under Construction <sup>(4)(6a)</sup>	133,718.00	69,264.26	69,264.26	—	Fuxin Shuanghui Poultry	58,670,000	70.33%	41,260,000	—
C61.	An industrial complex (excluding land element) <sup>(7)</sup>	Fuxin	Zhangwu County	Industrial	Under Construction <sup>(5)</sup>	N/A	471,920.00	—	471,920.00 <sup>(6d)</sup>	Fuxin Shuanghui Poultry	NCV	70.33%	—	103,060,000
C62.	An industrial complex	Fuxin	Baishantu Village, Xiliujiazi Town, Zhangwu County	Industrial	Under Construction <sup>(5)(6a)</sup>	44,882.00	13,957.38	—	13,957.38 <sup>(6d)</sup>	Fuxin Shuanghui Farming	6,100,000	70.33%	4,290,000	5,880,000
C63.	4 hog farms (excluding land element) <sup>(7)</sup>	Fuxin	Zhangwu County	Industrial	Under Construction <sup>(5)(6a)</sup>	N/A	474,456.14	—	474,456.14 <sup>(6d)</sup>	Fuxin Shuanghui Farming	NCV	70.33%	—	48,510,000

\* Reference value refers to the depreciated replacement cost of buildings/CIP (excluding the land element) without proper title certificates and the value of properties (including the land element) lack of proper title certificates with the assumption that they could be freely transferred.

2. According to the information provided by the Group, the buildings and structures of property nos. C61 and C63 were built on leased land parcels. Therefore, we have only taken into account the buildings and structures (excluding the land) in arriving at the market value of these properties.

3. We have been provided with Construction Work Planning Permit and Construction Work Commencement Permit of property no. C57.

As advised by the Group, the total construction cost of the CIP of property no. C57 is estimated to be approximately RMB26,226,700, of which approximately RMB4,078,000 had been incurred up to the valuation date. The replacement cost of the CIP of the property (excluding the land) as if completed as at the valuation date is estimated to be approximately RMB27,000,000.

4. Pursuant to a Construction Work Planning Permit — Jian Zi Di No. 210900202103304 in favour of Fuxin Shuanghui Poultry, property no. C60 with a planned GFA of approximately 76,511 sq.m. has been approved for construction.

Pursuant to a Construction Work Commencement Permit — 2021341-210922202104250101 in favour of Fuxin Shuanghui Poultry, permission by the relevant local authority was given to commence the construction of property no. C60 with a planned GFA of approximately 69,264.26 sq.m.

As advised by the Group, the property no. C60 is scheduled to be completed in December 2021 and the total construction cost of property no. C60 is estimated to be approximately of RMB176,000,000, of which RMB40,480,000 had been incurred up to the valuation date. The market value of the property no. C60 as if completed as at the valuation date is estimated to be approximately RMB195,000,000.

5. For property nos. C59, C61 to C63, we have not been provided with any construction permits.

As advised by the Group, the total construction cost of the property no. C59 is estimated to be approximately RMB56,000,000, of which approximately RMB15,680,000 had been incurred up to the valuation date. The market value of the property no. C59 as if completed as at the valuation date is estimated to be approximately RMB64,000,000.

As advised by the Group, the total construction cost of the property no. C61 is estimated to be approximately RMB336,370,000, of which approximately RMB103,060,000 had been incurred up to the valuation date. The replacement cost of the property (excluding the land) as if completed as at the valuation date is estimated to be approximately RMB367,000,000.

As advised by the Group, the total construction cost of the property no. C62 is estimated to be approximately RMB28,000,000, of which approximately RMB5,880,000 had been incurred up to the valuation date. The market value of the property no. C62 as if completed as at the valuation date is estimated to be approximately RMB34,000,000.

As advised by the Group, the total construction cost of the property no. C62 is estimated to be approximately RMB432,000,000, of which approximately RMB48,510,000 had been incurred up to the valuation date. The replacement cost of the property (excluding the land) as if completed as at the valuation date is estimated to be approximately RMB432,000,000.

6. We have been provided with a legal opinion regarding the property interests by the Company's PRC legal advisors, which contains, *inter alia*, the following:

- a. the Group is legally in possession of the land use rights of property nos. C57 to C60 and C62 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances;

- b. the Group is legally in possession of the building ownership rights of the property no. C58 with a GFA of approximately 53,698.53 sq.m. and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the properties and these buildings are not subject to any encumbrances;
- c. for the CIP of property no. C57 which were under construction, the Group has obtained necessary requisite construction permits issued by authorised government authorities;
- d. for the CIP of property nos. C59 and C61 to C63, there is a possibility of being ordered to stop construction and correcting or dismantling by authorised government authorities within a time limit and the Group has not received any government objection notice nor punishment about these buildings;
- e. the buildings of property no. C57 were built legally and they have passed construction work completion acceptance and fire protection acceptance, and can be delivered for use in accordance with the law. There will be no material legal impediment for the Group to obtain the Building Ownership Rights and the Group cannot neither transfer nor mortgage the buildings of the property no. C57 before obtaining the Building Ownership Certificates, as advised by the Group, the Group will obtain the Building Ownership Certificates for property no. C57 within 12 months; and
- f. the Group will not obtain the building ownership rights for the property no. C58 with a total GFA of approximately 1,406.46 sq.m. as they were not built legally, the Group has not received any government objection notice nor punishment about these buildings and the Group can continue using these buildings before obtaining the demolition notice or rectification notice.
7. For the purpose of this report, the properties are classified into 2 groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

<b>Group</b>	<b>Market value in existing state as at the valuation date (RMB)</b>	<b>Market value attributable to the Group as at the valuation date (RMB)</b>
Group I — Held and Occupied by the Group	220,230,000	140,930,000
Group III — Held under Development by the Group	72,300,000	50,850,000
<b>Total:</b>	<b>292,530,000</b>	<b>191,780,000</b>

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>RMB</i>
C64 to C66	3 industrial complexes located in Heilongjiang Province The PRC	The properties located in Heilongjiang Province comprise 3 industrial complexes. These industrial complexes include industrial buildings, warehouses and ancillary buildings and were completed in various stages between 2004 and 2020.	As at the valuation date, the properties were occupied by the Group for production, office and ancillary purposes.	231,830,000 (52.75% interests attributable to the Group: RMB122,280,000)
		The land use rights of the properties have been granted for terms expiring between 2033 and 2061 for industrial use.		

## Notes:

1. As advised by the Group, the property interests located in Heilongjiang Province of the PRC comprise the following:

Property no.	Property	City	Detailed location	Use	Status	Site area (sq.m.)	Total GFA (sq.m.)	GFA with proper title certificate (sq.m.)	GFA without proper title certificate date (sq.m.)	Completion date	Owner	Market value in existing state as at the valuation date RMB	Interest attributable to the Group RMB	Market value attributable to the Group RMB	Reference value* for properties without proper certificates as at the valuation date RMB
C64.	An industrial complex	Suihua	Baiwu Village, Xianfeng Town, Wangkui County	Industrial	Completed <sup>(2a)(2b)</sup>	224,567.40	61,073.21	55,233.63	5,839.58 <sup>(2a)</sup>	2005 to 2020	Wangkui Shuanghui Beidahuang Food	120,120,000	52.75%	63,360,000	11,240,000
C65.	An industrial complex	Hegang	No. 7 Shuanghui Road, Baoquanling Economic Development Zone, Luobei County	Industrial	Completed <sup>(2a)(2b)</sup>	146,202.53	47,846.49	47,846.49	—	2004 to 2009	Baochuangling Shuanghui Beidahuang Food	58,000,000	52.75%	30,590,000	—
C66.	An industrial complex	Harbin	No. 7 Bohai East Road, Xiangfang District	Industrial	Completed <sup>(2a)(2b)</sup>	52,113.50	36,344.25	36,344.25	—	2008	Harbin Shuanghui Beidahuang Food	53,710,000	52.75%	28,330,000	—

\* Reference value refers to the depreciated replacement cost of buildings (excluding the land element) without proper title certificates.

2. We have been provided with a legal opinion regarding the property interests by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights of property nos. C64 to C66 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances;
  - b. the Group is legally in possession of the building ownership rights of the property nos. C64 to C66 with a total GFA of approximately 139,424.37 sq.m. and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the properties and these buildings are not subject to any encumbrances; and
  - c. the Group will not obtain the building ownership rights for the 10 buildings of the property no. C64 with a total GFA of approximately 5,839.58 sq.m. as they were not built legally, the Group has not received any government objection notice nor punishment about these buildings and the Group can continue using these buildings before obtaining the demolition notice or rectification notice.
3. In the valuation of property no. C64, we have relied on the aforesaid legal opinion and attributed no commercial value to the 10 buildings of property no. C64 of which the Group has not obtained proper title certificates. However, for reference purpose, we are of opinion that the depreciated replacement cost of the buildings (excluding the land) as at the valuation date would be RMB11,240,000.
4. For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>RMB</i>
C67 to C69	2 industrial complexes and a retail unit located in Hubei Province The PRC	<p>The properties located in Hubei Province comprise 2 industrial complexes and a retail unit. These industrial complexes include industrial buildings, warehouses and ancillary buildings and were completed in various stages between 2002 and 2011. The retail unit was completed in 2003.</p> <p>The land use rights of the properties (excluding property no. C69) have been granted for terms expiring between 2052 and 2060 for industrial use.</p> <p>The land use rights of the property no. C69 have been granted for a term expiring on 25 June 2049 for commercial use.</p>	As at the valuation date, the properties were occupied by the Group for production, office and ancillary purpose, whilst a retail unit was rented to a tenant for retail purpose.	386,280,000 (70.33% interests attributable to the Group: RMB271,670,000)

## Notes:

1. As advised by the Group, the property interests located in Hubei Province of the PRC comprise the following:

Property no.	Property	City	Detailed location	Use	Status (sq.m.)	Site area (sq.m.)	Total GFA (sq.m.)	GFA with proper title certificate (sq.m.)	GFA without proper title certificate (sq.m.)	Completion date	Owner	Market value in existing state as at the valuation date RMB	Interest attributable to the Group	Market value attributable to the Group RMB	Reference value* for properties without proper certificates as at the valuation date RMB
C67.	An industrial complex	Wuhan	the eastern side of Huitong Avenue and northern side of Shisanzhi Gou Zoumaling Area	Industrial	Completed <sup>(2a)(2b)</sup>	138,346.66	79,071.34	77,984.87	1,086.47 <sup>(2a)</sup>	2006 to 2014	Wuhan Shuanghui	291,320,000	70.33%	204,890,000	2,530,000
C68.	An industrial complex	Yichang	Dongxihu District No. 51 Gangyao Road Dongshean Development Area	Industrial	Completed <sup>(2a)(2b)</sup>	67,343.16	45,317.13	41,232.28	4,084.85 <sup>(2a)</sup>	2002 to 2020	Yichang Shuanghui	92,000,000	70.33%	64,700,000	6,090,000
C69.	Unit 105 of Project Tenglongge	Yichang	Xiling District No. 13 Longkang Road Wujiagang District	Retail	Completed <sup>(2a)(2b)</sup>	N/A	129.67	129.67	—	2003	Hubeishuanghui Commercial Investment	2,960,000	70.33%	2,080,000	—

\* Reference value refers to the depreciated replacement cost of buildings (excluding the land element) without proper title certificates.

2. We have been provided with a legal opinion regarding the property interests by the Company's PRC legal advisors, which contains, *inter alia*, the following:
- a. the Group is legally in possession of the land use rights of property nos. C67 to C69 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances;
  - b. the Group is legally in possession of the building ownership rights of the property nos. C67 to C69 with a total GFA of approximately 119,346.82 sq.m. and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the properties and these buildings are not subject to any encumbrances; and
  - c. the Group will not obtain the building ownership rights for the properties with a total GFA of approximately 5,171.32 sq.m. as they were not built legally, the Group has not received any government objection notice nor punishment about these buildings and the Group can continue using these buildings before obtaining the demolition notice or rectification notice.
3. For the purpose of this report, the properties are classified into 2 groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

<b>Group</b>	<b>Market value in existing state as at the valuation date (RMB)</b>	<b>Market value attributable to the Group as at the valuation date (RMB)</b>
Group I — Held and Occupied by the Group	383,320,000	269,590,000
Group II — Held for Investment by the Group	2,960,000	2,080,000
<b>Total:</b>	<b>386,280,000</b>	<b>271,670,000</b>

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>RMB</i>
C70 to C71	2 industrial complexes located in Shanghai The PRC	<p>The properties located in Shanghai comprise 2 industrial complexes. These industrial complexes include industrial buildings, warehouses and ancillary buildings and were completed in various stages between 1995 and 2015.</p> <p>The land use rights of the properties have been granted for terms expiring between 2051 and 2064 for industrial use.</p>	As at the valuation date, the properties were occupied by the Group for production, office and ancillary purposes.	516,090,000 (70.33% interests attributable to the Group: RMB362,970,000)

## Notes:

1. As advised by the Group, the property interests located in Shanghai of the PRC comprise the following:

Property no.	Property	City	Detailed location	Use	Status	Site area ( <i>sq.m.</i> )	Total GFA ( <i>sq.m.</i> )	GFA with proper title certificate ( <i>sq.m.</i> )	GFA without proper title certificate ( <i>sq.m.</i> )	Completion date	Owner	Market value in existing state as at the valuation date <i>RMB</i>	Interest attributable to the Group	Market value attributable to the Group <i>RMB</i>	Reference value* for properties without proper certificates as at the valuation date <i>RMB</i>
C70.	An industrial complex	Shanghai	No. 358 Lixian Road, Jinshan District	Industrial	Completed <sup>(2a)(2b)</sup>	140,476.00	83,420.61	83,420.61	—	2015	Shanghai Shuanghui Dachang	428,630,000	70.33%	301,460,000	—
C71.	An industrial complex	Shanghai	No. 8819 Tingwei Highway, Jinshan District	Industrial	Completed <sup>(2a)(2b)</sup>	51,298.00	24,873.46	23,688.86	1,184.60 <sup>(2a)</sup>	1995	Shanghai Shuanghui Dachang	87,460,000	70.33%	61,510,000	2,820,000

\* Reference value refers to the depreciated replacement cost of buildings (excluding the land element) without proper title certificates.

2. We have been provided with a legal opinion regarding the property interests by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights of property nos. C70 and C71 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances;
  - b. the Group is legally in possession of the building ownership rights of the property nos. C70 and C71 with a total GFA of approximately 107,109.47 sq.m. and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the properties and these buildings are not subject to any encumbrances; and
  - c. the Group will not obtain the building ownership rights for the property no. C71 with a total GFA of approximately 1,184.60 sq.m. as they were not built legally, the Group has not received any government objection notice nor punishment about these buildings and the Group can continue using these buildings before obtaining the demolition notice or rectification notice.
3. In the valuation of property no. C71, we have relied on the aforesaid legal opinion and attributed no commercial value to the 3 buildings of property no. C71 of which the Group has not obtained proper title certificates. However, for reference purpose, we are of opinion that the depreciated replacement cost of the buildings (excluding the land) as at the valuation date would be RMB2,820,000.
4. For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C72.	An industrial complex No. 3527 Jinghua Avenue Dezhou Economic Development Zone Dezhou City Shandong Province The PRC	<p>The property comprises 4 parcels of land with a total site area of approximately 281,775.34 sq.m. and 43 buildings and various structures erected thereon.</p> <p>The buildings with a total GFA of approximately 135,148.19 sq.m. were completed in the various stage between 2004 and 2019. The buildings mainly include industrial buildings, office buildings, dormitory buildings and ancillary buildings. The structures mainly include simple-structure ancillary rooms.</p> <p>The land use rights of the property have been granted for terms with the expiry dates between 12 April 2049 and 3 August 2061 for industrial use.</p>	As at the valuation date, portions of the property were rented to tenant for office purpose, whilst the remaining portion was occupied by the Group for industrial, office and ancillary purposes.	335,200,000 (70.33% interest attributable to the Group: RMB235,750,000)

*Notes:*

1. Pursuant to 4 State-owned Land Use Rights Certificates — De Tu Guo Yong (2004) Di No. 406, De Guo Yong (2008) Di No. 132, De Guo Yong (2010) Di No. 303 and De Guo Yong (2011) Di No. 263, the land use rights of 4 parcels of land with a total site area of approximately 281,775.34 sq.m. have been granted to Dezhou Shuanghui Food (a 70.33% interest owned subsidiary of the Company) for terms with the expiry dates between 12 April 2049 and 3 August 2061 for industrial use.
2. Pursuant to 25 Building Ownership Certificates — Lu De Zi Di Nos. 110793 to 110805, 111475 to 111485 and 931210, 37 buildings of the property with a total GFA of approximately 122,754.58 sq.m are owned by Dezhou Shuanghui Food.
3. We have not been provided with any title certificates for the remaining 6 buildings of the property with a total GFA of approximately 12,393.61 sq.m.
4. Pursuant to a Tenancy Agreement, an office unit of the property with a GFA of approximately 37.6 sq.m. was rented to a third party for a term of one year expiring on 31 December 2021 for office use. The annual rental was RMB18,000, inclusive of value-added tax.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances;
  - b. the Group is legally in possession of the building ownership rights of the property mentioned in note 2 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the property and these buildings are not subject to any encumbrances; and

- c. the Group will not obtain the building ownership rights of the buildings mentioned in note 3 as they were not built legally, the Group has not received any government objection notice nor punishment about these buildings and the Group can continue using these buildings before obtaining the demolition notice or rectification notice.
6. In the valuation of the property, we have relied on the aforesaid legal opinion and attributed no commercial value to the 6 buildings of the property of which the Group has not obtained proper title certificates. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the buildings (excluding the land) as at the valuation date would be RMB27,310,000.
7. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C73.	An industrial complex No. 9 the middle section of Feiyun South Road Fucheng District Mianyang City Sichuan Province The PRC	<p>The property comprises 2 parcels of land with a total site area of approximately 262,556.78 sq.m. and 23 buildings erected thereon.</p> <p>The buildings with a total GFA of approximately 117,109.36 sq.m. were completed in 2013. The buildings mainly include industrial buildings, office buildings, dormitory buildings and ancillary buildings.</p> <p>The property also comprises a cold storage with a planned GFA of approximately 5,999.85 sq.m., which was under construction as at the valuation date (the "CIP"). As advised by the Group, the CIP of the property is scheduled to be completed in January 2022. The total construction cost (excluding land cost) of the CIP is estimated to be approximately RMB78,815,000, of which RMB4,450,000 had been incurred up to the valuation date.</p> <p>The land use rights of the property have been granted for terms with the expiry dates on 31 May 2059 and 30 November 2059 respectively for industrial use.</p>	As at the valuation date, the property was occupied by the Group for industrial, office and ancillary purposes, except for the CIP which was under construction.	301,460,000 (70.33% interest attributable to the Group: RMB212,020,000)

*Notes:*

- Pursuant to 2 State-owned Land Use Rights Certificates — Mian Cheng Guo Yong (2009) Di Nos. 13648 and 14194, the land use rights of 2 parcels of land with a total site area of approximately 262,556.78 sq.m. have been granted to Mianyang Shuanghui Food (a 70.33% interest owned subsidiary of the Company) for terms with the expiry dates on 31 May 2059 and 30 November 2059 respectively for industrial use.
- Pursuant to 23 Building Ownership Certificates, 23 buildings of the property with a total GFA of approximately 117,109.36 sq.m are owned by Mianyang Shuanghui Food.
- Pursuant to a Construction Work Planning Permit — Jian Zi Di No. 510700202000115 in favour of Mianyang Shuanghui Food, the CIP of the property with a planned GFA of approximately 5,999.85 sq.m. has been approved for construction.
- Pursuant to a Construction Work Commencement Permit — Jian Shi Di No. 510703202010280101 in favour of Mianyang Shuanghui Food, permission by the relevant local authority was given to commence the construction of the CIP of the property with planned GFA of approximately 5,999.85 sq.m.
- The replacement cost of the property (excluding the land) as if completed as at the valuation date is estimated to be approximately RMB79,000,000.

6. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances;
  - b. the Group is legally in possession of the building ownership rights of the property mentioned in note 2 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the property and these buildings are not subject to any encumbrances; and
  - c. for the portion which were under construction of the property, the Group has obtained necessary requisite construction permits issued by authorised government authorities.
7. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C74.	An industrial complex No. 127 Nenjiang Road Huaiyin District Huai'an City Jiangsu Province The PRC	<p>The property comprises 2 parcels of land with a total site area of approximately 170,260.80 sq.m. and 57 buildings and various structures erected thereon.</p> <p>The buildings with a total GFA of approximately 88,378.69 sq.m. were completed in the various stage between 2009 and 2021. The buildings include industrial buildings, warehousing buildings, office buildings and dormitory buildings. The structures mainly comprise roads and boundary walls.</p> <p>The land use rights of the property have been granted for terms expiring on 17 August 2058 and 2 August 2063 respectively for industrial use.</p>	As at the valuation date, the property was occupied by the Group for industrial, storage, office and ancillary purposes	250,000,000 (70.33% interest attributable to the Group: RMB175,830,000)

*Notes:*

1. Pursuant to a State-owned Land Use Rights Certificate — Huai Y Guo Yong (2008 Chu) Di No. 1871 and Huai Y Guo Yong (2003 Chu) Di No. 042, the land use rights of 2 parcels of land with a total site area of approximately 170,260.80 sq.m. have been granted to Huai'an Shuanghui Food (a 70.33% interest owned subsidiary of the Company) for terms expiring on 17 August 2058 and 2 August 2063 for industrial use.
2. Pursuant to 3 Building Ownership Certificates — Huai Fang Quan Zheng Huai Yin Zi Di No. 201008699, 201006526 and 201601503, 55 buildings of the property with a total GFA of approximately 88,220.23 sq.m are owned by Huai'an Shuanghui Food.
3. We have not been provided with any title certificates for the 2 buildings with a total GFA of approximately 158.46 sq.m.
4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances;
  - b. the Group is legally in possession of the building ownership rights of the property mentioned in note 2 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the property and these buildings are not subject to any encumbrances; and
  - c. the Group will not obtain the building ownership rights of the buildings mentioned in note 3 as they were not built legally, the Group has not received any government objection notice nor punishment about these buildings and the Group can continue using these buildings before obtaining the demolition notice or rectification notice.

5. In the valuation of the property, we have relied on the aforesaid legal opinion and attributed no commercial value to the 2 buildings of the property of which the Group has not obtained proper title certificates. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the buildings (excluding the land) as at the valuation date would be RMB1,020,000.
6. Pursuant to a Tenancy Agreement, one retail unit of the property with a total GFA of approximately 53.16 sq.m. were rented to a third party for a term of 2 year expiring on 31 December 2021 for retail use. The annual rental was RMB43,200.00, inclusive of value-added tax.
7. Pursuant to two Tenancy Agreements, various dormitory units of the property with a total GFA of approximately 45.40 sq.m. were rented to 2 third parties with the expiry dates on 9 October 2021 and 31 December 2021 at a total annual rental of RMB12,000, inclusive of value-added tax.
8. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C75.	An industrial complex located at the western side of Yushi Highway Chenjiapu Town Yutian County Tangshan City Hebei Province The PRC	<p>The property comprises 2 parcels of land with a total site area of approximately 113,887.00 sq.m. and 14 buildings and various structures erected thereon.</p> <p>The buildings with a total GFA of approximately 60,075.70 sq.m. were completed in the various stage between 2002 and 2015. The buildings mainly include industrial buildings, office buildings, dormitory buildings and ancillary buildings. The structures mainly comprise roads, boundary walls and sheds.</p> <p>The land use rights of the property have been granted for terms expiring on 4 March 2052 and 31 December 2057 for industrial use</p>	As at the valuation date, the property was occupied by the Group for industrial, office and ancillary purposes.	156,410,000 (70.33% interest attributable to the Group: RMB110,000,000)

*Notes:*

1. Pursuant to 2 Real Estate Title Certificates — Ji (2020) Yu Tian Xian Bu Dong Chang Quan Di Nos. 03812 and 03815, 14 buildings of the property with a total GFA of approximately 60,075.70 sq.m. are owned by Tangshan Shuanghui Food, the relevant land use rights of 2 parcels of land with a total site area of approximately 113,887.00 sq.m. have been granted to Tangshan Shuanghui Food (a 70.33% interest owned subsidiary of the Company) for a term expiring on 4 March 2052 and 31 December 2057 for industrial use.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances; and
  - b. the Group is legally in possession of the building ownership rights of the property mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the property and these buildings are not subject to any encumbrances.
3. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C76.	An industrial complex No. 6 Ningwu Road ASEAN Economic and Technological Development Zone Nanning City Guangxi Zhuang Autonomous Region The PRC	<p>The property comprises a parcel of land with a site area of approximately 341,250.72 sq.m. and 24 buildings and various structures erected thereon.</p> <p>The buildings with a total GFA of approximately 104,056.64 sq.m. were completed in the various stage between 2013 and 2014. The buildings include industrial buildings, office buildings and dormitory buildings. The structures mainly comprise roads and boundary walls.</p> <p>The land use rights of the property have been granted for a term expiring on 22 April 2061 for industrial use.</p>	As at the valuation date, portions of the property were rented to a third party for industrial purpose, whilst the remaining portion of the property was occupied by the Group for industrial, office and ancillary purposes.	251,030,000 (70.33% interest attributable to the Group: RMB176,550,000)

*Notes:*

1. Pursuant to a State-owned Land Use Rights Certificate — Wu Guo Yong (2011) Di No. 1812511, the land use rights of a parcel of land with a site area of approximately 341,250.72 sq.m. have been granted to Nanning Shuanghui Food (a 70.33% interest owned subsidiary of the Company) for a term expiring on 22 April 2061 for industrial use.
2. Pursuant to 24 Building Ownership Certificates — Wu Fang Quan Zheng Zi Di Nos. 2015021266 to 2015021272, 2015021274 to 2015021277 and 2015021279 to 2015021291, 24 buildings of the property with a total GFA of approximately 104,056.64 sq.m are owned by Nanning Shuanghui Food.
3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances; and
  - b. the Group is legally in possession of the building ownership rights of the property mentioned in note 2 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the property and these buildings are not subject to any encumbrances.
4. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C77.	An industrial complex No. 9 Xiajiahu Road Yijiang District Wuhu City Anhui Province The PRC	<p>The property comprises a parcel of land with a total site area of approximately 294,489.00 sq.m. and 42 buildings and various structures erected thereon.</p> <p>The buildings with a total GFA of approximately 120,804.78 sq.m. were completed in the various stage between 2013 and 2015. The buildings include industrial buildings, warehousing buildings, office buildings and dormitory buildings. The structures mainly comprise roads and boundary walls.</p> <p>The land use rights of the property have been granted for a term expiring on 27 January 2061 for industrial use.</p>	As at the valuation date, the property was occupied by the Group for industrial, storage, office and ancillary purposes.	395,610,000 (70.33% interest attributable to the Group: RMB278,230,000)

*Notes:*

1. Pursuant to 4 Real Estate Title Certificates — Wan (2016) Wu Hu Shi Bu Dong Chan Quan Di No. 0127037, 0127038, 0127039 and 0127040, 40 buildings of the property with a total GFA of approximately 120,504.78 sq.m are owned by Wuhu Shuanghui Food (a 70.33% interest owned subsidiary of the Company), the relevant land use rights of a parcel of land with a site area of approximately 294,489.00 sq.m. have been granted to Wuhu Shuanghui Food for a term expiring on 27 January 2061 for industrial use.
2. We have not been provided with any title certificates for the remaining 2 buildings of the property with a total GFA of approximately 300 sq.m.
3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances;
  - b. the Group is legally in possession of the building ownership rights of the property mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the property and these buildings are not subject to any encumbrances; and
  - c. the Group will not obtain the building ownership rights of the buildings mentioned in note 2 as they were not built legally, the Group has not received any government objection notice nor punishment about these buildings and the Group can continue using these buildings before obtaining the demolition notice or rectification notice.

4. In the valuation of the property, we have relied on the aforesaid legal opinion and attributed no commercial value to the one ancillary building of the property of which the Group has not obtained proper title certificates. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the building (excluding the land) as at the valuation date would be RMB320,000.
5. Pursuant to a Tenancy Agreement, various industrial and office units of the property with a total GFA of approximately 958.28 sq.m. were rented to a third party for a term of 2 year expiring on 30 April 2022 for industrial and office use. The annual rental was RMB77,230, inclusive of value-added tax.
6. Pursuant to a Tenancy Agreement, one industrial unit of the property with a total GFA of approximately 324.00 sq.m. were rented to a third party, for a term of 2 year expiring on 30 April 2022 for industrial use, and the annual rental was RMB3,600, inclusive of value-added tax.
7. Pursuant to a Tenancy Agreement, one dormitory unit of the property with a total GFA of approximately 34.27 sq.m. were rented to a third party, for a term of 2 year expiring on 30 September 2022 for residential use, and the annual rental was RMB6,000, inclusive of value-added tax.
8. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C78.	An industrial complex No. 602 Qingxin Road Qingxin District Qingyuan City Guangdong Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 97,744.20 sq.m. and 13 buildings erected thereon.</p> <p>The buildings with a total GFA of approximately 62,713.59 sq.m. were completed in the various stages between 2004 and 2016. The buildings mainly include industrial buildings and office buildings.</p> <p>The land use rights of the property have been granted for a term expiring on 23 January 2053 for industrial use.</p>	As at the valuation date, portions of the property were rented to a tenant for office use, whilst the remaining portion of the property was occupied by the Group for industrial, office and ancillary purposes.	116,150,000 (70.33% interest attributable to the Group: RMB81,690,000)

*Notes:*

1. Pursuant to 2 Real Estate Title Certificates — Yue (2017) Qing Yuan Shi Bu Dong Chan Quan Di No. 5001817 and Yue (2018) Qing Yuan Shi Bu Dong Chan Quan No. 5004565, 13 buildings of the property with a total GFA of approximately 62,713.59 sq.m. are owned by Qingyuan Shuanghui Food (a 70.33% interest owned subsidiary of the Company), the relevant land use rights of the property have been granted to Qingyuan Shuanghui Food for a term expiring on 23 January 2053 for industrial use.
2. Pursuant to a Tenancy Agreement, various office units and vacant site area of the property with a total GFA of approximately 20 sq.m. were rented to a third party for a term of one year expiring on 31 March 2022 for office use. The annual rental was RMB54,600, inclusive of value-added tax.
3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances; and
  - b. the Group is legally in possession of the building ownership rights of the property mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the property and these buildings are not subject to any encumbrances.
4. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C79.	An industrial complex No. 102 Jiefang Road Jining District Ulanqab City Inner Mongolia Autonomous Region The PRC	<p>The property comprises 7 parcels of land with a total site area of approximately 561,074.30 sq.m. and various buildings erected thereon.</p> <p>The buildings with a total GFA of approximately 71,935.06 sq.m. were completed in 2012. The buildings mainly include industrial buildings, office buildings, dormitory buildings and ancillary buildings.</p> <p>The land use rights of the property have been granted for terms expiring in April 2048 for industrial use and on 4 August 2080 for residential use.</p>	As advised by the Group, the property has ceased production since 2017 and was vacant as at the valuation date, except for a portion of the property were rented to a tenant for office and storage purposes.	115,460,000 (70.33% interest attributable to the Group: RMB81,200,000)

*Notes:*

1. Pursuant to 7 State-owned Land Use Rights Certificates — Ji Tu Guo Yong (2014) Di Nos. D-0115 to D-0121, the land use rights of 7 parcels of land with a total site area of approximately 561,074.30 sq.m. have been granted to Shuanghui Development (a 70.33% interest owned subsidiary of the Company) for terms expiring in April 2048 for industrial use and on 4 August 2080 for residential use.
2. Pursuant to 27 Building Ownership Certificates — Wu Fang Quan Zheng Ji Ning Qu Zi Di Nos. 201119261 to 201119266, 201119268 to 201119287 and 201119290, various buildings of the property with a total GFA of approximately 71,935.06 sq.m are owned by Shuanghui Development.
3. Pursuant to 2 Tenancy Agreements, 2 units of the property with a total GFA of approximately 290 sq.m. were rented to a third party for a term of one year expiring on 31 May 2021 and 19 October 2021 respectively for office and ancillary uses. The total annual rental was RMB17,200, inclusive of value-added tax.
4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances; and
  - b. the Group is legally in possession of the building ownership rights of the property mentioned in note 2 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the property and these buildings are not subject to any encumbrances.
5. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C80.	An industrial complex located at the northern side of Xiaomaidizhuang Eco-industrial Zone Shilin Yi Autonomous County Kunming City Yunnan Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 42,205.72 sq.m. and 10 buildings erected thereon.</p> <p>The buildings with a total GFA of approximately 27,032.94 sq.m. were completed in 2014. The buildings mainly include industrial buildings and office buildings and dormitory building.</p> <p>The land use rights of the property have been granted for a term expiring on 12 June 2064 for industrial use.</p>	As at the valuation date, portions of the property were rented to a tenant for automatic teller machine use, whilst the remaining portion of the property was occupied by the Group for industrial, office and ancillary purposes.	90,330,000 (70.33% interest attributable to the Group: RMB63,530,000)

*Notes:*

1. Pursuant to 10 Real Estate Title Certificates — Yun (2019) Shi Lin Xian Bu Dong Chan Quan Di Nos. 0001596 to 0001605, 10 buildings of the property with a total GFA of approximately 27,032.94 sq.m. are owned by Kunming Shuanghui Food (a 70.33% interest owned subsidiary of the Company), the relevant land use rights of the property have been granted to Kunming Shuanghui Food for a term expiring on 12 June 2064 for industrial use.
2. Pursuant to a Tenancy Agreement, a vacant site area of the property with a GFA of approximately 14.67 sq.m. was rented to a third party for a term of 5 years expiring on 5 September 2022 for automatic teller machine use. The annual rental was RMB3,000, inclusive of value-added tax.
3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances; and
  - b. the Group is legally in possession of the building ownership rights of the property mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the property and these buildings are not subject to any encumbrances.
4. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C81.	An industrial complex No. 243 Hepanqiao Road Wucheng District Jinhua City Zhejiang Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 50,943.10 sq.m. and 53 buildings and various structures erected thereon.</p> <p>The buildings with a total GFA of approximately 36,304.79 sq.m. were completed in August 2007. The buildings mainly include industrial buildings, warehouse buildings and dormitory buildings. The structures mainly comprise roads, boundary walls.</p> <p>The land use rights of the property have been granted for a term expiring on 21 January 2053 for industrial use.</p>	As advised by the Group, the property has ceased production and was vacant as at the valuation date.	65,310,000 (56.26% interest attributable to the Group: RMB36,750,000)

*Notes:*

1. Pursuant to a State-owned Land Use Rights Certificate — Jin Shi Guo Yong (2003) Zi Di No. 4-2224, the land use rights of a parcel of land with a site area of approximately 50,943.10 sq.m. have been granted to Jinhua Shuanghui Food (a 56.26% interest owned subsidiary of the Company) for a term expiring on 21 January 2053 for industrial use.
2. Pursuant to 33 Building Ownership Certificates, 33 buildings of the property with a total GFA of approximately 30,784.92 sq.m are owned by Jinhua Shuanghui Food.
3. We have not been provided with any title certificates for the remaining 19 buildings with a total GFA of approximately 5,519.87 sq.m.
4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances;
  - b. the Group is legally in possession of the building ownership rights of the property mentioned in note 2 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the property and these buildings are not subject to any encumbrances; and
  - c. the Group will not obtain the building ownership rights of the buildings mentioned in note 3 as they were not built legally, the Group has not received any government objection notice nor punishment about these buildings and the Group can continue using these buildings before obtaining the demolition notice or rectification notice.
5. In the valuation of the property, we have relied on the aforesaid legal opinion and attributed no commercial value to the 19 buildings of the property of which the Group has not obtained proper title certificates. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the buildings (excluding the land) as at the valuation date would be RMB5,250,000.
6. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C82.	An industrial complex located at the eastern side of Fangzhi 1st Road and southern side of Xianxing Road Xingping City Xianyang City Shaanxi Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 280,000 sq.m. and 20 buildings erected thereon.</p> <p>The buildings with a total GFA of approximately 100,087 sq.m. were completed in 2014. The buildings mainly include industrial buildings, office buildings, dormitory buildings and ancillary buildings.</p> <p>The land use rights of the property have been granted for a term expiring on 13 July 2064 for industrial use.</p>	As at the valuation date, the property was occupied by the Group for industrial, office and ancillary purposes.	95,200,000 (70.33% interest attributable to the Group: RMB66,950,000)

*Notes:*

1. Pursuant to a State-owned Land Use Rights Certificate — Xing Guo Yong (2014) Di No. 0082, the land use rights of a parcel of land with a site area of approximately 280,000 sq.m. have been granted to Shaanxi Shuanghui Food (a 70.33% interest owned subsidiary of the Company) for a term expiring on 13 July 2064 for industrial use.
2. We have not been provided with any title certificates for the 20 buildings of the property with a total GFA of approximately 100,087 sq.m.
3. Pursuant to 2 Tenancy Agreements, 2 ancillary units of the property with a total GFA of approximately 260.55 sq.m. were rented to 2 third parties for terms expiring on 30 April 2021 and 30 June 2022 for commercial and industrial uses. The total annual rental was RMB17,767, inclusive of value-added tax.
4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances; and
  - b. the buildings of property mentioned in note 2 were built legally and they have passed construction work completion acceptance and fire protection acceptance, and can be delivered for use in accordance with the law. There will be no material legal impediment for the Group to obtain the Building Ownership Rights and the Group cannot neither transfer nor mortgage the buildings of the property before obtaining the Building Ownership Certificates, as advised by the Group, the Group will obtain the Building Ownership Certificates for property within 12 months.
5. In the valuation of the property, we have relied on the aforesaid legal opinion and attributed no commercial value to the 9 buildings of the property of which the Group has not obtained proper title certificates. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the buildings (excluding the land) as at the valuation date would be RMB264,850,000.
6. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
C83.	An industrial complex No. 1 Yangguang Avenue Sanghai Development Zone Nanchang City Jiangxi Province The PRC	<p>The property comprises 3 parcels of land with a total site area of approximately 310,873 sq.m. and 26 buildings and various structures erected thereon.</p> <p>The buildings with a total GFA of approximately 139,551.15 sq.m. were completed in the various stages between 2011 and 2014. The buildings include industrial buildings, office buildings and dormitory buildings. The structures mainly comprise roads and boundary walls.</p> <p>The land use rights of the property have been granted for terms expiring on 27 June 2060 and 16 April 2064 for industrial use.</p>	As at the valuation date, portions of the property were rented to various tenants for retail and industrial purposes, whilst the remaining portion of the property was occupied by the Group for industrial, office and ancillary purposes.	348,430,000 (70.33% interest attributable to the Group: RMB245,050,000)

*Notes:*

1. Pursuant to 3 State-owned Land Use Rights Certificates — Hong Tu Guo Yong (Sang Deng 2010) Di Nos. 009 and 010 and Hong Tu Guo Yong (Sang Deng 2014) Di No. D019, the land use rights of 3 parcels of land with a total site area of approximately 310,873 sq.m. have been granted to Nanchang Shuanghui Food (a 70.33% interest owned subsidiary of the Company) for terms expiring on 27 June 2060 and 16 April 2064 for industrial use.
2. Pursuant to 26 Building Ownership Certificates, 26 buildings of the property with a total GFA of approximately 139,551.15 sq.m are owned by Nanchang Shuanghui Food.
3. Pursuant to 3 Tenancy Agreements, 3 ancillary units with a total GFA of approximately 923.50 sq.m. were rented to various independent third parties with the expiry dates between 31 August 2021 and 30 April 2022 at a total current annual rent of approximately RMB64,300, exclusive of value-added tax and management fees.
4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisors, which contains, *inter alia*, the following:
  - a. the Group is legally in possession of the land use rights mentioned in note 1 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the land use rights during its valid terms and these land use rights are not subject to any encumbrances; and
  - b. the Group is legally in possession of the building ownership rights of the property mentioned in note 2 and the Group is entitled to legally occupy, use, freely transfer, lease, mortgage or otherwise dispose of the buildings of the property and these buildings are not subject to any encumbrances.
5. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

## Part B — Property interests held by the Group in United States

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>USD</i>
U1.	Hog Farm 14 MI. N Hwy 77, Snowflake Arizona United States	The property comprises 7 parcels of land with a total site area of approximately 16,274,285.87 sq.m. and various buildings erected thereon.  The buildings with a total GFA of approximately 114,611.46 sq.m. were completed in 1990s.  The property is held under freehold interests.	As at the valuation date, the property was occupied by the Group for farm purpose.	2,259,000 (100% interest attributable to the Group: USD2,259,000)

*Note:*

1. The owner of the property is Pffj Inc (a wholly-owned subsidiary of the Company).

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U2 to U5	A hog farm, 2 plant and various parking lots located in California United States	<p>The properties located in California comprises 11 parcels of land with a total site area of approximately 1,885,710.69 sq.m., a hog farm, 2 plants and various parking lots erected thereon.</p> <p>The buildings with a total GFA of approximately 108,275.94 sq.m. were completed in various stages between 1931 and 2017.</p> <p>The property is held under freehold interest.</p>	As at the valuation date, the properties were occupied by the Group for farm, feed mill, packaged and parking lot purposes.	108,014,000 (100% interest attributable to the Group: USD108,014,000)

*Notes:*

- As advised by the Group, the property interests located in California of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U2	Hog farm	Corcoran	3922 Ave 120, Corcoran	Completed	Farm	2017	1,767,462	41,187	Pfij Inc	7,194,000	100%	7,194,000
U3	Plant	Vernon	3049 E. Vernon Ave., Vernon	Completed	Packaged	1931	75,676	56,334	Smithfield Packaged Meats Corp.	64,522,000	100%	64,522,000
U4	Plant	Vernon	California, 90058 3163 E. Vernon Ave., Vernon	Completed	Packaged	1990s	19,182	10,756	Smithfield Packaged Meats Corp.	16,355,000	100%	16,355,000
U5	Parking lot	Vernon	California, 90058 3094-3200 E. Vernon Avenue	Completed	Parking lot		23,391	N/A	Smithfield Packaged Meats Corp	19,943,000	100%	19,943,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U6 to U25	19 farms and a feed mill plant located in Colorado United States	The properties located in Colorado comprises 35 parcels of land with a total site area of approximately 17,006,320.57 sq.m., 25 farms, a feed mill and a General & Administrative Center erected thereon.  The buildings with a total GFA of approximately 99,176.65 sq.m. were completed in various stages between 1992 and 1998.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farm and feed mill purposes.	23,751,000 (100% interest attributable to the Group: USD23,751,000)

Notes:

- As advised by the Group, the property interests located in Colorado of the United States comprise the following,

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U6	Farm	Yuma	24786 County Rd A	Completed	Farm	1998	1,292,119	975	Murphy-Brown Llc	1,125,000	100%	1,125,000
U7	Farm	Yuma	26519 County Rd C, Yuma	Completed	Farm	1994	2,104,362	9,834	Murphy-Brown Llc	1,061,000	100%	1,061,000
U8	Farm	Yuma	983/1265/1287 County Rd 27, Yuma	Completed	Farm	1996	3,021,540	3,150	Murphy-Brown Llc	1,594,000	100%	1,594,000
U9	Farm	Yuma	24557 County Rd J, Yuma	Completed	Farm	1994	1,095,927	4,706	Murphy-Brown Llc	953,000	100%	953,000
U10	Farm	Eckley	44425 Co Rd Q, Eckley	Completed	Farm	1990s	647,496	3,757	Murphy-Brown Llc	773,000	100%	773,000
U11	Farm	Yuma	41424/41076 Co Rd N, Yuma	Completed	Farm	1995	647,496	3,340	Murphy-Brown Llc	711,000	100%	711,000
U12	Farm	Yuma	8502 Co Rd 28, Yuma	Completed	Farm	1995	202,343	3,188	Murphy-Brown Llc	512,000	100%	512,000
U13	Farm	Yuma	7251/7465 Co Rd 28, Yuma	Completed	Farm	1996	1,254,524	11,575	Murphy-Brown Llc	7,244,000	100%	7,244,000
U14	Farm	Eckley	28498 Cty Rd Q, Eckley	Completed	Farm	1990s	N/A	3,757	Murphy-Brown Llc	1,798,000	100%	1,798,000
U15	Farm	Yuma	716 County Rd 27, Yuma	Completed	Farm	1996	408,408	5,987	Murphy-Brown Llc	412,000	100%	412,000
U16	Farm	Yuma	9400 County Road 45 Yuma	Bare land	Farm		64,021	N/A	Murphy-Brown Llc	47,000	100%	47,000
U17	Farm	Yuma	29443 Co Rd H, Yuma	Completed	Farm	1996	1,290,460	929	Murphy-Brown Llc	340,000	100%	340,000
U18	Farm	Yuma	46501 Co Rd Q, Yuma	Completed	Farm	1995	56,413	1,784	Murphy-Brown Llc	152,000	100%	152,000
U19	Farm	Yuma	24251/17251 County Rd J, Yuma	Completed	Farm	1996	1,299,403	15,130	Murphy-Brown Llc	1,887,000	100%	1,887,000
U20	Farm	Yuma	14378 County Rd 26, Joes	Completed	Farm	1990s	670,077	14,903	Murphy-Brown Llc	575,000	100%	575,000
U21	Farm	Yuma	32811 County Rd L, Yuma	Completed	Farm	1996	1,294,992	14,903	Murphy-Brown Llc	1,144,000	100%	1,144,000
U22	Farm	Yuma	12678 County Rd 32, Yuma	Completed	Farm	1999	161,874	284	Murphy-Brown Llc	587,000	100%	587,000
U23	Feed milling-Yuma	Yuma	110 N Detroit St, Yuma	Completed	Feed mill	1996	35,450	N/A	Murphy-Brown Llc	2,243,000	100%	2,243,000
U24	General farm	Yuma	6080 County Rd 29, Yuma	Completed	Farm	1996	811,920	N/A	Murphy-Brown Llc	260,000	100%	260,000
U25	Administrative Yuma sow farm	Yuma	27998 County Road N, Yuma	Completed	Farm	1996	647,496	975	Murphy-Brown Llc	333,000	100%	333,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U26.	Cumming-Plant 400 N. Industrial Park, Cumming Georgia United States	<p>The property comprises a parcel of land with a site area of approximately 20,234.25 sq.m. and various buildings erected thereon.</p> <p>The buildings with a total GFA of approximately 6,986.31 sq.m. were completed in 1990s.</p> <p>The property is held under freehold interests.</p>	As at the valuation date, the property was occupied by the Group for packaged purpose.	4,324,000

*Notes:*

1. The owner of the property Smithfield Packaged Meats Corp (a wholly-owned subsidiary of the Company).
2. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U27 to U34	A feed mill, 3 fresh plants and 4 packaged plants located in Iowa United States	The properties located in Iowa comprise 23 parcels of land with a total site area of approximately 786,683.36 sq.m. and various buildings and facilities erected thereon.  The buildings with a total GFA of approximately 159,728.13 sq.m. were completed in various stages between 1930 to 1981.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for industrial purposes.	83,543,000 (100% interest attributable to the Group: USD83,543,000)

*Notes:*

- As advised by the Group, the property interests located in Iowa of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U27	Feed Milling-Alg	Algona	2120 90th Ave, Algona	Completed	Feed mill	1970s	198,862	3,252	Murphy Farms Inc	8,032,000	100%	8,032,000
U28	Pine Ridge Farms	Des Moines	1801 Maury Street, Des Moines	Completed	Plant	1940	102,491	17,308	Pine Ridge Real Estate Llc	31,607,000	100%	31,607,000
U29	Siouxet-Plant	Sioux Center	251 15Th Street Northeast, Sioux Center	Completed	Packaged	1981	35,329	10,684	Smithfield Packaged Meats Corp	3,126,000	100%	3,126,000
U30	Curlys-Plant	Sioux City	1000 Cunningham Drive, Sioux, City	Completed	Packaged	1930	89,435	29,915	Smithfield Packaged Meats Corp	16,362,000	100%	16,362,000
U31	Denison-Plant	Denison	Route 59, Denison	Completed	Plant	1966	165,840	41,806	Smithfield Packaged Meats Corp	13,950,000	100%	13,950,000
U32	Carroll-Plant	Carroll	401 N Grant Rd. Carroll,	Completed	Packaged		20,590	N/A	Smithfield Packaged Meats Corp	1,400,000	100%	1,400,000
U33	Mason-Plant	Mason City	1401 S Eisenhower Ave, Mason City	Completed	Packaged	1977	143,178	39,391	Smithfield Packaged Meats Corp	3,485,000	100%	3,485,000
U34	Orange City-Plant	Orange City	101 14Th Street Southeast, Orange City	Completed	Plant	1972	30,958	17,373	Smithfield Packaged Meats Corp	5,581,000	100%	5,581,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U35 to U40	4 farms and 2 plants located in Illinois United States	The properties located in Illinois comprise 10 parcels of land with a total site area of approximately 864,002.48 sq.m. and various buildings and facilities erected thereon.  The buildings with a total GFA of approximately 88,092.16 sq.m. were completed in various stages between 1964 to 2015.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farm and plant purposes.	55,648,000 (100% interest attributable to the Group: USD55,648,000)

*Notes:*

- As advised by the Group, the property interests located in Illinois of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U35	Mt. Erie	Mt Erie	2149 Co Rd 2400 E, Mt Erie	Completed	Farm	2015	177,414	3,188	Murphy-Brown Llc	2,160,000	100%	2,160,000
U36	Lakeview	Mt Erie	2059 County Rd 2400 E, Mt Erie	Completed	Farm	2015	84,660	3,188	Murphy-Brown Llc	1,081,000	100%	1,081,000
U37	Lakeside	Mt Erie	2027 Co Rd 2400 E, Mt Erie	Completed	Farm	2000	178,385	6,837	Murphy-Brown Llc	4,153,000	100%	4,153,000
U38	Plant	Saint Charles	410 Kirk Rd, Saint Charles	Completed	Packaged	1971	109,670	34,560	Smithfield Packaged Meats Corp	29,330,000	100%	29,330,000
U39	Plant	Monmouth	1220 North 6Th Street, Monmouth	Completed	Fresh	1964	129,742	40,320	Smithfield Packaged Meats Corp	18,924,000	100%	18,924,000
U40	Farm Land	Mt Erie	2027 Co Rd 2400 E, Mt Erie	Bare land	Farm land		184,132	N/A	Murphy Brown Llc	1,000	100%	1,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U41 and U42	A farm and a packaged plant located in Indiana United States	The properties located in Indiana comprise various parcels of land with a total site area of approximately 155,884.66 sq.m. and various buildings erected thereon.  The buildings with a total GFA of approximately 25,415.94 sq.m. were completed in 1952.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for industrial purposes.	5,115,000 (100% interest attributable to the Group: USD5,115,000)

*Notes:*

- As advised by the Group, the property interests located in Indiana of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U41	Sd-(w) Evansville	Evansville	8426 Baumgart Rd, Evansville	Completed	Farm		8,094	—	Smithfield Direct Llc	155,000	100%	155,000
U42	Peru Plan	Peru	3311 State Road 19 South, Peru	Completed	Packaged	1952	147,791	25,416	Smithfield Packaged Meats Corp.	4,960,000	100%	4,960,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>USD</i>
U43 and U44	2 packaged plants located in Kansas United States	<p>The properties located in Kansas comprise 4 parcels of land with a total site area of approximately 276,116.58 sq.m. and various buildings and facilities erected thereon.</p> <p>The buildings with a total GFA of approximately 51,932.78 sq.m. were completed in various stages between 1973 and 1996.</p> <p>The property is held under freehold interest.</p>	As at the valuation date, the properties were occupied by the Group for packaged purposes.	19,225,000 (100% interest attributable to the Group: USD19,225,000)

*Notes:*

- As advised by the Group, the property interests located in Kansas of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U43	Junccty-Plant	Junccty-Plant	1920 Lacy Dr, Junction City	Completed	Packaged	1980s	167,135	35,303	Smithfield Packaged Meats Corp	11,757,000	100%	11,757,000
U44	Wichita	Wichita	2323 S Sheridan, Wichita	Completed	Packaged	1980s	108,982	16,630	Smithfield Packaged Meats Corp	7,468,000	100%	7,468,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U45 to U47	3 plants located in Kentucky United States	<p>The properties located in Arizona comprise 3 parcels of land with a total site area of approximately 177,494.84 sq.m. and various buildings and facilities erected thereon.</p> <p>The buildings with a total GFA of approximately 58,250.18 sq.m. were completed in various stages between 1972 and 1989.</p> <p>The property is held under freehold interest.</p>	As at the valuation date, the properties were occupied by the Group for packaged and industrial purposes.	21,400,000 (100% interest attributable to the Group: USD21,400,000)

*Notes:*

- As advised by the Group, the property interests located in Kentucky of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U45	Grayson-Plntgen	Grayson	800 Cw Stevens Blvd., Grayson	Completed	Packaged	1970s	66,409	19,045	Smithfield Packaged Meats Corp	14,787,000	100%	14,787,000
U46	Middlesbor-Plntgen	Middlesboro	South 23Rd Street, Middlesboro	Completed	Packaged	1972	107,039	39,205	Smithfield Packaged Meats Corp	6,372,000	100%	6,372,000
U47	Sd-(w) Louisville	Louisville	2522 Plantside Dr, Louisville	Completed	Industrial		4046.85	N/A	Smithfield Direct Llc	241,000	100%	241,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>USD</i>
U48.	Springfld Plant 20 Carando Drive, Springfield Massachusetts United States	The property comprises 5 parcels of land with a total site area of approximately 26,871.08 sq.m. and various facilities erected thereon.  The property is held under freehold interests.	As at the valuation date, the property was occupied by the Group for packaged purpose.	1,475,000 (100% interest attributable to the Group: USD1,475,000)

*Notes:*

1. The owner of the property is John Morrell & Co (a wholly-owned subsidiary of the Company).
2. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U49.	Stjames Plant 820 11Th St N, Saint James Minnesota United States	The property comprises a parcel of land with a site area of approximately 55,037.16 sq.m. and various buildings erected thereon.  The buildings with a total GFA of approximately 12,263.20 sq.m. were completed in 2000s.	As at the valuation date, the property was occupied by the Group for packaged purpose.	4,645,000 (100% interest attributable to the Group: USD4,645,000)
		The property is held under freehold interests.		

*Notes:*

1. The owner of the property is Smithfield Packaged Meats (a wholly-owned subsidiary of the Company).
2. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U50 to U83	25 farms, 2 packaged plants, a fresh plant and 3 feed mills located in Missouri United States	The properties located in Missouri comprise various parcels of land with a total site area of approximately 173,872,869.78 sq.m. and various buildings and facilities erected thereon.  The buildings with a total GFA of approximately 92,792.63 sq.m. were completed in various stages between 1971 to 2009.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farming and feed mill purposes.	226,846,000 (100% interest attributable to the Group: USD226,750,000)

Notes:

- As advised by the Group, the property interests located in Missouri of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U50	GIF-Boar Stud	Newtown	Hwy O, Newtown	Completed	Farm	2009	1,369,859	1,737	Premium Standard Farms Llc	818,000	100%	818,000
U51	Marla Coin	Liberty	20279 Hwy 139, Galt	Completed	Farm	2000s	336,698	2,044	Premium Standard Farms Llc	201,000	100%	201,000
U52	Wppo Admin	Princeton	18314 Finch Ave, Princeton	Completed	Farm		16,172,629	N/A	Premium Standard Farms Llc	20,604,000	100%	20,604,000
U53	Terre Haute Admin	Lucerne	21336 Psf Medicine Rd 3, Lucerne	Completed	Farm		20,206,327	N/A	Murphy-Brown Of Mo Llc	30,780,000	100%	30,780,000
U54	BWB Admin	Newtown	22998 Hwy O, Newtown	Completed	Farm		19,409,097	N/A	Premium Standard Farms Llc; Murphy-Brown Of Mo Llc	14,517,000	100%	14,517,000
U55	Coffey Admin	Coffey	18115 State Hwy B Pattonsburg	Completed	Feed mill	2000s	477,124	4,645	Murphy-Brown of Mo, Llc	17,239,000	100%	17,239,000
U56	Hickory Creek	Coffey	15064 225Th St, Coffey	Completed	Farm	2000s	2,546,278	9,970	Murphy-Brown of Mo, Llc	814,000	100%	814,000
U57	Scott/Colby	Madison	14527 340th	Completed	Farm		155,601	N/A	Premium Standard Farms	406,000	100%	406,000
U58	Scott/Colby	Madison	14531 340th	Completed	Farm		323,748	N/A	Murphy-Brown of Mo Llc	406,000	100%	406,000
U59	Scott/Colby	Madison	32320 St Hwy B	Completed	Farm		2,371,049	N/A	Murphy-Brown of Mo Llc	812,000	100%	812,000
U60	Scott/Colby	Madison	32328 St Hwy B	Completed	Farm		2,587,556	N/A	Murphy-Brown of Mo Llc	406,000	100%	406,000
U61	Sharp 8	Gallatin	24869 Nickel Ave, Gallatin	Completed	Farm		1,387,301	N/A	Murphy-Brown of Mo Llc	406,000	100%	406,000
U62	Scott/Colby	Princeton	24998 Hwy C, Princeton	Completed	Farm		1,280,423	N/A	Premium Standard Farms Llc	1,003,000	100%	1,003,000
U63	Summers Mega Admin	Harris	Rt 1, Harris	Completed	Farm	2000s	1,268,283	4,905	Premium Standard Farms Llc	477,000	100%	477,000
U64	Cooley	Lucern	19940 Hwy K, Lucern	Completed	Farm	2000s	1,285,684	3,716	Murphy-Brown of Mo Llc	476,000	100%	476,000
U65	Cypress Mega	Pattonsburg	10667 185Th Street, Pattonsburg	Completed	Farm	2000s	2,210,794	2,230	Murphy-Brown of Mo, Llc	864,000	100%	864,000
U66	Ruckman Admin	Albany	2522 St Hwy N, Albany	Completed	Farm		8,196,004	N/A	Ke2 Real Estate Llc	10,432,000	100%	10,432,000
U67	Homan Admin	King City	5652 St Hwy Z, King City	Completed	Farm		7,794,233	N/A	Ke2 Real Estate Llc	4,967,000	100%	4,967,000
U68	Green Hills Admin	Unionville	59347 Justice Rd, Unionville	Completed	Farm		10,946,729	N/A	Premium Standard Farms Llc	7,561,000	100%	7,561,000
U69	Feed Milling-Lucerne-PMO	Lucerne	600 State Hwy A, Lucerne	Completed	Feed mill		359,360	N/A	Murphy-Brown of Mo Llc; Premium Standard Farms Llc	2,912,000	100%	2,912,000

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U70	Kansas City Sausage	Kansas City	8001 Nw 106Th Street, Kansas City	Completed	Packaged	2000s	22,703	5,203	Smithfield Packaged Meats Corp	733,000	100%	733,000
U71	Milan-plantgen	Milan	Rr 2, Po Box 247, Milan	Completed	Fresh	1994	828,390	40,506	Smithfield Fresh Meats Corp	16,560,000	100%	16,560,000
U72	Somerset	Powersville	10805 Aztec Ave, Powersville	Completed	Farm		14,127,149	N/A	Smithfield Fresh Meats Corp; Premium Standard Farms Llc	10,647,000	100%	10,647,000
U73	Locust Ridge Admin	Harris	44104 Hwy E, Harris	Completed	Farm		11,170,925	N/A	Premium Standard Farms Llc	6,386,000	100%	6,386,000
U74	South Meadows Admin	Browning	33417 Hwy U, Browning	Completed	Farm		8,477,341	N/A	Premium Standard Farms Llc	7,606,000	100%	7,606,000
U75	Valley View Admin	Greencastle	22686 Ivan Dr, Greencastle	Completed	Farm		18,473,466	N/A	Premium Standard Farms Llc	21,105,000	100%	21,105,000
U76	Hedgewood Admin	Princeton	24730 Fleetwood St, Princeton	Completed	Farm		4,235,029	N/A	Premium Standard Farms Llc	4,370,000	100%	4,370,000
U77	White Tail Admin	Unionville	168 14392 Hwy 129, Unionville	Completed	Farm		12,201,253	N/A	Murphy-Brown Of Mo Llc	12,462,000	100%	12,462,000
U78	Nevada Mill	Nevada	1691420 Murphy Mill Rd, Nevada	Completed	Feed mill	2000s	125,452	3,716	Murphy Farms Inc	557,000	100%	557,000
U79	Princeton Feed Mill	Princeton	17999 Us Highway 65, Princeton	Completed	Farm	2000s	2,935,990	6,503	Premium Standard Farms Llc	15,319,000	100%	15,319,000
U80	Maricity-Plntgen	Kansas City	13825 Wyandotte St., Kansas City	Completed	Packaged	2000s	66,328	7,618	Smithfield Packaged Meats Corp	14,672,000	100%	14,672,000
U81	Farm Land	Mcfall	10164 State Hwy ZZ, McFall	Bare land	Farm land		332,246	N/A	Murphy-Brown Of Mo Llc	208,000	100%	208,000
U82	Farm Land	Newtown	24838 Helium Rd, Newtown, MO 64673	Bare land	Farm land		152,971	N/A	Premium Standard Farms Llc	96,000	100%	96,000
U83	Farm Land	Princeton	24731 Fleetwood St, Princeton	Bare land	Farm land		38,850	N/A	Premium Standard Farms Llc	24,000	100%	24,000

2. For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U84 to U300	Various farms, plants and bare lands located in North Carolina United States	The properties located in North Carolina comprise a parcel of land with a total site area of approximately 161,891,966.51 sq.m. and various buildings and facilities erected thereon.  The buildings with a total GFA of approximately 772,600.33 sq.m. were completed in various stages between 1948 and 2013.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farm, feed mill, office, shop and plant purposes.	710,240,000 (interest attributable to the Group: USD709,919,000)

Notes:

- As advised by the Group, the property interests located in North Carolina of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U84	Ammon Nursery	Garland	225 Ammon Farm Rd, Garland	Completed	Farm		183,039	N/A	Murphy Farms Inc	1,122,000	100%	1,122,000
U85	Benson Fin 2026	Warsaw	Sr 1307 956 Veaches Mill Rd, Warsaw	Completed	Farm	1985	936,117	4,264	Murphy Farms Inc	2,021,000	100%	2,021,000
U86	Turnbull	Ammons	665 Ammon Farm Rd, Ammon NC	Completed	Farm		281,256	N/A	Murphy Farms Inc	1,040,000	100%	1,040,000
U87	Bostic Fin 2050	Kenansville	465 D S Williamson Rd, Kenansville	Completed	Farm		366,766	N/A	Murphy Farms Inc	473,000	100%	473,000
U88	Cypress Creek Nursery Farm #96042	Cypress Creek	5274 Old Fayetteville Rd, Cypress Creek	Completed	Farm		237,833	N/A	Murphy Farms Inc	69,000	100%	69,000
U89	Evergreen Sow	White Oak	658 Evergreen Farm Rd, White Oak	Completed	Farm		589,059	N/A	Murphy Farms Llc	905,000	100%	905,000
U90	Evergreen Sow	White Oak	640 Evergreen Farm Rd, White Oak	Completed	Farm		24,322	N/A	Murphy Farms Llc	37,000	100%	37,000
U91	Evergreen Sow	White Oak	645 Evergreen Farm Rd, White Oak	Completed	Farm		129,297	N/A	Murphy Farms Llc	199,000	100%	199,000
U92	Evergreen Sow	White Oak	652 Evergreen Farm Rd, White Oak	Completed	Farm		13,193	N/A	Murphy Farms Llc	20,000	100%	20,000
U93	Evergreen Sow	White Oak	659 John T Council Cemetery Ln, Farm White Oa	Completed	Farm		249,003	N/A	Murphy Brown Llc	382,000	100%	382,000
U94	Frenches Creek Mult Sow 2188	Kelly	1564 Wendell Dr, Kelly	Completed	Farm		985,165	N/A	Murphy Farms Inc	500,000	100%	500,000
U95	Harrells Farm	Franklin	1665 Mirie Naylor Rd, Franklin	Completed	Farm		142,166	N/A	Murphy-Brown Llc	72,000	100%	72,000
U96	Harrells Farm	Franklin	3731 Herring Rd, Franklin	Completed	Farm		390,723	N/A	Murphy Farms Inc	198,000	100%	198,000
U97	Hvy 242 Farm 2270	Garland	4930 NC 242 Hwy, Garland	Completed	Farm		664,695	N/A	Murphy Farms Inc	330,000	100%	330,000
U98	Kilpatrick Farm 1	Magnolia	Sr 1944 1457 A K Bryan Rd, Magnolia	Completed	Farm	2008	1,175,003	8,528	Murphy Farms Inc	694,000	100%	694,000
U99	Lisbon 2 Sow	Whites Creek	4371 White Plains Church Rd, Whites Creek	Completed	Farm		721,472	N/A	Murphy Farms Inc	1,787,000	100%	1,787,000
U100	Lisbon 2 Sow	Whites Creek	4170 White Plains Church Rd, Whites Creek	Completed	Farm		6,515	N/A	Murphy Farms Inc	16,000	100%	16,000
U101	Merritt Farm	Magnolia	Sr 1944 1414 K Bryan Rd, Magnolia	Completed	Farm	2008	638,755	4,464	Murphy Farms Inc	919,000	100%	919,000
U102	Scott Fin 2515	Warsaw	313 Elvin Carter Ln, Warsaw	Completed	Farm	2007	1,410,287	8,528	Murphy Farms Inc	1,947,000	100%	1,947,000
U103	Sholar Farm	Rose Hill	Sr 1159, 532 Moon Johnson Rd, Rose Hill	Completed	Farm	1985	416,785	4,264	Murphy Farms Inc	1,024,000	100%	1,024,000
U104	Southern Pines 8000	Garland	290 Southern Pines Ln, Garland	Completed	Farm	1991	1,969,319	12,144	Murphy Farms Inc	6,087,000	100%	6,087,000
U105	Squires Sow	White Oak	1030 Squire Farm Rd, White Oak	Completed	Farm	1990	1,118,833	6,376	Murphy Farms Inc	1,980,000	100%	1,980,000

**APPENDIX IV**

**PROPERTY VALUATION**

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in	Interest	Market value in
										existing state as at the valuation date (USD)	attributable to the Group	existing state attributable to the Group as at the valuation date (USD)
U106	Waters Farm 1-2	Magnolia	Sr 1117 885-A Bonham Rd, Magnolia	Completed	Farm	1989	604,518	1,706	Murphy Farms Inc	935,000	100%	935,000
U107	Alderman Farm 1 2 3	Rose Hill	750 Powell Page Rd, Rose Hill	Completed	Farm		624,146	N/A	Quarter M Farms Inc	196,000	100%	196,000
U108	Alderman Farm 1 2 3	Rose Hill	910 Powell Page Rd, Rose Hill	Completed	Farm		248,315	N/A	Quarter M Farms Inc	78,000	100%	78,000
U109	Alderman Farm 1 2 3	Rose Hill	940 Powell Page Rd, Rose Hill	Completed	Farm		863,153	N/A	Quarter M Farms Inc	272,000	100%	272,000
U110	Alderman Farm 1 2 3	Rose Hill	967 Powell Page Rd, Rose Hill	Completed	Farm		445,154	N/A	Quarter M Farms Inc	140,000	100%	140,000
U111	Bulltail 8000	Ivanhoe	2659 Indian Hill Rd, Ivanhoe	Completed	Farm	1995	1,360,065	12,144	Quarter M Farms Inc	10,658,000	100%	10,658,000
U112	Ingold Sow	Garland	672 Lisbon Bridge Rd, Garland	Completed	Farm	1992	964,364	5,085	Quarter M Farms Inc	1,866,000	100%	1,866,000
U113	Maple Hill Sow Farm 2745	Maple Hill	1735 Murphy Honour Rd, Maple Hill	Completed	Farm	1990	1,512,632	10,019	Quarter M Farms Inc	6,471,000	100%	6,471,000
U114	M & M Farms	Magnolia	Sr 1944, 2007 K Bryan Rd, Magnolia	Completed	Farm	2010	573,155	2,559	Quarter M Farms Inc	638,000	100%	638,000
U115	Nahunga Sow Farm 2759	Warsaw	2257 W Wards Bridge Rd, Warsaw	Completed	Farm		1,162,336	N/A	Quarter M Farms Inc	1,733,000	100%	1,733,000
U116	Simmons Sow	Garland	6640 Old Mintz Hwy, Garland	Completed	Farm		1,003,943	N/A	Quarter M Farms Inc	1,008,000	100%	1,008,000
U117	Stafford Sow	Garland	Sr 1259 3316 Norris Rd, Garland	Completed	Farm	1996	1,584,180	7,287	Quarter M Farms Inc	4,772,000	100%	4,772,000
U118	Ezzell Farm	Magnolia	10878 Taylors Bridge Hwy, Magnolia	Completed	Farm		120,070	N/A	Murphy Farms Inc	75,000	100%	75,000
U119	Mr Holmes Finishing 1	Garland	2313 Mr Holmes Farm Rd, Garland	Completed	Farm	1997	13,203,536	2,564	Murphy Farms Inc	13,752,000	100%	13,752,000
U120	Farm 6179 Stoneybrook Farrow	Willard	5707 Willard Rd, Willard	Completed	Farm	2012	1,074,520	6,072	Murphy Brown Lic	10,142,000	100%	10,142,000
U121	New Colony Sow Farm 6276	Columbia	428 S Phelps Rd, Columbia	Completed	Farm	2013	304,323	14,573	Murphy-Brown Lic	3,803,000	100%	3,803,000
U122	Farm 6472 Nursery	Pleasant Hill	557 Spud Lane, Pleasant Hill	Completed	Farm	2003	1,589,522	825	Smithfield Carroll's Farms	1,632,000	100%	1,632,000
U123	Legacy Sow Farm	Warsaw	161 Summerlin Farm Rd, Warsaw	Completed	Farm		334,634	N/A	Murphy Farms Inc	444,000	100%	444,000
U124	Farm 7068-A1	Pleasant Hill	273 Stoneross Ln, Pleasant Hill	Completed	Farm	1999	318,366	316	Smithfield Carroll's Farms	349,000	100%	349,000
U125	Deercroft Boar Stud	Laurinburg	16786 Palmer Rd, Laurinburg	Completed	Farm	1999	158,637	385	Carroll's Realty Partnership	148,000	100%	148,000
U126	7082 Boar Stud	Marston	9849 Gum Swamp Lake Rd, Marston	Completed	Farm		221,767	N/A	Carroll's Realty Partnership	206,000	100%	206,000
U127	Bladen Boar Stud	White Oak	Sr 1349 721 Big Island Rd, White, Oak	Completed	Farm	1996	613,219	632	Murphy Farms Inc	487,000	100%	487,000
U128	Elizabethtown Boar Stud	Elizabethtown	1732 Nc Hwy 53 W, Elizabethtown	Completed	Farm	2001	214,483	316	Browns Realty Partnership	333,000	100%	333,000
U129	Garland Research Farm	Garland	919 Bull St, Garland	Completed	Farm	1999	365,592	376	Carroll's Realty Partnership	40,000	100%	40,000
U130	Sampson Boar Stud	Harrells	9300 Tomahawk Hwy, Harrells	Completed	Farm		342,566	N/A	Murphy Farms Inc	36,000	100%	36,000
U131	Magnolia Boar Stud	Magnolia	526 beasleys rd, Magnolia	Completed	Farm		370,691	N/A	Murphy Farms Inc	39,000	100%	39,000
U132	Askin Boar Stud	New Bern	3065 St Delights Church Rd, New Bern	Completed	Farm	2007	331,870	1,011	Murphy-Brown Lic	2,614,000	100%	2,614,000
U133	Martin County Boar Stud	Williamston	20 145 Hwy 125 N, Williamston	Completed	Farm	2007	103,195	840	Murphy-Brown Lic	4,001,000	100%	4,001,000
U134	Robersonville Boar Stud	Robersonville	3267 Cl Keel Rd, Robersonville	Completed	Farm	2007	140,021	679	Murphy-Brown Lic	1,161,000	100%	1,161,000
U135	Farm 20703 Finishing	Rose Hill	358 Balkcum Rd, Rose Hill	Completed	Farm	2008	958,982	5,379	Carroll's Realty Partnership	931,000	100%	931,000
U136	Farm 20843	Turkey	Sr 1906 2185 Thompson Ave, Turkey	Completed	Farm	2004	651,543	5,070	Carroll's Realty Partnership	1,338,000	100%	1,338,000
U137	Company Finishing-Farm 20863	Warsaw	1575 Veachs Mill Rd, Warsaw	Completed	Farm	2004	794,194	7,367	Carrolls Food Inc	1,319,000	100%	1,319,000
U138	Farm 20873 (Hs 01-24)	Turkey	655 Old Goodson Farm Ln, Turkey	Completed	Farm	2004	2,630,210	7,476	Carroll's Realty Partnership	2,834,000	100%	2,834,000
U139	Farm 20393	Faison	478 Junious Lucas Rd, Faison	Completed	Farm	2004	552,557	7,478	Carroll's Realty Partnership	918,000	100%	918,000
U140	Farm 20463	Clinton	881 Gardenia Ln, Clinton	Completed	Farm	2004	990,952	7,478	Carroll's Realty Partnership	1,529,000	100%	1,529,000
U141	Farm 21471 Farrowing	Kenansville	Sr 1700 362 Sarecta Rd, Kenansville	Completed	Farm	2002	509,741	1,822	Carroll's Realty Partnership	867,000	100%	867,000
U142	Farm 21491 Farrowing	Warsaw	Sr 1108 903 Carrolls Rd, Warsaw	Completed	Farm	2002	607,028	1,822	Carroll's Realty Partnership	1,184,000	100%	1,184,000
U143	Farm 6011 Cross Farrow to Wean	Ivanhoe	20952 Us Hwy 421, Ivanhoe	Completed	Farm	1999	630,540	3,643	Carroll's Realty Partnership	1,949,000	100%	1,949,000
U144	Farm 26012 Nursery	Garland	7301 Nc 210 W, Garland	Completed	Farm	1998	170,818	1,784	Carroll's Realty Partnership	347,000	100%	347,000
U145	Farm 26021 Farrow to Wean	Garland	805 Nc Hwy 210 W, Garland	Completed	Farm	1992	686,467	3,643	Carroll's Realty Partnership	1,869,000	100%	1,869,000
U146	Farm 27021 Farrow to Wean	Clinton	5943 Hobbton Hwy, Clinton	Completed	Farm	1999	1,056,633	3,643	Carroll's Realty Partnership	2,778,000	100%	2,778,000
U147	Farm 27031 Farrow To Wean	Garland	946 Lundy Rd, Garland	Completed	Farm	1993	968,492	3,643	Carroll's Realty Partnership	2,322,000	100%	2,322,000

**APPENDIX IV**

**PROPERTY VALUATION**

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U148	Farm 27041 Farrowing	Warsaw	605 Carrolls Rd, Warsaw	Completed	Farm	1999	1,233,075	3,643	Carroll's Realty Partnership	1,519,000	100%	1,519,000
U149	Farm 27061 Farrowing	Warsaw	723 Carrolls Rd, Warsaw	Completed	Farm	1999	505,856	1,822	Carroll's Realty Partnership	1,116,000	100%	1,116,000
U150	Company Finishing-Farm 30903	Warsaw	Sr 1105 1020 Carlton Chapel Church Rd, Warsaw	Completed	Farm	1995	397,077	5,017	Brown's Realty Partnership	539,000	100%	539,000
U151	Farm 30913 Boc 91	Council	Sr 1715 835 Bladen Springs Rd, Council	Completed	Farm	1996	513,383	5,017	Brown's Realty Partnership	1,042,000	100%	1,042,000
U152	Farm 30923 Boc 92	Tar Heel	81 Red Oak Road, Tar Heel	Completed	Farm	1996	779,140	5,574	Brown's Realty Partnership	1,521,000	100%	1,521,000
U153	Company Finishing-Farm 30943	St Pauls	Sr 1762 213 Watts Dairy Rd, St Pauls	Completed	Farm	1996	1,267,635	11,213	Brown's Realty Partnership	3,298,000	100%	3,298,000
U154	Farm 31111 Farrowing	Faison	Sr 1901 1370 Junious Rd, Faison	Completed	Farm	1996	421,844	3,643	Brown's Realty Partnership	1,967,000	100%	1,967,000
U155	Farm 31121 Farrowing	Warsaw	Sr 1900 1330 Lanefield Rd, Warsaw	Completed	Farm	2002	369,842	3,643	Browns Farm Inc	1,662,000	100%	1,662,000
U156	Farm 31351/Boc 35 Horrell	Atkinson	Sr 1206 937 Tuckahoe Rd, Atkinson	Completed	Farm	2002	697,272	1,822	Brown's Realty Partnership	1,242,000	100%	1,242,000
U157	Farm 33161/Boc 16	St Pauls	3418 Chicken Foot Rd, St Pauls	Completed	Farm	2002	3,031,091	7,287	Brown's Realty Partnership	4,414,000	100%	4,414,000
U158	Farm 34171/Boc 17	Whiteville	1101 Batten Burney Ln (Sr1700), Whiteville	Completed	Farm	2002	1,464,617	3,643	Brown's Realty Partnership	3,458,000	100%	3,458,000
U159	Farm 34251 Farrowing	Pollocksville	441A Black Swamp Trail, Pollocksville	Completed	Farm	2002	1,564,512	3,036	Brown's Realty Partnership	3,311,000	100%	3,311,000
U160	Farm 35011 Farrowing	Rose Hill	Sr 1946, 546 Williams Rd, Rose Hill	Completed	Farm	2002	900,181	7,287	Brown's Farms Llc	4,829,000	100%	4,829,000
U161	Farm 35051 Farrowing	Trenton	NC41 W 244 Tonya Ln, Trenton	Completed	Farm	2002	1,369,616	6,072	Brown's Realty Partnership	1,814,000	100%	1,814,000
U162	Farm 35071 Farrowing	Kinston	649-A Burney Town Rd, Kinston	Completed	Farm	2002	2,787,794	6,072	Brown's Realty Partnership	1,753,000	100%	1,753,000
U163	Farm 35081 Farrowing	Kinston	649-B Burney Town Rd, Kinston	Completed	Farm	2002	N/A	6,072	Brown's Realty Partnership	1,862,000	100%	1,862,000
U164	Farm 35091 Farrowing	Kinston	Sr 1130 446 Ashlee Nicol Trail, Kinston	Completed	Farm	2002	901,557	6,072	Brown's Realty Partnership	1,768,000	100%	1,768,000
U165	Farm 35101/Boc10	Faison	Sr 1900 2171 Brewer Rd, Faison	Completed	Farm	2002	811,555	6,072	Brown's Realty Partnership	2,838,000	100%	2,838,000
U166	Farm 35143 Boc 14	Rose Hill	575 Shanghai Rd (Sr 1959), Rose Hill	Completed	Farm	1992	1,041,255	5,518	Brown's Realty Partnership	1,598,000	100%	1,598,000
U167	Farm 35151/Boc 15	St Pauls	Sr 1300 3129 Chicken Foot Rd, St Pauls	Completed	Farm	2002	N/A	6,072	Browns Realty Partnership	2,203,000	100%	2,203,000
U168	Farm 36201 Farrowing	Faison	Sr 1105 226 Johnny B Tann Ln, Faison	Completed	Farm	2002	475,910	3,036	Browns Realty Partnership	2,238,000	100%	2,238,000
U169	Farm 37061 Farrowing	Trenton	359 Tonya Trail NC41 W, Trenton	Completed	Farm	2002	353,492	3,188	Brown's Realty Partnership	2,854,000	100%	2,854,000
U170	Farm 37131 Farrowing	Rose Hill	Sr 1003 2493 Magnolia Lisbon Rd, Rose Hill	Completed	Farm	2002	532,768	6,072	Brown's Farms Llc	2,352,000	100%	2,352,000
U171	Farm 37221 Farrowing	Kinston	Sr 1130 2568 Pleasant Hill Rd, Kinston	Completed	Farm	2003	889,052	6,072	Browns Realty Partnership	3,421,000	100%	3,421,000
U172	Farm 37281/Boc 28	Clarkton	3603 NC Hwy 211 E, Clarkton	Completed	Farm	2003	306,266	2,732	Browns Realty Partnership	1,317,000	100%	1,317,000
U173	Farm 37301/Boc 30	Clarkton	Sr 1710 2657 Elkton Rd, Clarkton	Completed	Farm	2003	473,886	3,032	Brown's Realty Partnership	1,689,000	100%	1,689,000
U174	Farm 37311/Boc 31	Roseboro	Hwy 411 658 Old Mintz Hwy, Roseboro	Completed	Farm	2003	843,161	7,287	Browns Realty Partnership	4,946,000	100%	4,946,000
U175	Farm 37934-Gdu	Bladenboro	17759 NC Hwy 131 S, Bladenboro	Completed	Farm	2016	67,623	1,491	Browns Realty Partnership	2,691,000	100%	2,691,000
U176	Company Finishing-Farm #50703	Maxton	14746 Airbase Rd, Maxton	Completed	Farm	2000s	598,934	6,187	Carrolls Realty Partnership	1,452,000	100%	1,452,000
U177	Company Finishing-Farm #50713	Maxton	746/961 Ader H Rd, Maxton	Completed	Farm	2000s	3,071,478	12,375	Carroll's Realty Partnership	3,213,000	100%	3,213,000
U178	Company Finishing-Farm #50733	Maxton	1174 Ader H Rd, Maxton	Completed	Farm	2000s	412,334	6,187	Carrolls Realty Partnership	1,598,000	100%	1,598,000
U179	Company Finishing-Farm #50743	Maxton	1269 Ader H Rd, Maxton	Completed	Farm	2000s	677,524	6,187	Carroll's Realty Partnership	1,514,000	100%	1,514,000
U180	Company Finishing-Farm #50753/50763	Maxton	7368/7372 Fairley Rd, Maxton	Completed	Farm	2000s	1,414,779	12,375	Carroll's Realty Partnership	3,754,000	100%	3,754,000
U181	Farm 50793-Gdu	Laurinburg	8249 Hasty Rd, Laurinburg	Completed	Farm	2000s	214,483	3,712	Carrolls Realty Partnership	684,000	100%	684,000
U182	Farm 51711 Farrowing	Laurinburg	6621 Smyrna Church Rd, Laurinburg	Completed	Farm		1,022,437	N/A	Carrolls Realty Partnership	1,464,000	100%	1,464,000
U183	Farm 55723 Finishing	Maxton	1129 Merimmon Rd, Maxton	Completed	Farm	2000s	1,340,721	4,579	Carroll's Realty Partnership	1,057,000	100%	1,057,000

**APPENDIX IV**

**PROPERTY VALUATION**

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U184	Farm 55731 Farrowing	Laurinburg	5549 Hasty Rd, Laurinburg	Completed	Farm	2000s	1,219,316	5,920	Carrolls Realty Partnership	2,074,000	100%	2,074,000
U185	Farm 55751 Farrowing	Red Springs	445 Clearwater Rd, Red Springs	Completed	Farm	1999	1,939,089	3,643	Carroll's Realty Partnership	6,821,000	100%	6,821,000
U186	Farm 55761 Farrowing	Red Springs	749 Mcinnis Rd, Red Springs	Completed	Farm	2011	1,149,103	5,920	Carroll's Realty Partnership	2,500,000	100%	2,500,000
U187	Farm 55781 Farrowing	Red Springs	652 Beaver Dam Rd, Red Springs	Completed	Farm	2011	866,026	5,920	Carroll's Realty Partnership	2,220,000	100%	2,220,000
U188	Farm 55791 Farrowing	Maxton	10617 Nc Nwy 130 West, Maxton	Completed	Farm	2000s	1,065,940	5,920	Carroll's Realty Partnership	2,986,000	100%	2,986,000
U189	Farm 57011 Farrowing	Maxton	768 Townsendville Rd, Maxton	Completed	Farm		441,592	N/A	Murphy Brown LLC	1,746,000	100%	1,746,000
U190	Farm 57021 Farrowing	Fairmont	2687 Raynham Road, Fairmont	Completed	Farm	2000s	809,370	3,643	Carroll's Realty Partnership	1,757,000	100%	1,757,000
U191	Farm 57031/57041 Farrowing	Maxton	1207 Montford Rd, Maxton	Completed	Farm	2000s	1,126,198	7,287	Carroll's Realty Partnership	4,239,000	100%	4,239,000
U192	Farm 57101	Bladenboro	260 Hog Bay Rd, Bladenboro	Completed	Farm	1999	576,271	3,643	Carroll's Realty Partnership	1,892,000	100%	1,892,000
U193	Farm 57111 Farrowing	Maxton	1605 Montford Rd, Maxton	Completed	Farm	2000s	317,678	3,643	Carroll's Realty Partnership	2,331,000	100%	2,331,000
U194	Farm 57291 Farrowing	Bladenboro	1383 Grimsley Farm Rd, Bladenboro	Completed	Farm	2003	990,386	6,072	Brown's Realty Partnership	3,237,000	100%	3,237,000
U195	Farm 57821 Farrowing	Maxton	2743 Morrison Rd, Maxton	Completed	Farm	2000s	742,192	3,643	Carroll's Realty Partnership	1,925,000	100%	1,925,000
U196	Farm 57861 Farrowing	Raeform	1107 Norton Rd, Raeform	Completed	Farm	1999	1,101,391	3,643	Carroll's Realty Partnership	1,881,000	100%	1,881,000
U197	Farm 67011/Sow 1/Sow 2 Farrowing	Faison	3945 Giddensville Rd, Faison	Completed	Farm	2000s	3,224,125	3,643	M-B Farms Sub Llc	2,652,000	100%	2,652,000
U198	Sow 4	Wallace	669 Kenan Loop Rd, Wallace	Completed	Farm	2007	551,667	5,085	M-B Farms Sub Llc	3,565,000	100%	3,565,000
U199	Sow 6	Cameron	5922 Marks Rd, Cameron	Completed	Farm	2007	1,458,404	3,036	Murphy-Brown Lic	3,661,000	100%	3,661,000
U200	M1 Farrowing	Raeform	360 Dogwood Farm Ln, Raeform	Completed	Farm	2007	776,995	2,581	M-B Farms Sub LLC	2,158,000	100%	2,158,000
U201	FARM 67991/BLADEN SPRINGS FARR	Council	473 L&S Farm Drive, Council	Completed	Farm	2007	406,182	5,085	LUNDY INTERNATIONAL INC (L & S Farms)	2,971,000	100%	2,971,000
U202	Farm 70783-GDU	Laurinburg	Sr 1621 8346 Mcoqueen Rd, Laurinburg	Completed	Farm	2000s	1,052,181	5,569	Carrolls Realty Partnership	1,630,000	100%	1,630,000
U203	Farm 73603 Finishing	Macon	306 Drake Ellis Rd, Macon	Completed	Farm	2000s	1,162,377	4,516	Carrolls Foods Farm 60	1,546,000	100%	1,546,000
U204	Farm 73613 Finishing	Littleton	1150 Embro Odell Rd, Littleton	Completed	Farm	2000s	1,467,585	3,153	Carrolls Foods Farm 61	1,051,000	100%	1,051,000
U205	Farm 73621-Farrowing	Enfield	2518 Sorietown Rd, Enfield	Completed	Farm	2000s	643,449	4,067	Smithfield Carroll's Food	1,977,000	100%	1,977,000
U206	Farm 73633 Finishing	Tillery	711 Pope Farm Rd, Tillery	Completed	Farm	2000s	663,036	3,153	Smithfield Carroll's Farms	2,420,000	100%	2,420,000
U207	Gibson WTF	Gibson	8401 Gibson Rd, Gibson	Completed	Farm	2000s	84,174	418	Carrolls Realty Partnership	157,000	100%	157,000
U208	Stedman Isolation	Stedman	240 Shelton Beard Rd, Stedman	Completed	Farm	2003	172,517	418	PREMIUM STANDARD FARMS of NC INC	264,000	100%	264,000
U209	Farm 74401-Farrowing	Wadesboro	Sr 1621 2928- Plank Rd, Wadesboro	Completed	Farm	1995	2,490,796	6,075	Murphy Farms Inc	10,318,000	100%	10,318,000
U210	Farm 74411-Farrowing	Wagram	18169-A Arch Mclean Rd Sr1411, Wagram	Completed	Farm	1991	3,356,862	3,643	Murphy Farms	8,503,000	100%	8,503,000
U211	Farm 74421-Farrowing	St Pauls	2673-A Oakland Rd Sr 1980, St Pauls	Completed	Farm	2002	833,165	3,643	Brown's Realty Partnership	2,079,000	100%	2,079,000
U212	Farm 74431 Cain Sow	White Oak	1663 Opportunity Ln, White Oak	Completed	Farm		1,974,863	N/A	Murphy Farms IncMurphy Farms Inc	1,672,000	100%	1,672,000
U213	Edge Farm	Fayetteville	1888 Braxton Edge Road, Fayetteville	Completed	Farm		1,144,611	N/A	Murphy Farms Inc	10,000	100%	10,000
U214	Farm 76391 Farrowing	Pleasant Hill	Sr 1317 659 Bethel Church Rd, Pleasant Hill	Completed	Farm	2000s	882,699	3,648	Smithfield Carroll's Farms	2,000,000	100%	2,000,000
U215	Farm 76401 Farrowing	Cofield	Sr 1427 1030 Thomas Bridge Rd, Cofield	Completed	Farm	2003	892,978	3,648	Smithfield Carrolls Farms	2,113,000	100%	2,113,000
U216	Farm 76681 Farrowing	Laurinburg	17580 Fieldcrest Rd, Laurinburg	Completed	Farm		1,017,378	N/A	Carrolls Realty Partnership	1,842,000	100%	1,842,000
U217	Farm 76811 Farrowing	Maxton	Sr 1702 751 Watson Farm Rd, Maxton	Completed	Farm	2000s	545,961	3,643	Tar Heel Turkey Hatchery Inc c/o Carrolls Realty	1,966,000	100%	1,966,000
U218	Farm 76841 Farrowing	Maxton	1234 Doc Henderson Rd, Maxton	Completed	Farm	2000s	857,932	3,657	Carroll's Realty Partnership	2,849,000	100%	2,849,000
U219	Farm 76851 Farrowing	Hamlet	939 Nc 381 Hwy, Hamlet	Completed	Farm	2000s	500,150	3,658	Carroll's Realty Partnership	1,490,000	100%	1,490,000
U220	Farm 76871 Farrowing	Marston	28108 Nashville Church Rd, Marston	Completed	Farm	2000s	1,112,236	3,643	Carroll's Realty Partnership	1,679,000	100%	1,679,000
U221	Farm 76881 Farrowing	Laurinburg	27907 Nashville Church Rd, Laurinburg	Completed	Farm	2000s	220,149	3,643	Carroll's Realty Partnership	1,676,000	100%	1,676,000
U222	Farm 76891 Farrowing	Laurinburg	28529 Nashville Church Rd, Laurinburg	Completed	Farm	2000s	1,908,737	3,643	Carroll's Realty Partnership	1,384,000	100%	1,384,000

**APPENDIX IV**

**PROPERTY VALUATION**

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
										(USD)		(USD)
U223	Farm 76901 Farrowing	St Pauls	1088-A/B Balance Farm Rd (Sr 1906), St Pauls	Completed	Farm	2002	1,007,666	6,685	Brown's Realty Partnership	4,217,000	100%	4,217,000
U224	Farm 76921	Fayetteville	11486 Old Fayetteville Rd (Sr1002), Fayetteville	Completed	Farm	2000s	694,804	6,072	Brown's Realty Partnership	3,096,000	100%	3,096,000
U225	Farm 8027 — Finishing	Garysburg	684 Gilt Ln, Garysburg	Completed	Farm	2000s	3,187,906	7,999	Smithfield Carroll's Farms	4,463,000	100%	4,463,000
U226	Farm 8091 — Finishing	Woodland	5809 Hwy 258, Woodland	Completed	Farm	2000	971,082	6,622	Smithfield Carroll's Farms	3,842,000	100%	3,842,000
U227	Farm 8132 — Farrowing	Murfreesboro	1347 Barrett Cabin Rd, Murfreesboro	Completed	Farm	2000s	702,655	2,661	Smithfield Carroll's Farms	1,799,000	100%	1,799,000
U228	Farm 8134 — Farrowing	Ahoskie	750 Liverman Mill Rd, Ahoskie	Completed	Farm	1999	773,029	2,661	Smithfield Carroll's Farms	1,824,000	100%	1,824,000
U229	Farm 8151 — Farrowing	Scotland Neck	5285 Phillips Rd, Scotland Neck	Completed	Farm	2000s	741,383	3,646	Murphy-Brown Lic	4,186,000	100%	4,186,000
U230	Farm 81521	Scotland Neck	7485 Douglas Hill Farm Rd, Scotland Neck	Completed	Farm		775,376	N/A	Murphy-Brown Lic	563,000	100%	563,000
U231	Farm 8511 — Farrowing	Seaboard	Sr 1328 1328 High Bridge Rd, Seaboard	Completed	Farm	2000s	688,086	10,335	Smithfield Carroll's Farms	6,680,000	100%	6,680,000
U232	Farm 8525 — Farrowing	Ahoskie	Sr 1160 1328-A/B Benthall Bridge Rd, Ahoskie	Completed	Farm	1999	1,329,633	10,177	Smithfield Carroll's Farms	8,604,000	100%	8,604,000
U233	Farm 8531 — Farrowing	Woodland	Sr 1152 227 Jim Hardy Rd, Woodland	Completed	Farm	2000s	1,184,068	5,161	Smithfield Carroll's Farms	2,145,000	100%	2,145,000
U234	Farm 8533-Farrowing	Aulander	Sr 1117 740 Buck Branch Rd, Aulander	Completed	Farm	1999	638,350	5,161	Smithfield Carroll's Farms	2,884,000	100%	2,884,000
U235	Farm 85351-Farrowing	Aulander	Sr 1117 743 Buck Branch Rd, Aulander	Completed	Farm	1999	1,079,861	5,161	Smithfield Carroll's Farms	2,636,000	100%	2,636,000
U236	Farm 85361-Farrowing	Jackson	364 Garibaldi Rd, Jackson	Completed	Farm	2000s	566,802	5,161	Smithfield Carroll's Farms	2,092,000	100%	2,092,000
U237	Wilson Sow Farm 87221	Tarboro	1133 Mooring Rd, Tarboro	Completed	Farm	2007	644,663	3,643	Mb Farms Sub Lic	661,000	100%	661,000
U238	Ag Protein Sands Farm	Rose Hill	412 Bonham Rd, Rose Hill	Completed	Industrial		266,283	N/A	Murphy Farms Inc	1,689,000	100%	1,689,000
U239	Boc Land-20810	Magnolia	159 Old Hamilton Rd, Magnolia	Completed	Farm		45,244	N/A	Browns Realty Partnership	157,000	100%	157,000
U240	Feed Milling-War	Warsaw	175 Old Courthouse Road, Warsaw	Completed	Feed Mill		268,711	N/A	Murphy-Brown Lic	18,942,000	100%	18,942,000
U241	Feed Milling-Lau	Laurinburg	19600 Andrew Jackson Hwy, Laurinburg	Completed	Feed Mill		487,807	N/A	Carroll's Realty Partnership	6,859,000	100%	6,859,000
U242	Feed Milling-Creswell	Creswell	347 Shore Dr, Creswell	Completed	Feed Mill		83,507	N/A	Murphy-Brown Lic	2,785,000	100%	2,785,000
U243	Feed Milling-Chi	Rose Hill	210 The Chief Lane, Rose Hill	Completed	Feed Mill		70,739	N/A	Chief Milling Partners Inc	11,341,000	100%	11,341,000
U244	Feed Milling-Ros 4131201	Rose Hill	108 Farrow to Finish Lane, Rose Hill,	Completed	Feed Mill		124,643	N/A	Murphy Farms Inc	2,315,000	100%	2,315,000
U245	Feed Milling-Bla	Bladenboro	236 Bryant Swamp Rd, Bladenboro	Completed	Feed Mill		414,883	N/A	Browns Realty Partnership	7,196,000	100%	7,196,000
U246	Rose Hill Transload	Rose Hill	309 Rosemary Road, Rose Hill	Completed	Feed Mill		24,160	N/A	Murphy-Brown Lic	11,259,000	100%	11,259,000
U247	Warsaw Garage	Warsaw	110 Old Court House Rd, Warsaw	Completed	Shop		48,845	N/A	Carroll's Realty Partnership	617,000	100%	617,000
U248	Sanitation-Rainbow	Magnolia	1258 Lanefield Rd, Magnolia	Completed	Sanitation		235,446	N/A	Brown's Realty Partnership	112,000	100%	112,000
U249	Sanitation-Lau	Laurinburg	19000 Old Lumberton Rd, Laurinburg	Completed	Sanitation		222,577	N/A	Carroll's Realty Partnership	616,000	100%	616,000
U250	Lumberton Sanitation	Lumberton	1157 Contempra Dr Lumberton	Completed	Sanitation		40,914	N/A	Murphy-Brown, Lic	1,164,000	100%	1,164,000
U251	Sanitation-Tar Heel	Tar Heel	1023 Spring Branch Rd, Tar Heel	Completed	Sanitation		456,808	N/A	Carroll's Realty Partnership	523,000	100%	523,000
U252	Sanitation-White Oak	White Oak	4299 Burney Rd, White Oak	Completed	Sanitation		187,369	N/A	Murphy Farms Inc	132,000	100%	132,000
U253	Kenansville Office	Kenansville	785 NC 24 and 50 Hwy, Kenansville	Completed	Farm		267,901	N/A	Brown's Realty Partnership	2,624,000	100%	2,624,000
U254	Facilities & Grounds	Warsaw	2744 W NC 24 Hwy, Warsaw	Completed	Farm		405,211	N/A	Carroll's Realty Partnership	3,512,000	100%	3,512,000
U255	Kenansville Office	Warsaw	785 HWY 24:50 Warsaw	Completed	Farm		37,798	N/A	Murphy Farms Inc	616,000	100%	616,000
U256	Kenansville Office	Warsaw	222 Carrolls farm Ln, Warsaw	Completed	Farm shop		17,563	N/A	Carroll's Realty Partnership	286,000	100%	286,000
U257	Facilities & Grounds	Laurinburg	325 McKay St, Laurinburg	Completed	Farm		36,341	N/A	Carroll's Realty Partnership	3,512,000	100%	3,512,000
U258	Facilities & Grounds	Tarboro	1704 W Saint James St, Tarboro	Completed	Farm		95,951	N/A	M-B Farms Sub Lic	370,000	100%	370,000
U259	Facilities & Grounds 4493200	Rose Hill	315 Rosemary Rd, Rose Hill	Completed	Farm		149,207	N/A	Murphy Farms Inc	2,012,000	100%	2,012,000
U260	359 37 Acres Lnm Shop	Turkey	3551 Pine Ridge Rd, Turkey	Completed	Farm shop		152,404	N/A	Carroll's Realty Partnership	250,000	100%	250,000
U261	Small House and Land	Turkey	3613503 Pine Ridge Rd, Turkey	Completed	Farm		31,606	N/A	Carroll's Realty Partnership	30,000	100%	30,000
U262	Land-paul & Eleanor Moore 75 Acres-@ Truckwash-commerce	Clinton	513 Commerce St, Clinton	Completed	Farm		310,191	N/A	Clinton Plant Lic	422,000	100%	422,000
U263	Clinton Sanitation	Clinton	419 E Railroad St, Clinton	Completed	Sanitation		34,924	N/A	Clinton Plant Lic	48,000	100%	48,000
U264	Clarkton Elevator	Clarkton	1877 Baldwin Rd, Clarkton	Completed	Farm		84,014	N/A	Murphy Brown Lic	1,745,000	100%	1,745,000
U265	Hobbsville Elevator	Hobbsville	4029 Virginia Rd, Hobbsville	Completed	Grain storage		51,233	N/A	Murphy-Brown Lic	4,053,000	100%	4,053,000

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U266	Weeksville Elevator	Elizabeth City	633 Dry Ridge Rd, Elizabeth City	Completed	Grain storage		8,863	N/A	Murphy-Brown Llc	973,000	100%	973,000
U267	Morgan's Corner Elevator	Elizabeth City	839 Sandy Rd, Elizabeth City	Completed	Grain storage		40,509	N/A	Murphy-Brown Llc	82,000	100%	82,000
U268	Coastal Protein	Godwin	1600 Martin RD, Godwin	Completed	Rendering plant	1998	2,122,694	4,422	Kansas City Sausage Company, Llc	4,293,000	100%	4,293,000
U269	Duplin Marketing Rose Hill	Rose Hill	175 Wells Brothers Rd, Rose Hill	Completed	Farm		49,857	N/A	Murphy Farms Inc	79,000	100%	79,000
U270	Duplin Marketing Rose Hill	Rose Hill	190 Bay Rd, Rose Hill	Completed	Farm		51,597	N/A	Murphy Farms Inc	81,000	100%	81,000
U271	Duplin Marketing Rose Hill	Rose Hill	200 Bay Rd, Rose Hill	Completed	Farm		48,562	N/A	Murphy Farms Inc	76,000	100%	76,000
U272	Duplin Marketing Rose Hill	Rose Hill	239 Wells Brothers Rd, Rose Hill	Completed	Farm		230,670	N/A	Murphy Farms Inc	360,000	100%	360,000
U273	Duplin Marketing Rose Hill	Rose Hill	250 Wells Brothers Rd, Rose Hill	Completed	Farm		62,605	N/A	Murphy Farms Inc	98,000	100%	98,000
U274	Duplin Marketing Rose Hill	Rose Hill	267 Wells Brothers Rd, Rose Hill	Completed	Farm		31,565	N/A	Murphy Farms Inc	49,000	100%	49,000
U275	Amer Skin-plantgen	Burgaw	140 Industrial Drive, Burgaw,140 Industrial Drive, Burgaw, North Carolina, 28425	Completed	Industrial	1993 and 2006	44,515	4,678	American Skin Food Group Llc	2,143,000	85%	1,822,000
U276	Wilson Plant	Wilson	2401 Wilco Road, Wilson	Completed	Packaged	2000s	239,776	16,370	Smithfield Fresh Meats Corp	3,477,000	100%	3,477,000
U277	Kinston-plantgen	Kinston	1780 Smithfield Way, Kinston	Completed	Packaged	2006	352,116	39,768	Smithfield Packaged Meats Corp	72,560,000	100%	72,560,000
U278	Clinton-plantgen	Clinton	424 E. Railroad St., Clinton	Completed	Industrial	1948	131,887	75,307	Smithfield Fresh Meats Corp	26,425,000	100%	26,425,000
U279	Tarheel	Tar Heel	Rt. 1, Hwy 87 (Incl. Cdc), Tar Heel	Completed	Industrial		3,459,328	N/A	Smithfield Fresh Meats Corp	143,450,000	100%	143,450,000
U280	Terminal St-plantgen	Charlotte	5320 terminal st, charlotte	Completed	Packaged		11,141	N/A	Smithfield Packaged Meats Corp	84,000	100%	84,000
U281	Hovis St-plantgen	Charlotte	4825 Hovis Rd, Charlotte	Completed	Packaged	1962	35,770	38,369	Smithfield Packaged Meats Corp	3,760,000	100%	3,760,000
U282	Tabasco Boar Stud 3533	Pink Hill	Sr 1105 826 W Pleasant Hill Rd, Pink Hill	Completed	Farm	1999	626,493	787	Murphy Farms Inc	1,148,000	100%	1,148,000
U283	Harrells Farm	Harrells	1663 Mirie Naylor Rd, Harrells	Completed	Farm	1990	270,451	4,264	Murphy Farms Inc	760,000	100%	760,000
U284	A parcel of land	Duplin	168 Batchelor Farm Ln Kenansville	Bare land	Land		12,829	N/A	Murphy Farms Inc	43,000	100%	43,000
U285	2 parcels of land	Chatham	6900 Us 421 S, Bear Creek	Bare land	Land		51,476	N/A	M B Farms Sub Llc	173,000	100%	173,000
U286	A parcel of land	Cumberland	9600 Spencer Rd Roseboro	Bare land	Land		586,793	N/A	Carroll Realty Partnership	90,000	100%	90,000
U287	A parcel of land	Cumberland	345 Avery Rd, Fayetteville,	Bare land	Land		257,663	N/A	Smithfield-Carrolls Farms	132,000	100%	132,000
U288	A parcel of land	Sampson	3426 Rowan Rd Turkey	Bare land	Land		14,933	N/A	Murphy-Brown, Llc	114,000	100%	114,000
U289	A parcel of land	Sampson	3427 Rowan Rd Turkey Nc	Bare land	Land		1,655,243	N/A	Murphy-Brown, Llc	12,636,000	100%	12,636,000
U290	A parcel of land	Sampson	3428 Rowan Rd Turkey	Bare land	Land		449,484	N/A	Murphy-Brown, Llc	3,431,000	100%	3,431,000
U291	A parcel of land	Sampson	3429 Rowan Rd Turkey	Bare land	Land		657,249	N/A	Murphy-Brown, Llc	5,018,000	100%	5,018,000
U292	A parcel of land	Lenior	HWY 241 South, Pink Hill	Bare land	Land		9,146	N/A	M-b Farms Sub Llc	30,000	100%	30,000
U293	A parcel of land	Duplin	168 Batchelor Farm Ln, Kenansville	Bare land	Land		12,829	N/A	Murphy Farms Inc	43,000	100%	43,000
U294	A parcel of land	Sampson	2750 Cabin Museum Rd Turkey	Bare land	Land		139,616	N/A	Carroll's Realty Partnership	463,000	100%	463,000
U295	A parcel of land	Columbus	1719 s Joe Brown HWY, Chadbourn	Bare land	Land		8,094	N/A	Chadbourn (Psf Of Nc	27,000	100%	27,000
U296	A parcel of land	Sampson	3190 Trinity Church Rd	Bare land	Land		91,054	N/A	Quarter M Farms Llc	302,000	100%	302,000
U297	2 parcels of land	Sampson	624 Peg Leg Rd	Bare land	Land		411,646	N/A	Quarter M Farms Llc	426,000	100%	426,000
U298	A parcel of land	Pitt	1465 Grimsland Bridge Rd, Grimsland	Bare land	Land		6,313	N/A	M-b Farms Sub Llc	29,000	100%	29,000
U299	A parcel of land	Sampson	1774 Bill Williams Rd, Turkey	Bare land	Land		750,610	N/A	Carroll's Realty Partnership	2,490,000	100%	2,490,000
U300	A parcel of land	Johnson	1691 Peedin Rd Selma	Bare land	Land		12,302	N/A	M-b Farms Sub Llc	640,000	100%	640,000

2. For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U301 to U304	2 packaged plants and 2 fresh plants located in Nebraska United States	The properties located in Nebraska comprise 4 parcels of land with a total site area of approximately 577,283.15 sq.m. and various buildings and facilities erected thereon.  The buildings with a total GFA of approximately 124,490.02 sq.m. were completed in various stages between 1910 to 2003.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for plants purposes.	34,676,000 (100% interest attributable to the Group: USD34,676,000)

*Notes:*

- As advised by the Group, the property interests located in Nebraska of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U301	Crete-Plntgen	Crete	2223 County Road 1, Crete,	Completed	Industrial	1975	73,329	48,774	Smithfield Fresh Meats Corp	26,226,000	100%	26,226,000
U302	Crete De-fresh	Crete	68333 2228 County Road 1, Crete,	Completed	Industrial	1980s	375,386	17,652	Smithfield Fresh Meats Corp	352,000	100%	352,000
U303	Lincoln Plant	Lincoln	68333 200 S. 2Nd St., Lincoln,	Completed	Packaged	1980s	85,591	32,516	Smithfield Packaged Meats Corp	2,001,000	100%	2,001,000
U304	Omaha-Plntgen	Omaha	68508 5015 South 33D Street, Omaha, Nebraska, 68107	Completed	Packaged	1910	42,978	25,548	Smithfield Packaged Meats Corp	6,097,000	100%	6,097,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>USD</i>
U305.	Saratoga-Plant 2970 Coleman St Nevada United States	The property comprises a parcel of land with a site area of approximately 40,468.50 sq.m.  The property is held under freehold interests.	As at the valuation date, the property was occupied by the Group for packaged purpose.	18,496,000 (100% interest attributable to the Group: USD18,496,000)

*Notes:*

1. The owner of the property is Smithfield Packaged Meats Corp (a wholly-owned subsidiary of the Company).
2. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U306 to U311	2 packaged plants located in Ohio United States	The properties located in Ohio comprise 13 parcels of land with a total site area of approximately 211,500.52 sq.m. and various buildings and facilities erected thereon.  The buildings with a total GFA of approximately 27,870.90 sq.m. were completed in 1969.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for packaged, laboratory and industrial purposes.	25,418,000 (100% interest attributable to the Group: USD25,418,000)

*Notes:*

- As advised by the Group, the property interests located in Ohio of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U306	Harpster Elevator	Harpster	7211 Shawnee Street, Harpster	Completed	Grain elevator		26,669	N/A	Smithfield 1031 Hpd	2,852,000	100%	2,852,000
U307	Morrall Elevator	Morrall	116 West Neff St. Rt. 231, Morrall	Completed	Grain storage		8,033	N/A	Smithfield 1031 Hpd	505,000	100%	505,000
U308	Fresh Sausage Specialists	Harrison	10000 Martin's Way, Harrison,	Completed	Industrial		20,995	N/A	Edelman Provision Company	6,692,000	100%	6,692,000
U309	Spring-Plntgen	Springdale	801 E. Kemper Road, Springdale,	Completed	Packaged		84,498	N/A	Smithfield Packaged Meats Corp	9,589,000	100%	9,589,000
U310	Smithfield Bioscience Laboratory (Crescentville)	Cincinnati	2651 E. Crescentville Rd. Cincinnati	Completed	Smfd bioscience		19,061	N/A	Smithfield Bioscience Inc	5,454,000	100%	5,454,000
U311	Fel Closed Plant	Springdale	803 E. Kemper Road, Springdale,	Completed	Packaged	2000s	52,245	27,871	Smithfield Packaged Meats Corp	326,000	100%	326,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U312 to U319	8 farms located in Oklahoma United States	The properties located in Oklahoma comprise various parcels of land with a total site area of approximately 10,202,877.75 sq.m. and 8 farms erected thereon.  The buildings with a total GFA of approximately 23,610.93 sq.m. were completed in various stages between 2002 to 2006.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farm purposes.	28,530,000 (100% interest attributable to the Group: USD28,530,000)

*Notes:*

- As advised by the Group, the property interests located in Oklahoma of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U312	Farm 3453	May	174771 E County Rd 29, May	Completed	Farm	2005	1,182,854	15,180	Murphy Farms Llc	2,617,000	100%	2,617,000
U313	Farm 3459	Laverne	172519 E County Rd 33, Laverne	Completed	Farm		1,456,866	N/A	Murphy Farms Llc	71,000	100%	71,000
U314	Al Lab-Cimarron 3470	Laverne	18260 State Highway 149, Laverne	Completed	Farm	2000s	485,622	689	Murphy-Brown Llc	89,000	100%	89,000
U315	Farm 3471	Laverne	172051 E County Rd 29, Laverne	Completed	Farm		504,804	N/A	Murphy Farms Llc	516,000	100%	516,000
U316	Trabern Farm 3918	Forgan	Rr 1 Box 38, Forgan	Completed	Farm	2002	5,345,444	7,742	Murphy-Brown Llc	10,071,000	100%	10,071,000
U317	Clenney East Sow Farm 3940	Balko	Rr 1 Box 56A, Balko	Completed	Farm		149,774	N/A	Murphy-Brown Llc	5,135,000	100%	5,135,000
U318	Clenney East Sow Farm 3940	Balko	Ns 1330/Ew 0330, Balko	Completed	Farm		284,736	N/A	Murphy-Brown Llc	9,763,000	100%	9,763,000
U319	Truck Wash	Laverne	17356 Us Hwy 412, Laverne	Completed	Farm		792,778	N/A	Murphy Farms Inc	268,000	100%	268,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U320 to U322	3 packaged plants and an office building located in Pennsylvania United States	The properties located in Pennsylvania comprise 4 parcels of land with a total site area of approximately 51,475.93 sq.m., 3 packaged plants and an office building erected thereon.	As at the valuation date, the properties were occupied by the Group for packaged and office purposes.	4,191,000 (100% interest attributable to the Group: USD4,191,000)

The buildings with a total GFA of approximately 11,757.80 sq.m. were completed in various stages between 2000 to 2003.

The property is held under freehold interest.

*Notes:*

- As advised by the Group, the property interests located in Pennsylvania of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U320	Sd-(w) Pittsburgh	Warrendale	810 Commonwealth Dr. Warrendale	Completed	Packaged		6,880	N/A	Smithfield Direct Llc	75,000	100%	75,000
U321	Arnold-Plintgen	Arnold	2200 Rivers Edge Dr., Arnold	Completed	Packaged	2000s	42,047	11,334	Smithfield Packaged Meats Corp	3,968,000	100%	3,968,000
U322	North Side Foods	Arnold	1915 Dr. Thomas Blvd, Arnold	Completed	Office	2002	2,550	424	Smithfield Packaged Meats Corp	148,000	100%	148,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U323 to U324	2 farms located in South Carolina United States	The properties located in South Carolina comprise 2 parcels of land with a total site area of approximately 937,250.46 sq.m. and various buildings and facilities erected thereon.  The buildings with a total GFA of approximately 3,653.87 sq.m. were completed in 2002.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farm purpose.	1,965,000 (100% interest attributable to the Group: USD1,965,000)

*Notes:*

- As advised by the Group, the property interests located in South Carolina of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U323	Farm 76831 Farrowing	Dillon	2179 Barrow Dr, Dillon	Completed	Farm	2000s	843,687	3,654	Carroll's Realty Partnership	1,769,000	100%	1,769,000
U324	Nichols Elevator	Nichols	9113 Us-76, Nichols	Completed	Farm		93,563	N/A	Murphy-Brown Llc	196,000	100%	196,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>USD</i>
U325.	Siouxfl-Plant 1400 North Weber Ave., Sioux Falls South Dakota United States	<p>The property comprises 11 parcels of land with a total site area of approximately 425,930.96 sq.m. and various buildings erected thereon.</p> <p>The buildings with a total GFA of approximately 173,449.90 sq.m. were completed in 1910.</p> <p>The property is held under freehold interests.</p>	As at the valuation date, the property was occupied by the Group for packaged purpose.	64,630,000 (100% interest attributable to the Group: USD64,630,000)

*Notes:*

- Pursuant to 11 land title certificates, Smithfield Packaged Meats Corp (a wholly-owned subsidiary of the Company) is the registered proprietor of the following parcels of land:  
  
12209401013000, 12209426018000, 12209426019000, 12209426013000, 12209401001000, 12209401009000, 12209426017000, 12209453001000, 12209452011000, 12209476026000, 12209476025000
- For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U326 to U328	3 farms located in Texas United States	The properties located in Texas comprise 8 parcels of land with a total site area of approximately 6,351,288.26 sq.m. and 3 farms and various buildings and facilities erected thereon.  The buildings with a total GFA of approximately 28,985.74 sq.m. were completed in 2003.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farm purpose.	3,149,000 (100% interest attributable to the Group: USD3,149,000)

*Notes:*

- As advised by the Group, the property interests located in Texas of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U326	Spg Texas Farm	Pampa	13051 Us Hwy 60, Pampa	Completed	Farm	2003	6,330,164	28,986	Npd Texas Lic	2,562,000	100%	2,562,000
U327	Sd-(w) San Antonio	San Antonio	4830 Center Park Blvd, San Antonio	Completed	industrial		8,579	N/A	Smithfield Direct Llc	234,000	100%	234,000
U328	Sd-(w) Dallas	Mesquite	130 S Town East Blvd, Mesquite, DSD	Completed	industrial		12,545	N/A	Smithfield Direct Llc	353,000	100%	353,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U329 to U357	85 farms located in Utah United States	The properties located in Utah comprise various parcels of land with a total site area of approximately 134,844,158.07 sq.m. and various buildings and facilities erected thereon.  The buildings with a total GFA of approximately 55,555.99 sq.m. were completed in various stages between 1994 to 2016.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farm and feed milling purposes.	67,083,000 (100% interest attributable to the Group: USD67,083,000)

Notes:

- As advised by the Group, the property interests located in Utah of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U329	Farm 3645	Milford	4300 North 1781 East, Milford	Completed	Farm	1998	1,312,798	2,137	Murphy-Brown Llc	6,000	100%	6,000
U330	Farm 3647	Milford	4413 North 3150 East, Milford	Completed	Farm	1998	2,589,984	2,137	Murphy-Brown Llc	14,000	100%	14,000
U331	Farm 3649	Milford	1920 E 5500 N, Milford	Completed	Farm	1998	2,746,597	2,137	Murphy-Brown Llc	14,000	100%	14,000
U332	Farm 3650	Milford	2378 E 5500 N, Milford	Completed	Farm	1998	1,441,488	2,137	Murphy-Brown Llc	7,000	100%	7,000
U333	Farm 3651	Milford	1390 E Windy Way, Milford	Completed	Farm	1998	1,294,992	2,137	Murphy-Brown Llc	7,000	100%	7,000
U334	Farm 3653	Milford	2371 E Windy Way, Milford	Completed	Farm	1998	2,589,984	2,137	Murphy-Brown Llc	13,000	100%	13,000
U335	Farm 3654	Milford	6171 N Spine Road, Milford	Completed	Farm	1998	2,589,984	4,274	Murphy-Brown Llc	13,000	100%	13,000
U336	Farm 3655	Milford	1860 E Gustly Trail, Milford	Completed	Farm	1998	2,589,984	2,137	Murphy-Brown Llc	13,000	100%	13,000
U337	Farm 3657	Milford	6997 N Spine Road, Milford	Completed	Farm	1998	2,589,984	2,137	Murphy-Brown Llc	13,000	100%	13,000
U338	Farm 3658	Fillmore	18335 S Antelope Springs Rd, Fillmore	Completed	Farm	2000s	2,589,984	2,137	Murphy-Brown Llc	13,000	100%	13,000
U339	Farm 3659	Fillmore	18120 S Antelope Springs Rd, Fillmore	Completed	Farm	2000s	1,294,992	2,137	Murphy-Brown Llc	7,000	100%	7,000
U340	Farm 3660	Milford	2814 E Tumbleweed Drive, Milford,	Completed	Farm	1998	2,589,984	2,137	Murphy-Brown Llc	13,000	100%	13,000
U341	Farm 3661	Milford	3519 E Prairie Trail, Milford	Completed	Farm	2000s	2,578,248	2,137	Murphy-Brown Llc	13,000	100%	13,000
U342	Farm 3662	Fillmore	17775 S Antelope Springs Rd, Fillmore	Completed	Farm	2000s	1,294,992	2,137	Murphy-Brown Llc	22,000	100%	22,000
U343	Farm 3663	Fillmore	17392 S Antelope Springs Rd, Fillmore,	Completed	Farm	2000s	1,294,992	2,137	Murphy-Brown Llc	44,000	100%	44,000
U344	Farm 3664	Fillmore	10000 N Antelope Pt Rd, Fillmore	Completed	Farm	2000s	486,917	2,137	Murphy-Brown Llc	23,000	100%	23,000
U345	Farm 3665	Milford	7621 N Antelope Pt Rd, Milford	Completed	Farm	2000s	3,907,679	6,410	Murphy-Brown Llc	60,000	100%	60,000
U346	Farm 3667	Milford	4365 E Turbulent Trail, Milford	Completed	Farm	1998	1,317,128	2,137	Murphy-Brown Llc	7,000	100%	7,000
U347	Farm 3668	Fillmore	20765 W Black Rock Cutoff Rd, Fillmore	Completed	Farm	2000s	971,244	2,137	Murphy-Brown Llc	6,000	100%	6,000
U348	Farm 3669	Milford	3533 E Turbulent Trail, Milford	Completed	Farm	1998	3,926,578	4,274	Murphy-Brown Llc	23,000	100%	23,000
U349	Farm 3670	Milford	9635 N Antelope Road, Milford	Completed	Farm	1998	1,458,647	4,274	Murphy-Brown Llc	24,000	100%	24,000
U350	Farm land	Milford	11700 S 3296 W, Milford	Bare land	Farm		55,041,207	N/A	Murphy-Brown Llc	27,999,000	100%	27,999,000
U351	Farm land	Iron	Iron County	Bare land	Farm land		14,370,364	N/A	Murphy-Brown Llc	1,377,000	100%	1,377,000
U352	Swine Farm	Milford	341 S Main Street, Milford	Completed	Farm		2,914	N/A	Murphy-Brown Llc	691,000	100%	691,000
U353	Feed Milling-C4F	Milford	585 E 6th Street, Milford	Completed	Feed mill		3,023,442	N/A	Murphy-Brown Llc	8,427,000	100%	8,427,000

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area ( <i>sq.m.</i> )	GFA ( <i>sq.m.</i> )	Owner	Market value in existing state as at the valuation date ( <i>USD</i> )	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date ( <i>USD</i> )
U354	Technical Specialists Farm	Milford	341 S Main Street, Milford	Completed	Farm		15,266,418	N/A	Murphy-Brown Llc	22,747,000	100%	22,747,000
U355	Technical Specialists Farm	Milford	NE1/4 SEC 33, T25S, R9W, SLM, Milford	Completed	Farm		485,622	N/A	Murphy-Brown Llc	723,000	100%	723,000
U356	Technical Specialists Farm	Milford	NW1/4 SEC 33, T25S, R9W, SLM, Milford	Completed	Farm		647,496	N/A	Murphy-Brown Llc	965,000	100%	965,000
U357	Technical Specialists Farm	Milford	S1/2 SW1/4, NW1/4 SW1/4 of Sec. 1, Twp. 32 S., R. 13 W., SLB&M	Completed	Farm		2,549,516	N/A	Murphy-Brown Llc	3,799,000	100%	3,799,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U358 to U379	13 farms located in Virginia United States	The properties located in Virginia state comprise 52 parcels of land with a total site area of approximately 16,157,331.90 sq.m. and various buildings and facilities erected thereon.  The buildings with a total GFA of approximately 158,435.66 sq.m. were completed in various stages between 1977 to 2013.  The property is held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farm, plant purposes.	126,757,000 (100% interest attributable to the Group: USD126,757,000)

Notes:

- As advised by the Group, the property interests located in Virginia of the United States comprise the following:

Property no.	Property	City	Detailed location	Status	Use	Completion date	Site area (sq.m.)	GFA (sq.m.)	Owner	Market value in existing state as at the valuation date (USD)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (USD)
U358	Farm 76392 — Nursery	Yale	20064 Comans Well Rd, Yale	Completed	Farm		673,396	N/A	Smithfield-Carroll's Farm	931,000	100%	931,000
U359	Farm 7069-AI	Stoney Creek	12627 Bethel Church Rd, Stoney Creek	Completed	Farm	2000s	275,105	316	Smithfield Carrolls Farms	452,000	100%	452,000
U360	Farm 8015 — Finishing	Waverly	31303 Barretts Church Rd, Waverly	Completed	Farm	2000s	696,584	9,201	Smithfield-Carroll's Farms	2,530,000	100%	2,530,000
U361	Farm 8093 — Finishing	Skippers	Dimond Grove Rd 2830 Rd, Skippers	Completed	Farm	2000s	408,044	3,345	Smithfield-Carroll's Farms	1,047,000	100%	1,047,000
U362	Farm 8501 — Finishing	Ivor	12160 Ham Ln, Ivor	Completed	Farm	2000s	4,227,623	4,836	Smithfield-Carroll's Farms	16,435,000	100%	16,435,000
U363	Farm 8506 — Finishing	Wakefield	27176 Berlindory Rd, Wakefield	Completed	Farm	2000s	1,937,227	9,201	Smithfield-Carroll's Farm	5,323,000	100%	5,323,000
U364	Farm 8509 — Finishing	Waverly	4319 Martin Luther King Hwy, Waverly	Completed	Farm	2000s	357,863	9,201	Smithfield Carrolls Farms	4,155,000	100%	4,155,000
U365	Farm 85123 — Warehouse	Wakefield	8930 Us-460 Hwy, Wakefield	Completed	Farm		764,167	N/A	Smithfield Carrolls Farms	1,183,000	100%	1,183,000
U366	Farm 8513 — Finishing	Wakefield	13715 Cedar Sign Post Rd, Wakefield	Completed	Farm	2000s	1,238,134	9,201	Smithfield Carrolls Farms	4,068,000	100%	4,068,000
U367	Farm 8516 — Finishing	Waverly	1617 Hunnington Rd, Waverly	Completed	Farm	2000s	1,625,053	9,201	Smithfield-Carrolls Farms	5,742,000	100%	5,742,000
U368	Farm 8518 — Finishing	Waverly	10124 Woods Ln, Waverly	Completed	Farm	2000s	1,899,025	9,201	Smithfield-Carrolls Farms	8,423,000	100%	8,423,000
U369	Farm 8521 — Finishing	Waverly	4321 Martin Luther King Rd, Waverly	Completed	Farm	2000s	1,470,666	9,201	Smithfield-Carroll's Farm	2,289,000	100%	2,289,000
U370	Swine Management-General	Waverly	27404 General Mahone Hwy, Waverly	Completed	Farm		307,480	N/A	Murphy Brown LLC	3,487,000	100%	3,487,000
U371	Stô-Taste of Smfld	Smithfield	217 Main Street, Smithfield	Completed	Restaurant	2000s	486	869	Smithfield Foods Inc	3,300,000	100%	3,300,000
U372	Sfg-Dou-Gka	Toano	177 Industrial Blvd, Toano	Completed	Packaged	2000s	10,886	2,527	Smithfield Farmland Corp	1,981,000	100%	1,981,000
U373	Fm-Facilities-Sp Svc	Smithfield	1911 S. Church St., Smithfield	Completed	Office	2000s	9,591	1,835	Smithfield Foods Inc	1,341,000	100%	1,341,000
U374	Fm-Facilities-Innov	Smithfield	401 N. Church Street, Smithfield	Completed	Innovation center	2000s	35,369	3,337	Smithfield Ham & Products Inc	2,270,000	100%	2,270,000
U375	Stô-Proj Engineering Office	Smithfield	111 N. Church St., Smithfield	Completed	Office	2000s	8,944	5,265	Smithfield Foods Inc	10,119,000	100%	10,119,000
U376	Fm-General Corporat	Smithfield	201 Berry Hill Road, Smithfield	Completed	Industrial		13,881	N/A	Smithfield Transportation Inc	5,059,000	100%	5,059,000
U377	North-Plntgen	Smithfield	601 N. Church St., Smithfield	Completed	Industrial	2000s	167,094	52,955	Smithfield Fresh Meats Corp	33,248,000	100%	33,248,000
U378	Fm-General Corporate-Pet	Smithfield	501 N. Church Street, Smithfield	Completed	Industrial	2000s	19,506	8,547	Smithfield Fresh Meats Corp	728,000	100%	728,000
U379	Stô-Exec Office Bldg	Smithfield	200 Commerce St., Smithfield	Completed	Office	2000s	11,210	10,199	Smithfield Foods Inc	12,646,000	100%	12,646,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
U380.	Cudahy-Plntgen One Sweet Apple-wood Lane, Cudahy Wisconsin United States	The property comprises a parcel of land with a site area of approximately 271,826.91 sq.m. and various buildings erected thereon.	As at the valuation date, the property was occupied by the Group for packaged purpose.	45,390,000
		The buildings with a total GFA of approximately 83,519.80 sq.m. were completed in 2000s.		
		The property is held under freehold interests.		

*Notes:*

1. The owner of the property is Smithfield Food Inc (a wholly-owned subsidiary of the Company).
2. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

## Part C — Property interests held by the Group in Poland

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>PLN</i>
P1 to P9	2 farms, 4 hatchery farms, a poultry plant and 2 farm land located in Podlaskie Province Poland	The properties located in Podlaskie Province comprise 17 parcels of land with a total site area of approximately 369,343.00 sq.m. farms, 4 hatchery farms, a poultry plant erected thereon.  The buildings with a total GFA of approximately 31,500.66 sq.m. were completed in various stages between 1970 and 2020. The buildings mainly include office buildings, production buildings and farm warehouse buildings.  The properties are held under leasehold interest with lease term of 99 years.	As at the valuation date, the properties were occupied by the Group for farm, hatchery, production and ancillary purposes.	46,777,000 (100% interest attributable to the Group: PLN46,777,000)

## Notes:

- As advised by Group, the property interests located in Podlaskie Province of Poland comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (PLN)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (PLN)
P1	A hog farm	Sienkiewiczze	Sienkiewiczze działka 236/2, Poland	Farm	91,959.00	566.92	Animex SF Sp. z o.o.	911,000	100%	911,000
P2	Farm	Bakalarzewo	ul.Młyńska 14	Farm	16,389.00	2,600.22	Animex Foods Sp. z o.o.	4,572,000	100%	4,572,000
P3	Farm	Mońki	ul. Kościelna 40,19-100 Mońki	Hatchery	6,617.00	3,649.30	Mońki hatchery	6,469,000	100%	6,469,000
P4	Farm	Sokolka	ul. Wiosenna 2, 16-100 Sokółka	Hatchery	4,542.00	2,544.50	Sokolka hatchery	4,236,000	100%	4,236,000
P5	Farm	Bielsk Podlaski	ul. Piłsudskiego 35, 17-100 Bielsk Podlaski	Hatchery	5,189.00	1,347.68	Bielsk hatchery	2,208,000	100%	2,208,000
P6	Farm	Siemiatycze	ul. Armii Krajowej 14, 17-300 Siemiatycze	Hatchery	3,886.00	533.60	Siemiatycze hatchery	67,000	100%	67,000
P7	Production plant	Suwałki	ul. Wojska Polskiego 112 A, 16-400 Suwałki	Production	76,144.00	22,858.66	Animex Foods Sp. z o.o.	27,522,000	100%	27,522,000
P8	Farm land	Suwałki	Sianożęć	Farm	161,585.00	N/A	Animex Foods Sp. z o.o.	777,000	100%	777,000
P9	Farm land	Bakalarzewo	Bakalarzewo działka 45/2	Farm	3,032.00	N/A	Animex SF Sp. z o.o.	15,000	100%	15,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>PLN</i>
P10 to P15	A farm land, 3 hog farms, a feed mill and a warehouse located in Greater Poland Province Poland	<p>The properties located in Greater Poland Province comprises 8 parcels of land with a total site area of approximately 7,704,023 sq.m., a farm land, 3 hog farm, a feed mill and a warehouse erected thereon.</p> <p>The buildings with a total GFA of approximately 69,494.61 sq.m. were completed in various stages between 1900 and 2021. The buildings mainly include industrial buildings and warehouse.</p> <p>Portion of the properties are held under freehold interest, while the remaining portion of the properties are held under leasehold interest with lease term of 99 years.</p>	As at the valuation date, the properties were occupied by the Group for farm, feed mill, storage and ancillary purposes.	100,047,000 (100% interest attributable to the Group: PLN100,047,000)

*Notes:*

- As advised by Group, the property interests located in Greater Poland Province of Poland comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (PLN)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (PLN)
P10	Hog farm	Grodzicz	Grodzicz 36 działka 125/1	Farm	69,388.00	14,288.79	Animex SF Sp. z o.o.	4,555,000	100%	4,555,000
P11	Grain warehouse	Dopiewo	Więckowice, UL. PARKOWA 6	Warehouse	180,720.00	15,464.15	Agri Plus Wielkopolska S.A.	2,538,000	100%	2,538,000
P12	Feed mill	Szamotoły	64-500 Szamotoły, ul. Chrobrego 21	Feed mill	38,051.00	17,153.57	Agri Plus Sp. z o.o.	29,265,000	100%	29,265,000
P13	Farm land	Zborowo	Commune: Grzmiąca	Farm	3,274,906.00	N/A	Agri Plus Wielkopolska S.A.	20,765,000	100%	20,765,000
P14	Hog farm	Gniezno	Commune: Kiszkowo	Farm	71,945.00	13,329.00	Agri Plus Sp. z o.o.	16,291,000	100%	16,291,000
P15	Hog farm	Więckowice	Więckowice, UL. PARKOWA 6	Farm	4,069,013.00	9,259.10	Agri Plus Wielkopolska S.A.	26,633,000	100%	26,633,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date PLN
P16 to P17	A sow farm and a feed mill located in Kuyavian-Pomeranian Province Poland	The properties located in Kuyavian-Pomeranian Province comprises 4 parcels of land with a total site area of approximately 310,573.00 sq.m., a sow farm and a feed mill erected thereon.  The buildings with a total GFA of approximately 56,695.80 sq.m. were completed in various stages between 1973 and 1991. The buildings mainly include industrial buildings.  The properties are held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farm and feed mill purposes.	18,382,000 (100% interest attributable to the Group: PLN18,382,000)

*Notes:*

- As advised by Group, the property interests located in Kuyavian-Pomeranian Province of Poland comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (PLN)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (PLN)
P16	Sow farm	Jeżewo	Kraplevice 40	Farm	281,543.00	55,508.80	Ferma Kraplevice Sp. z o.o.	17,365,000	100%	17,365,000
P17	Feed mill	Jeżewo	86-130 Kraplevice 40, woj. kujawsko-pomorskie	Feed mill	29,030.00	1,187.00	Agri Plus Sp. z o.o.	1,017,000	100%	1,017,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date PLN
P18 to P20	A farm land, a nursery farm and a plant located in Lesser Poland Province Poland	The properties located in Lesser Poland Province comprises 3 parcels of land with a total site area of approximately 1,027,402.00 sq.m., 2 farms and a plant erected thereon.  The buildings with a total GFA of approximately 8,772.5 sq.m. were completed between 2003 and 2015. The buildings mainly include industrial buildings and warehouse buildings.  The properties are held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farm and production purposes.	14,770,000 (100% interest attributable to the Group: PLN14,770,000)

*Notes:*

- As advised by Group, the property interests located in Lesser Poland Province of Poland comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (PLN)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (PLN)
P18	Farm land	Tarnowa	Żabin, Commune: Wierzchowo	Farm	973,100.00	N/A	Agri Plus Wielkopolska S.A.	3,614,000	100%	3,614,000
P19	Nursery farm	Czechy	Commune: Grzmiąca	Farm	39,386.00	5,400.50	Agri Plus Sp. z o.o.	6,367,000	100%	6,367,000
P20	Production plant	Dobczyce	ul. Bonarki, Kraków	Production	14,916.00	3,372.00	Animex Foods Sp. z o.o.	4,789,000	100%	4,789,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date PLN
P21 to P26	A farm land, 4 production plants and a farm located in Lodz Province Poland	The properties located in Lodz Province comprises 10 parcels of land with a total site area of approximately 357,699.00 sq.m., a farm land, 4 plants and a farm erected thereon.  The buildings with a total GFA of approximately 111,042.08 sq.m. were completed between 1982 and 2019. The buildings mainly include industrial buildings and warehouse buildings.  Portion of the properties are held under freehold interest. Remaining portion of the properties are held under leasehold interest with lease term of 99 years.	As at the valuation date, the properties were occupied by the Group for farm and production purposes.	173,195,000 (100% interest attributable to the Group: PLN173,195,000)

*Notes:*

- As advised by Group, the property interests located in Lodz Province of Poland comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (PLN)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (PLN)
P21	Farm land	Kutno	Południowa działka 200/6	Farm	28,294.00	N/A	Animex Foods Sp. z o.o.	118,000	100%	118,000
P22	Production plant	Daszyna	Koryta 10, 99-107 Daszyna	Production	91,090.00	35,239.00	Animex Foods Sp. z o.o.	61,274,000	100%	61,274,000
P23	Production plant	Kutno	ul. Intermodalna 8	Production	39,516.00	24,953.90	Animex Kutno Sp. z o.o.	39,692,000	100%	39,692,000
P24	Production plant	Kutno	ul. Południowa 4	Production	41,440.00	19,079.16	Animex Kutno Sp. z o.o.	28,334,000	100%	28,334,000
P25	Farm	Kalduny	Kalduny działka 33/3	Farm	64,700.00	1,474.3	Animex SF Sp. z o.o.	855,000	100%	855,000
P26	Production plant	Kutno	ul. Wschodnia 21, 99-300 Kutno	Production	92,659.00	30,295.72	Animex Foods Sp. z o.o.	42,922,000	100%	42,922,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date PLN
P27 to P28	2 farm land located in Lower Silesian Province Poland	The properties located in Lower Silesian Province comprise 2 parcels of land with a total site area of approximately 53,927.00 sq.m..  The properties are held under leasehold interest with lease term of 99 years.	As at the valuation date, the properties were occupied by the Group for farm purpose.	212,000 (100% interest attributable to the Group: PLN212,000)

*Notes:*

- As advised by Group, the property interests located in Lower Silesian Province of Poland comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (PLN)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (PLN)
P27	Farm land	Prochowice	ul. Sienkiewicza 29	Farm	12,961.00	NA	SF Holding Sp. z o.o.	51,000	100%	51,000
P28	Farm land	Prochowice	ul. Kościuszki	Farm	40,966.00	NA	SF Holding Sp. z o.o.	161,000	100%	161,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>PLN</i>
P29	A feed mill located in 22-400 Zamość, ul. Namysłowskiego 3, Zamość City Lublin Province Poland	The property located in Lublin Province comprises a parcel of land with a site area of approximately 30,749.00 sq.m. a feed mill erected thereon.  The building with a total GFA of approximately 8,267.47 sq.m. which was completed in 1960. The building includes an industrial building.	As at the valuation date, the property was occupied by the Group for production purpose.	853,000 (100% interest attributable to the Group: PLN853,000)
		The property are held under leasehold interest with lease term of 99 years.		

*Notes:*

1. Pursuant to a Land Title Document — Lot No. ZA1Z/00054730/5, the land use rights of a parcel of land with a site area of approximately 30,749.00 sq.m. have been leased to Agri Plus Sp. z o.o. (a wholly-owned subsidiary of the Company) with lease term of 99 years.
2. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>PLN</i>
P30 to P31	An office unit and a hatchery farm located in Masovian Province Poland	The properties located in Masovian Province comprise 2 parcels of land with a total site area of approximately 116,700 sq.m., an office unit and a hatchery farm erected thereon.  The buildings with a total GFA of approximately 1,843.1 sq.m. were completed in various stages between 1975 and 2017. The buildings mainly includes office unit and farm buildings.  The properties are held under leasehold interest with lease term of 99 years.	As at the valuation date, portion of the properties were leased out for office purpose. Remaining portion of the properties were occupied by the Group for office and farm purposes respectively.	58,324,000 (100% interest attributable to the Group: PLN58,324,000)

*Notes:*

- As advised by Group, the property interests located in Masovian Province of Poland comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (PLN)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (PLN)
P30	Office unit	Warszaw	ul. Chałubińskiego 8, 00-613 Warszawa	Office	N/A	6,710.40	SF Holding Sp. z o.o.	57,710,000	100%	57,710,000
P31	Farm	Michałówek	Michałówek 17 działka 275	Hatchery	116,700.00	656.80	Animex SF Sp. z o.o.	614,000	100%	614,000

- For the purpose of this report, the properties are classified into 2 groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date (PLN)	Market value in existing state attributable to the Group as at the valuation date (PLN)
Group I — Held and Occupied by the Group	48,124,000	48,124,000
Group II — Held for investment by the Group	10,200,000	10,200,000
<b>Total:</b>	<b>58,324,000</b>	<b>58,324,000</b>

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date PLN
P32 to P34	A farm, a feed mill, and a production plant located in Opole Province Poland	<p>The properties located in Opole Province comprise 10 parcels of land with a total site area of approximately 209,604 sq.m., a feed mill and a production plant erected thereon.</p> <p>The buildings with a total GFA of approximately 30,099.00 sq.m. were completed in various stages between 1970 and 2021. The buildings mainly includes industrial buildings.</p> <p>Portion of the properties are held under freehold interest. Remaining portion of the properties are held under leasehold interest with lease term of 99 years.</p>	As at the valuation date, the properties were occupied by the Group for feed mill, production and farm purpose.	4,607,000 (100% interest attributable to the Group: PLN4,607,000)

## Notes:

- As advised by Group, the property interests located in Opole Province of Poland comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (PLN)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (PLN)
P32	Farm	Grodków	49-200 Grodków, ul. Wrocławska 61	Feed mill	86,800.00	13,741.00	Agri Plus Sp. z o.o.	1,662,000	100%	1,662,000
P33	Production plant	Opole	ul. Drobiarska 4, 45-410 Opole	Production	99,604.00	16,156.00	Animex Foods Sp. z o.o.	2,813,000	100%	2,813,000
P34	Farm	Gościejowice	Gościejowice, Niemodlin	Farm	23,200.00	202.00	Animex Foods Sp. z o.o.	132,000	100%	132,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date PLN
P35 to P38	A farm land, a warehouse and 2 sow farms located in Pomeranian Province Poland	<p>The properties located in Pomeranian Province comprise 26 parcels of land with a total site area of approximately 25,336,707 sq.m., a warehouse and 2 sow farms erected thereon.</p> <p>The buildings with a total GFA of approximately 42,949.40 sq.m. were completed in various stages between 1976 and 2005. The buildings mainly includes warehouses and cultivation buildings.</p> <p>The properties are held under freehold interest.</p>	As at the valuation date, the properties were occupied by the Group for farm and storage purposes.	159,583,000 (100% interest attributable to the Group: PLN159,583,000)

*Notes:*

- As advised by Group, the property interests located in Pomeranian Province of Poland comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (PLN)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (PLN)
P35	Farm land	Wierzchowo	Ferma Byszkowo	Farm	20,045,890.00	N/A	Agri Plus Sp. z o.o.	87,107,000	100%	87,107,000
P36	Warehouse	Wierzchowo	Żabin, Commune: Wierzchowo	Warehouse	661,526.00	2,843.90	Agri Plus Sp. z o.o.	6,356,000	100%	6,356,000
P37	Sow farm	Wierzchowo	Więckowice, UL. PARKOWA 6	Farm	3,883,830.00	21,425.50	Agri Plus Sp. z o.o.	40,017,000	100%	40,017,000
P38	Sow farm	Wierzchowo	Żabin	Farm	745,461.00	18,680.00	Agri Plus Sp. z o.o.	26,103,000	100%	26,103,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date PLN
P39	A production plant located in ul. Krańcowa 4, 27–200 Starachowice City Świętokrzyskie Province Poland	The property located in Świętokrzyskie Province comprises 2 parcels of land with a total site area of approximately 354,368 sq.m., an industrial plant erected thereon.  The buildings with a total GFA of approximately 67,760.42 sq.m. were completed in various stages between 1975 and 2015 with ancillary structures. The buildings mainly include industrial buildings.	As at the valuation date, the property was occupied by the Group for production purpose.	52,378,000 (100% interest attributable to the Group: PLN52,378,000)
		Portion of the property are held under freehold interest. Remaining portion of the property are held under leasehold interest with lease term of 99 years.		

*Notes:*

1. Pursuant to the Land Title Document — Lot No. KI1H/00019021/2, Animex Foods Sp. z o.o. (a wholly-owned subsidiary of the Company) is the registered owner of a parcel of land with site area of approximately 16,381.00 sq.m.
2. Pursuant to the Land Title Document — Lot No. KI1H/00019011/9, the land use rights of a parcel of land with total site area of approximately 337,987.00 sq.m. have been leased to Animex Foods Sp. z o.o. with lease term of 99 years.
3. For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date PLN
P40 to P51	3 farm lands, 2 residential land, an industrial land, 2 farms, a feed mill and 3 production plants located in Warmian-Masurian Province Poland	<p>The properties located in Warmian-Masurian Province comprise 21 parcels of land with a total site area of approximately 2,703,485.86 sq.m., 2 farms, a feed mill and 3 production plants erected thereon.</p> <p>The buildings with a total GFA of approximately 165,811.10 sq.m. were completed in various stages between 1970 and 2020. The buildings mainly includes office buildings, production buildings, warehouses, cultivation buildings and ancillary buildings.</p> <p>Portion of the properties are held under freehold interest. Remaining portion of the properties are held under leasehold interest with lease term of 99 years.</p>	As at the valuation date, the properties were occupied by the Group for farm, residential, feed mill, production and ancillary purposes.	77,739,000 (100% interest attributable to the Group: PLN77,739,000)

## Notes:

- As advised by Group, the property interests located in Warmian-Masurian Province of Poland comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (PLN)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (PLN)
P40	Farm land	Goldap	Parcz 21A	Farm	2,937.00	N/A	Agri Plus Sp. z o.o.	14,000	100%	14,000
P41	Farm land	Morliny	Morliny PWUG DZIAŁKA 16/3, 4, 5 i 6 POW. 5,3272HA	Farm	53,272.00	N/A	Animex SF Sp. z o.o.	246,000	100%	246,000
P42	Farm land	Morliny	Morliny działka 10/29	Farm	41,500.00	N/A	Animex SF Sp. z o.o.	192,000	100%	192,000
P43	Residential land	Ostróda	ul. Czarnieckiego 4	Residential	82.23	N/A	Animex Foods Sp. z o.o.	7,000	100%	7,000
P44	Sow farm	Korsze	Ferma Bykowo k/Korsze	Farm	2,040,920.00	19,539.00	Agri Plus Sp. z o.o.	31,947,000	100%	31,947,000
P45	Boar farm	Kętrzyn	Parcz 21A	Farm	94,347.00	2,438.00	Agri Plus Sp. z o.o.	655,000	100%	655,000
P46	Feed mill	Kętrzyn	11-400 Kętrzyn, ul. Bałtycka 24a	Feed mill	59,196.00	3,916.00	Agri Plus Sp. z o.o.	7,182,000	100%	7,182,000
P47	Production plant	Ostróda	Morliny 15, 14-100 Ostróda	Production	211,120.00	69,849.87	Animex Foods Sp. z o.o.	13,549,000	100%	13,549,000
P48	Residential land	Ostróda	ul. Jana Pawła II 16	Residential	105.43	NA	Animex Foods Sp. z o.o.	9,000	100%	9,000
P49	Production plant	Hawa	Al. Jana Pawła II 8, 14-200 Hawa	Production	63,829.20	14,958.02	Animex Foods Sp. z o.o.	15,373,000	100%	15,373,000
P50	Production plant	Elk	ul. Suwalska 86, 19-300 Elk	Production	133,070.00	55,110.21	Animex Foods Sp. z o.o.	8,551,000	100%	8,551,000
P51	Industrial land	Olecko	ul. Szosa do Świętajna	Industrial	3,107	NA	Animex Foods Sp. z o.o.	14,000	100%	14,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date PLN
P52 to P56	2 sow farms, a feed mill, a warehouse and an industrial plant located in West Pomeranian Province Poland	<p>The properties located in West Pomeranian Province comprise 8 parcels of land with a total site area of approximately 592,042 sq.m., 2 sow farm, a feed mill, a warehouse and an industrial plant erected thereon.</p> <p>The buildings with a total GFA of approximately 111,429.60 sq.m. were completed in various stages between 1960 and 2016. The buildings mainly includes office buildings, production buildings, warehouses, cultivation buildings and ancillary buildings.</p> <p>Portion of the properties are held under freehold interest. Remaining portion of the properties are held under leasehold interest with lease term of 99 years.</p>	As at the valuation date, the properties were occupied by the Group for farm, feed mill, storage, production and ancillary purposes.	82,552,000 (100% interest attributable to the Group: PLN82,552,000)

## Notes:

- As advised by Group, the property interests located in West Pomeranian Province of Poland comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (PLN)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (PLN)
P52	Sow farm	Czaplinek	Ferma Byszkowo	Farm	168,800.00	21,522.60	Agri Plus Sp. z o.o.	23,732,000	100%	23,732,000
P53	Sow farm	Łobez	Suliszewice	Farm	58,367.00	7,812.00	Agri Plus Sp. z o.o.	10,012,000	100%	10,012,000
P54	Feed mill	Czarne Małe	78-550 Czarne Małe, woj. Zachodniopomorskie	Feed mill	307,200.00	10,401.7	Agri Plus Sp. z o.o.	17,739,000	100%	17,739,000
P55	Warehouse	Suliszewo	Suliszewo Plot (347/2)	Warehouse	38,100.00	1,580.00	Agri Plus Sp. z o.o.	252,000	100%	252,000
P56	Production plant	Szczecin	ul. Pomorska 115B, 70-812 Szczecin	Industrial	182,622.00	70,113.30	Animex Foods Sp. z o.o.	30,817,000	100%	30,817,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

## Part D — Property interests held by the Group in Romania

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>RON</i>
R1 to R3	Farm land and 2 production plants located in Alba Province Romania	<p>The properties located in Alba Province comprise several parcels of land with a total site area of approximately 557,387.00 sq.m.</p> <p>The buildings with a total GFA of approximately 35,673.74 sq.m. were completed in various stages between 2002 and 2019. The buildings mainly include production buildings.</p> <p>The properties are held under freehold interest.</p>	As at the valuation date, the properties were occupied by the Group for farm and production purpose.	23,994,000 (100% interest attributable to the Group: RON23,994,000)

*Notes:*

- As advised by Group, the property interests located in Alba Province of Romania comprise the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (RON)
R1	Plant	Oarda de Jos-Alba	Str.Biruintei, nr.46, Loc.Alba Iulia, Jud.Alba	Production	425,250.00	15,327.74	SC ELIT SRL	11,354,000	100%	11,354,000
R2	Plant	Cugir-Alba	Str.Victoriei, Nr.16, Loc.Cugir, Jud.Alba	Production	123,300.00	20,346.00	SC ELIT SRL	12,611,000	100%	12,611,000
R3	Farm land	Oarda de Jos-Alba	Str.Biruintei, Nr.55, Loc.Alba Iulia, Jud.Alba	Farm	8,837.00	N/A	SC ELIT SRL	29,000	100%	29,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RON
R4 to R117	Farm lands and 12 production plants located in Arad Province Romania	<p>The properties located in Arad Province comprise farm lands with a total site area of approximately 31,016,857.00 sq.m. and several production plants erected thereon.</p> <p>The buildings with a total GFA of approximately 118,517.27 sq.m. were completed in various stages between 1975 and 2015. The buildings mainly include production buildings.</p> <p>The properties are held under freehold interest.</p>	As at the valuation date, portion of the properties were occupied by the Group for farm and production purposes, while the remaining portion of the properties were leased out for farm purpose.	147,599,000 (100% interest attributable to the Group: RON147,599,000)

## Notes:

- As advised by Group, the property interests located in Arad Province of Romania comprise the following,

Property Nos.	Property	City	Detail Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (RON)
R4	Plant	Arad	Loc ARAD, Str Orsova, nr 6, jud Arad	Production	210,230.00	9,436.27	SC MAIER COM SRL	969,000	100%	969,000
R5	Farm	Apateu	Apateu	Farm	45,000.00	6,677.00	Smithfield Romania	4,447,000	100%	4,447,000
R6	Farm	Arad	Arad	Farm	6,820.00	779.00	Smithfield Romania	55,000	100%	55,000
R7	Farm	Beliu	Beliu	Farm	4,300.00	6,677.00	Smithfield Romania	4,684,000	100%	4,684,000
R8	Farm	Cermei	Cermei	Farm	368,200.00	6,677.00	Smithfield Romania	5,545,000	100%	5,545,000
R9	Farm	Gurba	Gurba	Farm	46,000.00	6,677.00	Smithfield Romania	4,449,000	100%	4,449,000
R10	Farm	Misca	Misca	Farm	94,000.00	6,677.00	Smithfield Romania	4,896,000	100%	4,896,000
R11	Farm	Mocrea	Mocrea	Farm	38,000.00	6,677.00	Smithfield Romania	4,764,000	100%	4,764,000
R12	Farm	Satu Nou	Satu Nou	Farm	46,000.00	6,723.00	Smithfield Romania	4,479,000	100%	4,479,000
R13	Farm	Siclau	Siclau	Farm	58,200.00	6,480.00	Smithfield Romania	5,646,000	100%	5,646,000
R14	Farm	Sintea Mare	Sintea Mare	Farm	80,000.00	13,427.00	Smithfield Romania	9,588,000	100%	9,588,000
R15	Feed Mill	Vinga	Vinga	Feed Mill	121,043.00	41,610.00	Smithfield Romania	27,333,000	100%	27,333,000
R16	Farm land	Adea	Adea	Farm	1,143,800.00	N/A	Smithfield Romania	2,706,000	100%	2,706,000
R17	Farm land	Agrisu Mare	Agrisu Mare	Farm	15,300.00	N/A	Smithfield Romania	36,000	100%	36,000
R18	Farm land	Aldesti	Aldesti	Farm	78,313.00	N/A	Smithfield Romania	185,000	100%	185,000
R19	Farm land	Apateu	Apateu	Farm	1,568,400.00	N/A	Smithfield Romania	3,711,000	100%	3,711,000
R20	Farm land	Avram Iancu	Avram Iancu	Farm	11,600.00	N/A	Smithfield Romania	27,000	100%	27,000
R21	Farm land	Bacaul de Mijloc	Bacaul de Mijloc	Farm	28,600.00	N/A	Smithfield Romania	68,000	100%	68,000
R22	Farm land	Barsa	Barsa	Farm	2,133,777.00	N/A	Smithfield Romania	5,049,000	100%	5,049,000
R23	Farm land	Bata	Bata	Farm	10,343.00	N/A	Smithfield Romania	24,000	100%	24,000
R24	Farm land	Beliu	Beliu	Farm	717,651.00	N/A	Smithfield Romania	1,698,000	100%	1,698,000
R25	Farm land	Benesti	Benesti	Farm	139,744.00	N/A	Smithfield Romania	331,000	100%	331,000
R26	Farm land	Berechiu	Berechiu	Farm	385,700.00	N/A	Smithfield Romania	913,000	100%	913,000
R27	Farm land	Birchis	Birchis	Farm	365,927.00	N/A	Smithfield Romania	866,000	100%	866,000
R28	Farm land	Birchis Ostrov	Birchis Ostrov Virismort	Farm	24,700.00	N/A	Smithfield Romania	58,000	100%	58,000
R29	Farm land	Birchis + Capalnas	Birchis + Capalnas	Farm	8,700.00	N/A	Smithfield Romania	21,000	100%	21,000
R30	Farm land	Birchis-Ostrov	Birchis-Ostrov	Farm	27,500.00	N/A	Smithfield Romania	65,000	100%	65,000
R31	Farm land	Birchis-Veris-Mort	Birchis-Veris-Mort	Farm	50,923.00	N/A	Smithfield Romania	120,000	100%	120,000
R32	Farm land	Bochia	Bochia	Farm	197,737.00	N/A	Smithfield Romania	468,000	100%	468,000

## APPENDIX IV

## PROPERTY VALUATION

Property Nos.	Property	City	Detail Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date	Interest attributable to the Group	Market value in existing state
										attributable to the Group as at the valuation date (RON)
R33	Farm land	Bocsig	Bocsig	Farm	1,777,937.00	N/A	Smithfield Romania	4,207,000	100%	4,207,000
R34	Farm land	Botfei	Botfei	Farm	63,700.00	N/A	Smithfield Romania	151,000	100%	151,000
R35	Farm land	Bulci	Bulci	Farm	10,131.00	N/A	Smithfield Romania	24,000	100%	24,000
R36	Farm land	Bulci — Tela	Bulci — Tela	Farm	8,700.00	N/A	Smithfield Romania	21,000	100%	21,000
R37	Farm land	Buteni	Buteni	Farm	119,487.00	N/A	Smithfield Romania	283,000	100%	283,000
R38	Farm land	Camna	Camna	Farm	250,900.00	N/A	Smithfield Romania	594,000	100%	594,000
R39	Farm land	Camna-Luguzau	Camna-Luguzau	Farm	24,800.00	N/A	Smithfield Romania	59,000	100%	59,000
R40	Farm land	Capalnas	Capalnas	Farm	139,967.00	N/A	Smithfield Romania	331,000	100%	331,000
R41	Farm land	Caprioara	Caprioara	Farm	17,900.00	N/A	Smithfield Romania	42,000	100%	42,000
R42	Farm land	Carand	Carand	Farm	211,295.00	N/A	Smithfield Romania	500,000	100%	500,000
R43	Farm land	Cermei	Cermei	Farm	3,117,349.00	N/A	Smithfield Romania	7,376,000	100%	7,376,000
R44	Farm land	Chelmac	Chelmac	Farm	30,400.00	N/A	Smithfield Romania	72,000	100%	72,000
R45	Farm land	Cherelus	Cherelus	Farm	311,311.00	N/A	Smithfield Romania	737,000	100%	737,000
R46	Farm land	Chesint	Chesint	Farm	84,900.00	N/A	Smithfield Romania	201,000	100%	201,000
R47	Farm land	Chier	Chier	Farm	161,309.00	N/A	Smithfield Romania	382,000	100%	382,000
R48	Farm land	Chisindia	Chisindia	Farm	10,563.00	N/A	Smithfield Romania	25,000	100%	25,000
R49	Farm land	Chisineu Cris	Chisineu Cris	Farm	335,100.00	N/A	Smithfield Romania	793,000	100%	793,000
R50	Farm land	Chislaca	Chislaca	Farm	122,900.00	N/A	Smithfield Romania	291,000	100%	291,000
R51	Farm land	Comanesti	Comanesti	Farm	24,540.00	N/A	Smithfield Romania	58,000	100%	58,000
R52	Farm land	Conop	Conop	Farm	12,923.00	N/A	Smithfield Romania	31,000	100%	31,000
R53	Farm land	Cuias	Cuias	Farm	886.00	N/A	Smithfield Romania	2,000	100%	2,000
R54	Farm land	Cuied	Cuied	Farm	2,091,395.00	N/A	Smithfield Romania	4,948,000	100%	4,948,000
R55	Farm land	Donceni	Donceni	Farm	28,018.00	N/A	Smithfield Romania	66,000	100%	66,000
R56	Farm land	Dorgos	Dorgos	Farm	20,583.00	N/A	Smithfield Romania	49,000	100%	49,000
R57	Farm land	Ghertenis	Ghertenis	Farm	50,400.00	N/A	Smithfield Romania	119,000	100%	119,000
R58	Farm land	Groseni	Groseni	Farm	58,600.00	N/A	Smithfield Romania	139,000	100%	139,000
R59	Farm land	Gurba	Gurba	Farm	571,812.00	N/A	Smithfield Romania	1,353,000	100%	1,353,000
R60	Farm land	Hasmas	Hasmas	Farm	153,081.00	N/A	Smithfield Romania	362,000	100%	362,000
R61	Farm land	Hodis	Hodis	Farm	171,066.00	N/A	Smithfield Romania	405,000	100%	405,000
R62	Farm land	Iercoseni	Iercoseni	Farm	75,300.00	N/A	Smithfield Romania	178,000	100%	178,000
R63	Farm land	Iermata	Iermata	Farm	23,500.00	N/A	Smithfield Romania	56,000	100%	56,000
R64	Farm land	Iermata Neagra	Iermata Neagra	Farm	54,200.00	N/A	Smithfield Romania	128,000	100%	128,000
R65	Farm land	Ineu	Ineu	Farm	123,000.00	N/A	Smithfield Romania	291,000	100%	291,000
R66	Farm land	Lalasint	Lalasint	Farm	32,212.00	N/A	Smithfield Romania	76,000	100%	76,000
R67	Farm land	Lipova	Lipova	Farm	74,900.00	N/A	Smithfield Romania	177,000	100%	177,000
R68	Farm land	Luguzau	Luguzau	Farm	301,500.00	N/A	Smithfield Romania	713,000	100%	713,000
R69	Farm land	Luguzau — Silindia	Luguzau — Silindia	Farm	82,200.00	N/A	Smithfield Romania	194,000	100%	194,000
R70	Farm land	Manerau	Manerau	Farm	46,382.00	N/A	Smithfield Romania	110,000	100%	110,000
R71	Farm land	Minisu de Sus	Minisu de Sus	Farm	116,300.00	N/A	Smithfield Romania	275,000	100%	275,000
R72	Farm land	Misca	Misca	Farm	1,504,462.00	N/A	Smithfield Romania	3,560,000	100%	3,560,000
R73	Farm land	Mocea	Mocea	Farm	264,855.00	N/A	Smithfield Romania	627,000	100%	627,000
R74	Farm land	Moroda	Moroda	Farm	715,413.00	N/A	Smithfield Romania	1,693,000	100%	1,693,000
R75	Farm land	Nadab	Nadab	Farm	5,000.00	N/A	Smithfield Romania	12,000	100%	12,000
R76	Farm land	Odvos	Odvos	Farm	61.00	N/A	Smithfield Romania	0*	100%	0*
R77	Farm land	Ostrov	Ostrov	Farm	35,270.00	N/A	Smithfield Romania	83,000	100%	83,000
R78	Farm land	Ostrov Virismort	Ostrov Virismort	Farm	18,700.00	N/A	Smithfield Romania	44,000	100%	44,000
R79	Farm land	Petris	Petris	Farm	1,900.00	N/A	Smithfield Romania	4,000	100%	4,000
R80	Farm land	Pincota	Pincota	Farm	25,800.00	N/A	Smithfield Romania	61,000	100%	61,000
R81	Farm land	Prunisor	Prunisor	Farm	101,446.00	N/A	Smithfield Romania	240,000	100%	240,000
R82	Farm land	Rapsig	Rapsig	Farm	202,495.00	N/A	Smithfield Romania	479,000	100%	479,000
R83	Farm land	Satu Mic	Satu Mic	Farm	546,900.00	N/A	Smithfield Romania	1,294,000	100%	1,294,000
R84	Farm land	Satu Nou	Satu Nou	Farm	1,261,300.00	N/A	Smithfield Romania	2,984,000	100%	2,984,000
R85	Farm land	Sebis	Sebis	Farm	110,105.00	N/A	Smithfield Romania	261,000	100%	261,000
R86	Farm land	Seleus	Seleus	Farm	131,900.00	N/A	Smithfield Romania	312,000	100%	312,000
R87	Farm land	Seliste	Seliste	Farm	2,500.00	N/A	Smithfield Romania	6,000	100%	6,000
R88	Farm land	Seliste	Seliste	Farm	59,200.00	N/A	Smithfield Romania	140,000	100%	140,000
R89	Farm land	Sepreus	Sepreus	Farm	645,508.00	N/A	Smithfield Romania	1,527,000	100%	1,527,000
R90	Farm land	Sicula	Sicula	Farm	586,240.00	N/A	Smithfield Romania	1,387,000	100%	1,387,000
R91	Farm land	Silindia	Silindia	Farm	1,343,400.00	N/A	Smithfield Romania	3,179,000	100%	3,179,000

\* The market value of R76 is RON75, the value has been rounded to thousand.

Property Nos.	Property	City	Detail Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value	Interest	Market value
								in existing state as at the valuation date	attributable to the Group	in existing state attributable to the Group as at the valuation date (RON)
R92	Farm land	Sintea Mare	Sintea Mare	Farm	1,001,112.00	N/A	Smithfield Romania	2,369,000	100%	2,369,000
R93	Farm land	Siria	Siria	Farm	68,600.00	N/A	Smithfield Romania	162,000	100%	162,000
R94	Farm land	Sistarovat	Sistarovat	Farm	7,700.00	N/A	Smithfield Romania	18,000	100%	18,000
R95	Farm land	Socodor	Socodor	Farm	324,372.00	N/A	Smithfield Romania	767,000	100%	767,000
R96	Farm land	Somosches	Somosches	Farm	609,440.00	N/A	Smithfield Romania	1,442,000	100%	1,442,000
R97	Farm land	Susag	Susag	Farm	118,800.00	N/A	Smithfield Romania	281,000	100%	281,000
R98	Farm land	Tagadau	Tagadau	Farm	555,696.00	N/A	Smithfield Romania	1,315,000	100%	1,315,000
R99	Farm land	Tagadau + Beliu	Tagadau + Beliu	Farm	4,200.00	N/A	Smithfield Romania	10,000	100%	10,000
R100	Farm land	Talmaci	Talmaci	Farm	41,284.00	N/A	Smithfield Romania	98,000	100%	98,000
R101	Farm land	Tela	Tela	Farm	6,988.00	N/A	Smithfield Romania	17,000	100%	17,000
R102	Farm land	Tela — Bata	Tela — Bata	Farm	117.00	N/A	Smithfield Romania	0*	100%	0*
R103	Farm land	Tipar	Tipar	Farm	198,800.00	N/A	Smithfield Romania	470,000	100%	470,000
R104	Farm land	Toc	Toc	Farm	19,502.00	N/A	Smithfield Romania	46,000	100%	46,000
R105	Farm land	Ususau	Ususau	Farm	23,307.00	N/A	Smithfield Romania	55,000	100%	55,000
R106	Farm land	Ususau + Dorgos	Ususau + Dorgos	Farm	2,900.00	N/A	Smithfield Romania	7,000	100%	7,000
R107	Farm land	V. Goldis	V. Goldis	Farm	382,106.00	N/A	Smithfield Romania	904,000	100%	904,000
R108	Farm land	Valea Mare	Valea Mare	Farm	4,400.00	N/A	Smithfield Romania	10,000	100%	10,000
R109	Farm land	Vanatori	Vanatori	Farm	354,172.00	N/A	Smithfield Romania	838,000	100%	838,000
R110	Farm land	Varsand	Varsand	Farm	13,778.00	N/A	Smithfield Romania	33,000	100%	33,000
R111	Farm land	Vinga	Vinga	Farm	241,900.00	N/A	Smithfield Romania	572,000	100%	572,000
R112	Farm land	Virismort	Virismort	Farm	40,600.00	N/A	Smithfield Romania	96,000	100%	96,000
R113	Farm land	Virismort Ostrov	Virismort Ostrov	Farm	11,600.00	N/A	Smithfield Romania	27,000	100%	27,000
R114	Farm land	Zabalt	Zabalt	Farm	5,800.00	N/A	Smithfield Romania	14,000	100%	14,000
R115	Farm land	Zarand	Zarand	Farm	41,673.00	N/A	Smithfield Romania	99,000	100%	99,000
R116	Farm land	Zerind	Zerind	Farm	171,900.00	N/A	Smithfield Romania	407,000	100%	407,000
R117	Farm land	Zerindu-Mic	Zerindu-Mic	Farm	265,700.00	N/A	Smithfield Romania	629,000	100%	629,000

\* The market value of R102 is RON143, the value has been rounded to thousand.

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>RON</i>
R118 R120	Farm land, a production plant and a warehouse located in Bucuresti Province Romania	The properties located in Bucurest Province comprises 3 parcels of land with a total site area of approximately 126,077.74 sq.m., a production plant and a warehouse erected thereon.  The buildings with a total GFA of approximately 50,912.00 sq.m. were completed in various stages between 2006 and 2016. The buildings mainly include industrial building and warehouse.  The properties are held under freehold interest.	As at the valuation date, the properties were occupied by the Group for farm and production purposes.	36,912,000 (100% interest attributable to the Group: RON36,912,000)

*Notes:*

- As advised by Group, the property interests located in Bucurest Province of Romania comprise the following,

Property Nos.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (RON)
R118	Farm land	Teren fabrica/ Bucuresti	str.Drumul Intre Tarlale Nr.25A, Sector 3, Bucuresti	Farm	41,000.00	N/A	SC VERICOM 2001 SRL	144,000	100%	144,000
R119	Plant	Teren depozit/ Bucuresti	str.Drumul Intre Tarlale Nr.29A, Sector 3, Bucuresti	Production	30,120.00	45,027.00	SC VERICOM 2001 SRL	32,750,000	100%	32,750,000
R120	Warehouse	BuŃtea	BuŃtea	Warehouse	54,957.74	5,885.00	Smithfield Romania	4,018,000	100%	4,018,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>RON</i>
R121 to R122	Farm lands located in Caras Severin Province Romania	The properties located in Caras Severin Province farm lands with a total site area of approximately 6,737,400.00 sq.m.  The properties are held under freehold interest.	As at the valuation date, portion of the properties were occupied by the Group for farm purpose, while the remaining portion of the properties were leased out for farm purpose.	15,941,000 (100% interest attributable to the Group: RON15,941,000)

*Notes:*

- As advised by Group, the property interests located in Caras Severin Province of Romania comprise the following,

Property Nos.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (RON)
R121	Farm land	Maureni	Maureni	Farm	1,414,100.00	N/A	Smithfield Romania	3,346,000	100%	3,346,000
R122	Farm land	Sosdea	Sosdea	Farm	5,323,300.00	N/A	Smithfield Romania	12,595,000	100%	12,595,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RON
R123	Warehouse located in Dolj Province Romania	<p>The property located in Dolj Province comprises a parcel of land with a total site area of approximately 20,000 sq.m. and a warehouse erected thereon.</p> <p>The buildings with a total GFA of approximately 900 sq.m. were completed in 2013. The building mainly include warehouse.</p> <p>The properties are held under freehold interest.</p>	As at the valuation date, the property was occupied by the Group for warehouse purposes.	773,000 (100% interest attributable to the Group: RON773,000)

*Notes:*

- As advised by Group, the property interest located in Dolj Province of Romania comprises the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (RON)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (RON)
R123	Warehouse	Pielesti-Dolj	Drumul D.N. Zona Aeroport, nr.65, Loc.Pielesti, Jud.Dolj	warehouse	20,000.00	900.00	SC ELIT SRL	773,000	100%	773,000

- For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>RON</i>
R124 to R128	5 industrial buildings located in Hunedoara Province Romania	<p>The properties located in Hunedoara Province comprises 6 parcels of land with a total site area of approximately 5,406,700.00 sq.m. and 5 industrial buildings erected thereon.</p> <p>The buildings with a total GFA of approximately 1,034.22 sq.m. were completed in various stages between 2006 and 2017.</p> <p>The properties are held under freehold interest.</p>	As at the valuation date, the properties were occupied by the Group for industrial purposes.	13,672,000 (100% interest attributable to the Group: RON13,672,000)

*Notes:*

- As advised by Group, the property interests located in Hunedoara Province of Romania comprise the following,

Property Nos.	Property	City	Detail Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (RON)
R124	Industrial	Deva	Str. 22 Decembrie, nr. 43, Deva, jud. Hunedoara,	Farm	645,000.00	77.75	SC ELIT SRL	1,575,000	100%	1,575,000
R125	Industrial	Hateg	str. Aleea Centralei, nr. 2, loc. Hateg, jud.Hunedoara	Farm	917,700.00	303.00	SC ELIT SRL	2,444,000	100%	2,444,000
R126	Industrial	Hunedoara	Piata Obor, Hunedoara, jud. Hunedoara	Farm	2,620,000.00	91.77	SC ELIT SRL	6,263,000	100%	6,263,000
R127	Industrial	Orastie	Str. Pricazului, nr. 1, complex comercial Orastie, jud. Hunedoara	Farm	900,000.00	174.50	SC ELIT SRL	2,239,000	100%	2,239,000
R128	Industrial	Petrosani	str. Aviatorilor, compl. Dacia, Petrosani, jud.Hunedoara	Farm	384,000.00	387.20	SC ELIT SRL	1,151,000	100%	1,151,000

- For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>RON</i>
R129	Farm lands located in Ilfov Province Romania	The property located in Ilfov Province comprises a parcel of land with a site area of approximately 18,000 sq.m.  The properties are held under freehold interest.	As at the valuation date, the property was occupied by the Group for farm purpose.	57,000 (100% interest attributable to the Group: RON57,000)

*Notes:*

- As advised by Group, the property interest located in Ilfov Province of Romania comprises the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (RON)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (RON)
R129	Farm land	Gruiu-Ilfov	Loc.Gruiu, Sat. Santu Floresti, Jud.Alfov	Farm	18,000.00	NA	SC ELIT SRL	57,000	100%	57,000

- For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RON
R130	Farm land located in Prahova Province Romania	The property located in Prahova Province comprises a parcel of land with a site area of approximately 25,000 sq.m.  The property is held under freehold interest.	As at the valuation date, the property was occupied by the Group for farm purpose.	69,000 (100% interest attributable to the Group: RON69,000)

*Notes:*

- As advised by Group, the property interest located in Prahova Province of Romania comprises the following,

Property No.	Property	City	Detailed Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date (RON)	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (RON)
R130	Farm land	Baicoi-Prahova	Loc.Baicoi, Jud.Prahova	Farm	25,000.00	NA	SC ELIT SRL	69,000	100%	69,000

- For the purpose of this report, the property is classified in Group I — held and occupied by the Group according to the purpose for which it is held.

## VALUATION CERTIFICATE

Nos.	Properties	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RON
R131 to R199	Farm lands, 6 production plants, 4 sow farms, a feed mill, 4 nursery farms, a laboratory, 2 industrial buildings and 14 farms located in Timisoara Province Romania	The properties located in Timisoara Province comprises farm lands with a total site area of approximately 67,490,000.00 sq.m. and several production plants erected thereon.  The buildings with a total GFA of approximately 907,335.00 sq.m. were completed in various stages between 1979 and 2020. The buildings mainly include production buildings.  The properties are held under freehold interest.	As at the valuation date, portion of the properties were occupied by the Group for farm and production purposes, while the remaining portion of the properties were leased out for farm purpose.	499,197,000 (100% interest attributable to the Group: RON499,197,000)

## Notes:

- As advised by Group, the property interests located in Timisoara Province of Romania comprise the following,

Property Nos.	Property	City	Detail Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value in existing state as at the valuation date	Interest attributable to the Group	Market value in existing state attributable to the Group as at the valuation date (RON)
R131	Farm	Bacova	Bacova	Farm	206,996.00	98,583.00	Smithfield Romania	5,419,000	100%	5,419,000
R132	Farm land	Beba Veche	Beba Veche	Farm	40,000.00	N/A	Smithfield Romania	95,000	100%	95,000
R133	Farm land	Berecuta	Berecuta	Farm	10,000.00	N/A	Smithfield Romania	24,000	100%	24,000
R134	Farm	Biled	Biled	Farm	504,000.00	6,677.00	Smithfield Romania	5,866,000	100%	5,866,000
R135	Farm	Birda	Birda	Farm	829,558.00	147,102.00	Smithfield Romania	9,318,000	100%	9,318,000
R136	Farm	Boldur	Boldur	Farm	57,100.00	20,031.00	Smithfield Romania	13,656,000	100%	13,656,000
R137	Farm	Bulgarus	Bulgarus	Farm	216,271.00	7,952.00	Smithfield Romania	909,000	100%	909,000
R138	Farm land	Buzias	Buzias	Farm	50,000.00	N/A	Smithfield Romania	118,000	100%	118,000
R139	Farm land	Cadar	Cadar	Farm	287,900.00	N/A	Smithfield Romania	681,000	100%	681,000
R140	Farm land	Cebza	Cebza	Farm	50,000.00	N/A	Smithfield Romania	118,000	100%	118,000
R141	Farm	Cenei	Cenei	Farm	331,761.00	38,889.00	Smithfield Romania	2,729,000	100%	2,729,000
R142	Farm land	Cherestur	Cherestur	Farm	40,000.00	N/A	Smithfield Romania	95,000	100%	95,000
R143	Farm land	Ciacova	Ciacova	Farm	1,766,557.00	25,857.00	Smithfield Romania	5,473,000	100%	5,473,000
R144	Farm land	Clopodia	Clopodia	Farm	2,336,500.00	N/A	Smithfield Romania	5,528,000	100%	5,528,000
R145	Farm land	Covaci	Covaci	Farm	72,000.00	N/A	Smithfield Romania	170,000	100%	170,000
R146	Farm land	Denta	Denta	Farm	49,500.00	N/A	Smithfield Romania	117,000	100%	117,000
R147	Farm	Duboz	Duboz	Farm	333,000.00	N/A	Smithfield Romania	788,000	100%	788,000
R148	Farm	Dudestii Vecchi	Dudestii Vecchi	Farm	276,600.00	6,677.00	Smithfield Romania	5,328,000	100%	5,328,000
R149	Farm land	Ferendia	Ferendia	Farm	4,602,200.00	N/A	Smithfield Romania	10,889,000	100%	10,889,000
R150	Farm land	Fibis	Fibis	Farm	89,900.00	N/A	Smithfield Romania	213,000	100%	213,000
R151	Farm land	Folea	Folea	Farm	2,283,200.00	N/A	Smithfield Romania	5,402,000	100%	5,402,000
R152	Farm	Gataia	Gataia	Farm	3,991,803.00	87,093.00	Smithfield Romania	63,878,000	100%	63,878,000
R153	Farm land	Gataia-Sculea	Gataia-Sculea	Farm	1,560,400.00	N/A	Smithfield Romania	3,692,000	100%	3,692,000
R154	Farm	Gherman	Gherman	Farm	913,972.00	2,686.00	Smithfield Romania	2,297,000	100%	2,297,000
R155	Farm land	Ghilad	Ghilad	Farm	446,800.00	N/A	Smithfield Romania	1,057,000	100%	1,057,000
R156	Farm	Ieccea	Ieccea	Farm	50,000.00	6,677.00	Smithfield Romania	4,458,000	100%	4,458,000
R157	Farm land	Ieccea Mare	Ieccea Mare	Farm	150,000.00	N/A	Smithfield Romania	355,000	100%	355,000
R158	Farm land	Igris	Igris	Farm	91,500.00	N/A	Smithfield Romania	216,000	100%	216,000
R159	Farm	Igris	Igris	Farm	185,400.00	6,677.00	Smithfield Romania	4,779,000	100%	4,779,000

Property Nos.	Property	City	Detail Location	Use	Site Area (sq.m.)	GFA (sq.m.)	Owner	Market Value	Interest	Market value
								in existing state as at the valuation date	attributable to the Group	in existing state attributable to the Group as at the valuation date (RON)
R160	Farm land	Jamu Mare	Jamu Mare	Farm	15,688,250.00	N/A	Smithfield Romania	37,120,000	100%	37,120,000
R161	Farm land	Jebel	Jebel	Farm	6,238,838.00	N/A	Smithfield Romania	14,762,000	100%	14,762,000
R162	Farm land	Jimbolia	Jimbolia	Farm	300,000.00	N/A	Smithfield Romania	710,000	100%	710,000
R163	Farm	Jimbolia	Jimbolia	Farm	86,200.00	6,677.00	Smithfield Romania	4,210,000	100%	4,210,000
R164	Farm land	Liebling	Liebling	Farm	1,763,700.00	N/A	Smithfield Romania	4,173,000	100%	4,173,000
R165	Farm land	Livezile	Livezile	Farm	95,000.00	N/A	Smithfield Romania	225,000	100%	225,000
R166	Industrial	Lugoj	Lugoj	Production	55,523.00	55,523.00	Smithfield Romania	2,908,000	100%	2,908,000
R167	Farm land	Macedonia	Macedonia	Warehouse	72,100.00	N/A	Smithfield Romania	171,000	100%	171,000
R168	Farm land	Manastire	Manastire	Farm	2,800.00	N/A	Smithfield Romania	7,000	100%	7,000
R169	Farm	Masloc	Masloc	Farm	69,000.00	6,677.00	Smithfield Romania	4,503,000	100%	4,503,000
R170	Farm	Nitchidorf	Nitchidorf	Farm	1,619,300.00	19,944.00	Smithfield Romania	16,795,000	100%	16,795,000
R171	Farm land	Obad	Obad	Farm	76,900.00	N/A	Smithfield Romania	182,000	100%	182,000
R172	Farm land	Ohaba Forgaci	Ohaba Forgaci	Farm	138,472.00	N/A	Smithfield Romania	328,000	100%	328,000
R173	Farm land	Opatita	Opatita	Farm	532,100.00	N/A	Smithfield Romania	1,259,000	100%	1,259,000
R174	Farm	Padureni	Padureni	Farm	2,089,012.00	79,434.00	Smithfield Romania	8,915,000	100%	8,915,000
R175	Farm	Parta	Parta	Farm	1,268,776.00	48,539.00	Smithfield Romania	5,429,000	100%	5,429,000
R176	Farm	Peciu nou	Peciu nou	Farm	110,684.00	27,271.00	Smithfield Romania	1,625,000	100%	1,625,000
R177	Farm land	Peciu Nou	Peciu Nou	Farm	160,684.00	N/A	Smithfield Romania	380,000	100%	380,000
R178	Farm	Periam	Periam	Farm	263,263.00	40,181.00	Smithfield Romania	2,632,000	100%	2,632,000
R179	Farm land	Petroman	Petroman	Farm	981,900.00	N/A	Smithfield Romania	2,323,000	100%	2,323,000
R180	Farm land	Sacosu Turcesc	Sacosu Turcesc	Farm	73,800.00	N/A	Smithfield Romania	175,000	100%	175,000
R181	Farm land	Sag	Sag	Farm	82,600.00	N/A	Smithfield Romania	195,000	100%	195,000
R182	Farm	Sannicolau Mare	Sannicolau Mare	Farm	1,214,026.00	18,344.00	Smithfield Romania	14,796,000	100%	14,796,000
R183	Farm	Sanpetru Mare	Sanpetru Mare	Farm	1,116,200.00	6,660.00	Smithfield Romania	2,974,000	100%	2,974,000
R184	Farm land	Sculea	Sculea	Farm	407,100.00	N/A	Smithfield Romania	963,000	100%	963,000
R185	Farm land	Sinersig	Sinersig	Farm	20,800.00	N/A	Smithfield Romania	49,000	100%	49,000
R186	Farm land	Singeege	Singeege	Farm	87,100.00	N/A	Smithfield Romania	206,000	100%	206,000
R187	Farm land	Sipet	Sipet	Farm	2,534,600.00	N/A	Smithfield Romania	5,997,000	100%	5,997,000
R188	Farm land	Stamora G	Stamora G	Farm	45,869.00	N/A	Smithfield Romania	109,000	100%	109,000
R189	Farm	Stamora germana	Stamora germana	Farm	23,569.00	6,838.00	Smithfield Romania	398,000	100%	398,000
R190	Farm land	Temeresti	Temeresti	Farm	7,500.00	N/A	Smithfield Romania	18,000	100%	18,000
R191	Industrial	Timisoara	Timisoara	Production	361,823.00	79,715.00	Smithfield Prod	167,145,000	100%	167,145,000
R192	Farm	Tormac	Tormac	Farm	4,164,500.00	1,564.00	Smithfield Romania	10,909,000	100%	10,909,000
R193	Farm	Utvin	Utvin	Farm	17,201.00	400.00	Smithfield Romania	391,000	100%	391,000
R194	Industrial	50% Timisoara, 50% Utvin	50% Timisoara, 50% Utvin	Production	60,254.00	3,456.00	Smithfield Romania	16,955,000	100%	16,955,000
R195	Farm land	Varias	Varias	Farm	69,223.00	N/A	Smithfield Romania	164,000	100%	164,000
R196	Farm land	Voiteg	Voiteg	Farm	997,400.00	N/A	Smithfield Romania	2,360,000	100%	2,360,000
R197	Farm	Voiteni	Voiteni	Farm	317,115.00	44,630.00	Smithfield Romania	2,982,000	100%	2,982,000
R198	Farm	Voivodeni	Voivodeni	Farm	57,100.00	6,581.00	Smithfield Romania	4,413,000	100%	4,413,000
R199	Farm land	Vucova	Vucova	Farm	2,397,500.00	N/A	Smithfield Romania	5,673,000	100%	5,673,000

2. For the purpose of this report, the properties are classified in Group I — held and occupied by the Group according to the purpose for which it is held.

**RESPONSIBILITY STATEMENT**

This Offer Document includes particulars given in compliance with the Listing Rules and the Codes for the purpose of giving information with regard to the Offer, the Whitewash Waiver and the Company. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Offer Document and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Offer Document have been arrived at after due and careful consideration and there are no other facts not contained in this Offer Document, the omission of which would make any statement contained herein misleading.

**SHARE CAPITAL**

The authorised and issued share capital of the Company as at the Latest Practicable Date and upon completion of the Offer, assuming a maximum of 1,916,937,202 Shares are bought back under the Offer and no Options have been exercised, were and will be as follows:

	<b>Number of Shares</b>	<b>Nominal value US\$</b>
<b>Authorised:</b>		
As at the Latest Practicable Date	50,000,000,000	5,000,000
<b>Issued and fully paid:</b>		
As at the Latest Practicable Date	14,747,156,752	1,474,715.6752
Maximum number of Shares to be bought back under the Offer	(1,916,937,202)	(191,693.7202)
Upon completion of the Offer	12,830,219,550	1,283,021.9550

All the issued Shares rank *pari passu* with each other in all respects including the rights as to capital, dividends and voting.

There had been no re-organisation of capital of the Company during the two financial years immediately preceding the commencement of the Offer Period on 6 June 2021.

During the 12-month period immediately preceding the date of this Offer Document, the Company did not buy-back any Shares.

None of the Shares to be bought-back were issued during the two-year period immediately preceding the date of the Offer, being 6 June 2021.

As at the Latest Practicable Date, save for (a) 14,747,156,752 Shares in issue (including the Shares underlying the ADSs) and (b) the Options to subscribe for a total of 435,691,637 Shares, the Company did not have other class of securities, outstanding options, derivatives, warrants or other securities which are convertible or exchangeable into Shares.

During the two-year period immediately preceding the date of this Offer Document, the Company had paid (i) interim dividend and final dividend for the year ended 31 December 2018 of HK\$0.05 and HK\$0.15 per Share respectively; (ii) interim dividend and final dividend for the year ended 31 December 2019 of HK\$0.05 and HK\$0.265 per Share respectively; and (iii) interim dividend and final dividend for the year ended 31 December 2020 of HK\$0.05 and HK\$0.125 per Share respectively. The declaration, payment and amount of dividends the Company pays are subject to the discretion of the Board and depend on the financial condition, earnings and capital requirements of the Company in addition to other factors. The Directors do not have any plan or intention to declare any additional dividend or to alter the dividend policy of the Company.

## MARKET PRICES

The table below shows the closing price of the Shares as quoted on the Stock Exchange on (i) the last day on which trading took place in each of the calendar months during the Relevant Period; (ii) 1 June 2021, being the Last Trading Day; and (iii) the Latest Practicable Date:

<b>Date</b>	<b>Closing price per Share HK\$</b>
31 December 2020	6.5000
29 January 2021	6.3000
26 February 2021	6.9600
31 March 2021	6.3000
30 April 2021	6.7900
31 May 2021	6.6300
Last Trading Day	6.6500
30 June 2021	6.9800
Latest Practicable Date	6.0100

*Note:*

Trading in the Shares on the Stock Exchange was suspended with effect from 1:00 p.m. on 2 June 2021 and resumed from 9:00 a.m. on 7 June 2021.

The highest and lowest closing prices per Share recorded on the Stock Exchange during the Relevant Period were HK\$7.4300 on 11 March 2021 and HK\$6.0100 on 27 July 2021 respectively.

## DISCLOSURE OF INTERESTS

## Directors

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive officer of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he was taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

*(i) Interests in Shares of the Company*

Name of Director/Chief Executive Officer	Capacity/Nature of Interest	Number of Shares	Approximate Percentage of Shareholding
Mr. Wan Long	Interest in a controlled corporation <sup>(1)</sup>	2,169,781,518(L)	14.71%
	Beneficiary of a trust <sup>(2)(3)</sup>	1,123,683,441(L)	7.62%
Mr. Guo Lijun	Beneficial owner	1,500,000(L)	0.01%
	Trustee <sup>(4)</sup>	631,580,000(L)	4.28%
	Beneficiary of a trust <sup>(4)(5)</sup>	174,314,729(L)	1.18%
Mr. Ma Xiangjie	Beneficial owner	100,000(L)	0.00%
	Trustee <sup>(6)(7)</sup>	5,029,376,978(L)	34.10%
	Beneficiary of a trust <sup>(6)(7)</sup>	79,992,007(L)	0.54%
	Interest of spouse <sup>(8)</sup>	3,000(L)	0.00%

*Notes:*

- (1) Mr. Wan Long owned Sure Pass as to 100%, which in turn owned 573,099,645 Shares, and indirectly owned High Zenith as to 100%, which in turn owned 350,877,333 Shares. Accordingly, Mr. Wan Long was deemed to be interested in the 573,099,645 Shares and 350,877,333 Shares held by Sure Pass and High Zenith, respectively. Mr. Wan Long owned Xing Tong Limited as to 100%. Xing Tong Limited was one of the participants of the Heroic Zone Share Plan, through which it owned approximately 24.77% of the beneficial interest in Rise Grand, which in turn owned 100% of the equity interest of Heroic Zone.
- (2) Mr. Wan Long was one of the participants of the Heroic Zone Share Plan, through which he held approximately 20.78% of the beneficial interest in Rise Grand, which in turn owned 100% of the equity interest of Heroic Zone. Accordingly, Mr. Wan Long was deemed to be interested in the 1,045,174,040 Shares which Heroic Zone was interested in.
- (3) Mr. Wan Long was one of the participants of the Chang Yun Share Plan, through which he held approximately 12.43% of the beneficial interest in Auspicious Joy, which in turn owned 100% of the equity interest of Chang Yun. Accordingly, Mr. Wan Long was deemed to be interested in 78,509,401 Shares which Chang Yun was interested in.

- (4) Mr. Guo Lijun was one of the participants of the Chang Yun Share Plan, through which he held approximately 14.12% of the beneficial interest in Auspicious Joy, which in turn owned 100% of the equity interest of Chang Yun. Accordingly, Mr. Guo Lijun was deemed to be interested in the 89,149,824 Shares which Chang Yun was interested in Messrs. Guo Lijun, Ma Xiangjie and Liu Songtao were entrusted to act as the trustees of the Chang Yun Share Plan.
- (5) Mr. Guo Lijun was one of the participants of the Heroic Zone Share Plan, through which he held approximately 1.69% of the beneficial interest in Rise Grand, which in turn owned 100% of the equity interest of Heroic Zone. Accordingly, Mr. Guo Lijun was deemed to be interested in the 85,164,905 Shares which Heroic Zone was interested in.
- (6) Pursuant to an entrustment agreement dated 5 November 2019, the employee share committee, on behalf of all participants of the Heroic Zone Share Plan, entrusted three individual trustees, namely Messrs. Zhang Liwen, Ma Xiangjie and Liu Songtao, to hold the legal title of, and to exercise the voting rights attached to, 100% equity interest in Rise Grand in joint tenancy. Mr. Ma Xiangjie was also one of the participants of the Heroic Zone Share Plan, through which he held approximately 0.34% of the beneficial interest in Rise Grand, which in turn owned 100% of the equity interest of Heroic Zone. Accordingly, Mr. Ma Xiangjie was deemed to be interested in the 17,277,468 Shares which Heroic Zone was interested in.
- (7) Mr. Ma Xiangjie was one of the participants of the Chang Yun Share Plan, through which he held approximately 9.93% of the beneficial interest in Auspicious Joy, which in turn owned 100% of the equity interest of Chang Yun. Accordingly, Mr. Ma Xiangjie was deemed to be interested in 62,714,539 Shares which Chang Yun was interested in. Messrs. Guo Lijun, Ma Xiangjie and Liu Songtao, were entrusted to act as the trustees of the Chang Yun Share Plan.
- (8) Ms. Shi Hui Ying is the spouse of Mr. Ma Xiangjie and was the beneficial owner of 3,000 Shares. Mr. Ma Xiangjie was deemed to be interested in such 3,000 Shares within the meaning of Part XV of the SFO.
- (L) The letter (L) indicates long position.

*(ii) Interests in underlying shares of the Company*

Name of Director/Chief Executive Officer	Capacity/Nature of Interest	Number of Underlying Shares in respect of the Options	Approximate Percentage of Shareholding <sup>(1)</sup>
Mr. Wan Long	Beneficial owner	146,198,889(L)	0.99%
Mr. Guo Lijun	Beneficial owner	40,000,000(L)	0.27%
Mr. Ma Xiangjie	Beneficial owner	9,922,417(L)	0.07%

*Notes:*

- (1) The percentage is for illustrative purpose only and is calculated based on the number of Shares in issue and assuming that all the Options have been exercised in full.
- (L) The letter (L) indicates long position.

*(iii) Interests in associated corporations*

Name of Director/Chief Executive Officer	Name of Associated Corporation	Capacity/Nature of Interest	Number of Shares Interested	Approximate Percentage of Shareholding
Mr. Wan Long	Shuanghui Development	Beneficial owner	301,736(L)	0.01%
Mr. Ma Xiangjie	Shuanghui Development	Interest of spouse <sup>(1)</sup>	16,350(L)	0.00%

*Notes:*

(1) Ms. Shi Huiying is the spouse of Mr. Ma Xiangjie and was the beneficial owner of 16,350 shares of Shuanghui Development. Mr. Ma Xiangjie was deemed to be interested in such 16,350 shares of Shuanghui Development within the meaning of Part XV of the SFO.

(L) The letter (L) indicates long position.

Save as disclosed above, as at the Latest Practicable Date, so far as was known to any Director or chief executive officer of the Company, neither the Directors nor the chief executive officer had any interests or short positions in any Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of SFO) which would fall to be disclosed to the Company under the provisions of Divisions 7 and 8 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

**Substantial Shareholders**

As at the Latest Practicable Date, so far as was known to any Director or chief executive officer of the Company, shareholders (other than the Director or chief executive officer of the Company whose interests were disclosed above) who had interests or short positions in the Shares or underlying shares of the Company which shall be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

*Interest in the Shares of the Company*

Name	Capacity/Nature of Interest	Number of Shares	Approximate Percentage of Shareholding
Rise Grand <sup>(1)</sup>	Interest in controlled corporation	5,029,376,978(L)	34.10%
Mr. Zhang Liwen <sup>(1)</sup>	Trustee	5,029,376,978(L)	34.10%
Mr. Liu Songtao <sup>(1)</sup>	Trustee	5,029,376,978(L)	34.10%
Heroic Zone <sup>(2)</sup>	Beneficial owner	3,473,820,000(L)	23.56%
	Interest in controlled corporation	1,555,556,978(L)	10.55%
Xing Tong Limited <sup>(3)</sup>	Beneficiary of a trust	1,245,804,540(L)	8.45%
Ms. Wang Meixiang <sup>(4)</sup>	Interest of spouse	3,441,163,848(L)	23.33%
Mondrian Investment Partners Limited	Investment manager	995,162,500(L)	6.75%

*Notes:*

- (1) Rise Grand, as the sole shareholder of Heroic Zone, was deemed to be interested in the 5,029,376,978 Shares which Heroic Zone was interested in. As at the Latest Practicable Date, the beneficial interest of Rise Grand was owned by HSP Participants. Pursuant to an entrustment agreement dated 5 November 2019, the HSP ESC, on behalf of all HSP Participants, entrusted three individual trustees, namely Messrs. Zhang Liwen, Ma Xiangjie and Liu Songtao, to hold the legal title of, and to exercise the voting rights attached to, 100% equity interest in Rise Grand in joint tenancy. Under the Heroic Zone Share Plan, the ESC, on behalf of all HSP Participants, is entitled to instruct the such trustees as to how to exercise their rights as the registered shareholders of Rise Grand, which in turn will instruct Heroic Zone, a wholly owned subsidiary of Rise Grand, as to how to exercise its rights, including the voting rights attached to the Shares it holds in the Company. The members of the HSP ESC are selected by the general meeting of the HSP participants. As at the Latest Practicable Date, the members of the HSP ESC are Messrs. Wan Long, Guo Lijun, Ma Xiangjie, Liu Songtao and Zhang Liwen.
- (2) Chang Yun, High Zenith and Sure Pass should exercise the voting rights attached to their Shares respectively held by them in accordance with the direction of Heroic Zone in its absolute discretion. Therefore, Heroic Zone was deemed to be interested in the 1,555,556,978 Shares in aggregate held by Chang Yun, High Zenith and Sure Pass.
- (3) Xing Tong Limited was one of the participants of the Heroic Zone Share Plan, through which it owned approximately 24.77% of the beneficial interest in Rise Grand, which in turn owned 100% of the equity interest of Heroic Zone. Accordingly, Xing Tong Limited was deemed to be interested in the 1,245,804,540 Shares which Heroic Zone was interested in.
- (4) Ms. Wang Meixiang is the spouse of Mr. Wan Long. Therefore, Ms. Wang Meixiang was deemed to have interest in the 3,441,163,848 Shares which Mr. Wan Long was interested in.
- (L) The letter (L) indicates long position.

Save as disclosed above, as at the Latest Practicable Date, the Company has not been notified by any person who had any interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

**OTHER INTERESTS IN THE COMPANY AND THE CONTROLLING SHAREHOLDERS**

As at the Latest Practicable Date:

- (i) save as disclosed in the section headed “H. Changes in Shareholding Structure of the Company” on pages 14 to 17 in the letter from the Board and in the section headed “Disclosure of Interest — Directors” in this Appendix:
  - (a) none of the Controlling Shareholders owned any shareholding (as defined under Note 1 to paragraph 4 of Schedule I of the Takeovers Code), convertible securities, warrants, Options or derivatives in the Company;

- (b) none of the Directors or the directors of each of the Controlling Shareholders (being Rise Grand, Heroic Zone, Chang Yun, High Zenith and Sure Pass) was interested in any shareholding (as defined under Note 1 to paragraph 4 of Schedule I of the Takeovers Code), convertible securities, warrants, Options or derivatives in the Company;
  - (c) no person acting in concert with the Controlling Shareholders was interested in any shareholding (as defined under Note 1 to paragraph 4 of Schedule I of the Takeovers Code), convertible securities, warrants, Options or derivatives in the Company; and
  - (d) none of the Company or the Directors owned any shareholding (as defined under Note 1 to paragraph 4 of Schedule I of the Takeovers Code), convertible securities, warrants, options or derivatives in the Controlling Shareholders;
- (ii) save for the Controlling Shareholders Concert Group Undertakings, no persons had irrevocably committed themselves to accept or reject the Offer;
  - (iii) save as disclosed in the section headed “Disclosure of Interest — Substantial Shareholders”, there were no Shareholders which holds 10% or more of the voting rights of the Company;
  - (iv) none of the Company, the Directors, the Controlling Shareholders and persons acting in concert with any of them had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares, save for any borrowed Shares or any convertible securities, warrants, options or derivatives in respect of any Shares which have been either on-lent or sold;
  - (v) save as disclosed in the section headed “H. Changes in Shareholding Structure of the Company” on pages 14 to 17 in the letter from the Board, none of the subsidiaries of the Company, nor pension funds of the Company or of any of the Company’s subsidiaries, nor any person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code, but excluding exempt principal traders and exempt fund managers, had any interest in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares;
  - (vi) save for the Controlling Shareholders Concert Group Undertakings, no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with any party acting in concert with it (including any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert”) or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of “associate”;

- (vii) save for the Controlling Shareholders Concert Group Undertakings, no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Controlling Shareholders or with any party acting in concert with any of them; and
- (viii) no shareholding in the Company was managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company.

## SHAREHOLDINGS AND DEALINGS IN SECURITIES

Save for a total of 1,942,410 Shares issued due to exercise of Options, the Company had not issued Shares nor bought-back any Shares since 31 December 2020, being the end of the last financial year, and did not/will not conduct any on-market buy-back of Shares from the date of the Announcement up to and including the date at which the Offer closes, lapses or is withdrawn, as the case may be.

As at the Latest Practicable Date, save as disclosed in the section headed “Disclosure of Interests — Directors — Interests in Shares of the Company” in this Appendix, none of the Company or any Director had any shareholdings (as defined under Note 1 to paragraph 4 of Schedule I of the Codes) in the Controlling Shareholders (which are corporate entities), and none of the Company or any Director has dealt for value in the shareholdings in the Controlling Shareholders (which are corporate entities) during the Relevant Period.

During the Relevant Period:

- (i) save as disclosed below in relation to the dealings conducted by relevant members of the BofA Securities Group and the Morgan Stanley Group (other than exempt principal traders and exempt fund managers) who are presumed to be acting in concert with the Company, the Company, the Directors and persons acting in concert with any of them did not deal for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares; and
- (ii) the Controlling Shareholders and persons acting in concert with any of them did not deal for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.

The following are the dealings in the Shares or any convertible securities, warrants, options or derivatives in respect of any Shares of the Company during the Relevant Period conducted by relevant members of the BofA Securities Group and the Morgan Stanley Group (other than exempt principal traders and exempt fund managers) who are presumed to be acting in concert with the Company, but excluding dealings on an agency or non-discretionary basis:

Entity	Trade Date	Purchase/Sale	Type of Securities	Number of Securities	Price
Managed Account Advisors, LLC <sup>(1)</sup>	7 June 2021	Sale	ADS	5	US\$18.926
Managed Account Advisors, LLC <sup>(1)</sup>	7 June 2021	Purchase	ADS	13	US\$18.976
Managed Account Advisors, LLC <sup>(1)</sup>	7 June 2021	Sale	ADS	139	US\$18.936
Managed Account Advisors, LLC <sup>(1)</sup>	7 July 2021	Sale	ADS	20	US\$17.510
Managed Account Advisors, LLC <sup>(1)</sup>	9 July 2021	Sale	ADS	61	US\$17.068
Parametric Portfolio Associates LLC <sup>(2)</sup>	7 June 2021	Sale	ADS	58	US\$18.88
Parametric Portfolio Associates LLC <sup>(2)</sup>	8 June 2021	Purchase	ADS	132	US\$19.08
Parametric Portfolio Associates LLC <sup>(2)</sup>	8 June 2021	Purchase	ADS	58	US\$19.05

*Notes:*

- (1) Managed Account Advisors, LLC is a member of the BofA Securities Group with no exempt status for the purposes of the Codes.
- (2) Parametric Portfolio Associates LLC is a member of the Morgan Stanley Group which had no exempt status for the purposes of the Codes at the relevant time of the dealings disclosed above. On 15 June 2021, Parametric Portfolio Associates LLC obtained the status of exempt fund manager.

As at the Latest Practicable Date, the Company had no agreement, arrangement or understanding to transfer, charge or pledge any of the Shares acquired pursuant to the Offer to any other persons. No Shares will be acquired by the Controlling Shareholders pursuant to the Offer and accordingly the Controlling Shareholders had no such agreement, arrangement or understanding.

As at the Latest Practicable Date and save for the Conditions, there was no agreement or arrangement, to which any of the Company or the Controlling Shareholders is a party, which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer or the Whitewash Waiver.

As at the Latest Practicable Date, apart from the consideration payable by the Company in respect of the Offer, there was no other consideration, compensation or benefit in whatever form paid or to be paid by the Company or any member of the Controlling Shareholders Concert Group to any Shareholder or any party acting in concert with any of them in connection with the Offer.

As at the Latest Practicable Date, there was no understanding, arrangement, agreement which would constitute a special deal (as defined under Rule 25 of the Takeovers Code) between any Shareholder, on the one hand, and (i) the Company, its subsidiaries or associated companies; or (ii) members of the Controlling Shareholders Concert Group, on the other hand.

#### **ARRANGEMENTS AFFECTING DIRECTORS**

No benefit has been or will be given to any Director as compensation for loss of office or otherwise in connection with the Offer.

As at the Latest Practicable Date, there was no agreement or arrangement between any Director and any other person which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer.

Save for the Controlling Shareholders Concert Group Undertakings, as at the Latest Practicable Date, there was no agreement, arrangement or understanding (including any compensation arrangement) that existed between (i) the Company, the Controlling Shareholders or any parties acting in concert with any of them; and (ii) any of the Directors, recent Directors, Shareholders or recent Shareholders having any connection with or dependence upon the Offer.

#### **DIRECTORS' INTERESTS IN CONTRACTS**

As at the Latest Practicable Date, there was no material contract entered into by the Controlling Shareholders or the Company in which any Director had a material personal interest.

#### **DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered into service contracts with any member of the Group or any associated companies of the Company which (i) (including both continuous and fixed term contracts) had been entered into or amended within 6 months before the date of the Announcement; (ii) are continuous contracts with a notice period of 12 months or more; or (iii) are fixed term contracts with more than 12 months to run irrespective of the notice period.

**MATERIAL LITIGATION**

As disclosed in the Inside Information Announcement and the sub-section headed “Statement of Indebtedness and Contingent Liabilities — Contingent liabilities or guarantees” in Appendix II to this Offer Document, Smithfield, a wholly-owned subsidiary of the Company, has been named as one of 16 defendants in a series of the Antitrust Litigations. The purported class cases have been filed by three different class of named plaintiffs: (i) direct purchasers (companies that purchase pork products directly from pork producers), (ii) commercial indirect purchasers (companies such as restaurants and hotels that purchase pork from wholesalers for resale), and (iii) individual indirect purchasers (such as people who purchase pork at grocery stores). In all of these cases, the plaintiffs allege that starting in 2009 and continuing through at least June 2018, the defendant pork producers agreed to reduce the supply of hogs in the United States in order to raise the price of hogs and all pork products. The plaintiffs in all of these cases also challenge the defendant pork producers’ use of benchmarking reports from defendant Agri Stats, Inc., alleging that the reports allowed the pork producers to share proprietary information and monitor each producer’s compliance with the supposed agreement to reduce supply. The direct purchasers seek treble damages, attorneys’ fees, and costs under the federal antitrust laws of the United States and the two groups of indirect purchasers seek treble damages, attorneys’ fees, and costs under various state antitrust and consumer-protection statutes of the United States.

In the fall of 2018, Smithfield joined with the other defendants in filing two joint motions to dismiss and also filed its own individual motion to dismiss. On 8 August 2019, the court granted the defendants’ two joint motions to dismiss and dismissed all plaintiff’s claims in all cases without prejudice. The court granted plaintiffs in all cases permission to file an amended complaint within 90 days. The plaintiffs filed amended complaints. Smithfield again joined with the other defendants in filing two joint motions to dismiss the amended complaints. Additionally, Smithfield filed its own individual motion to dismiss the amended complaints.

On 16 October 2020, the court mostly denied the defendants’ renewed motions to dismiss, except it dismissed all claims against Indiana Packers Corporation, dismissed damages claims arising from certain time periods as barred by the statute of limitations, dismissed certain state law claims in the indirect purchaser suits, and a claim under Puerto Rico law.

In addition to the putative class actions filed in 2018, Smithfield has been named as a defendant in similar antitrust lawsuits brought by a number of individual purchasers and not on behalf of a class. The plaintiffs in the two non-class cases assert the same antitrust claims as the plaintiffs in the putative class actions and filed amended complaints. The Attorney General for the State of New Mexico has filed a similar complaint on behalf of the state, its agencies and its citizens.

Under an agreement dated 29 June 2021, Smithfield has agreed to settle all direct-purchasers class claims for a single payment of US\$83 million. The terms of the settlement are subject to approval from federal court in Minnesota following notice to all class members.

The Group intends to continue to vigorously defend against the remaining class claims on the Antitrust Litigations.

Save as disclosed above, as at the Latest Practicable Date, neither the Company nor any member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against the Company or any member of the Group.

### MATERIAL CONTRACTS

Save for the following subscription agreements entered into between Shuanghui Development (an indirect non-wholly owned subsidiary of the Company) (as issuer) and subscribers below in relation to the non-public issuance of new A shares (the “**New A Shares**”) by Shuanghui Development, no material contracts (not being contracts entered in the ordinary course of the business carried on or intended to be carried on by the Group) had been entered into by members of the Group within the two years before the commencement of the Offer Period up to and including the Latest Practicable Date:

- (a) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and China Life Asset Management Company Limited\* (中國人壽資產管理有限公司) (as subscriber), pursuant to which China Life Asset Management Company Limited agreed to subscribe for and Shuanghui Development agreed to issue 6,230,529 New A Shares at the subscription price of RMB48.15 per New A Share;
- (b) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and China Life Asset Management Company Limited (as subscriber), pursuant to which China Life Asset Management Company Limited agreed to subscribe for and Shuanghui Development agreed to issue 6,230,529 New A Shares at the subscription price of RMB48.15 per New A Share;
- (c) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and Beijing New Power Quality Enterprises Development Fund (Limited Partnership)\* (北京新動力優質企業發展基金) (有限合夥) (as subscriber), pursuant to which Beijing New Power Quality Enterprises Development Fund (Limited Partnership) agreed to subscribe for and Shuanghui Development agreed to issue 4,153,686 New A Shares at the subscription price of RMB48.15 per New A Share;
- (d) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and China Agricultural Reclamation Industry Development Fund (Limited Partnership)\* (中國農墾產業發展基金) (有限合夥) (as subscriber), pursuant to which China Agricultural Reclamation Industry Development Fund

(Limited Partnership) agreed to subscribe for and Shuanghui Development agreed to issue 4,153,686 New A Shares at the subscription price of RMB48.15 per New A Share;

- (e) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and Lord Abbett China Asset Management Co., Ltd.\* (諾德基金管理有限公司) (as subscriber), pursuant to which Lord Abbett China Asset Management Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 5,171,339 New A Shares at the subscription price of RMB48.15 per New A Share;
- (f) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and Taikang Asset Management Company Limited\* (泰康資產管理有限責任公司) (as subscriber), pursuant to which Taikang Asset Management Company Limited agreed to subscribe for and Shuanghui Development agreed to issue 8,494,288 New A Shares at the subscription price of RMB48.15 per New A Share;
- (g) a subscription agreement dated 16 September 2020 entered into by Shuanghui Development and Ningbo Meishan Free Trade Port Zone Junheng Enterprise Management Partnership (Limited Partnership)\* (寧波梅山保稅港區君恒投資合夥企業) (有限合夥) (as subscriber), pursuant to which Ningbo Meishan Free Trade Port Zone Junheng Enterprise Management Partnership (Limited Partnership) agreed to subscribe for and Shuanghui Development agreed to issue 4,153,686 New A Shares at the subscription price of RMB48.15 per New A Share;
- (h) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and China International Capital Corporation Limited (中國國際金融股份有限公司) (as subscriber), pursuant to which China International Capital Corporation Limited agreed to subscribe for and Shuanghui Development agreed to issue 4,153,686 New A Shares at the subscription price of RMB48.15 per New A Share;
- (i) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and Changjiang Pension Insurance Co., Ltd.\* (長江養老保險股份有限公司) (as subscriber), pursuant to which Changjiang Pension Insurance Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 4,153,686 New A Shares at the subscription price of RMB48.15 per New A Share;
- (j) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and Harvest Fund Management Co., Ltd.\* (嘉實基金管理有限公司) (as subscriber), pursuant to which Harvest Fund Management Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 7,538,940 New A Shares at the subscription price of RMB48.15 per New A Share;

- (k) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and Shanghai Jiakai Investment Management Co., Ltd.\* (上海加財投資管理有限公司) (as subscriber), pursuant to which Shanghai Jiakai Investment Management Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 4,153,686 New A Shares at the subscription price of RMB48.15 per New A Share;
- (l) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and Greenland Financial Holdings Group Co., Ltd.\* (綠地金融投資控股集團有限公司) (as subscriber), pursuant to which Greenland Financial Holdings Group Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 4,153,686 New A Shares at the subscription price of RMB48.15 per New A Share;
- (m) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and Aegon-Industrial Fund Management Co., Ltd.\* (興證全球基金管理有限公司) (as subscriber), pursuant to which Aegon-Industrial Fund Management Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 28,328,141 New A Shares at the subscription price of RMB48.15 per New A Share;
- (n) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and Guotai Asset Management Co., Ltd.\* (國泰基金管理有限公司) (as subscriber), pursuant to which Guotai Asset Management Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 6,002,076 New A Shares at the subscription price of RMB48.15 per New A Share;
- (o) a subscription agreement dated 17 September 2020 entered into by Shuanghui Development and GF Fund Management Co., Ltd.\* (廣發基金管理有限公司) (as subscriber), pursuant to which GF Fund Management Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 14,537,902 New A Shares at the subscription price of RMB48.15 per New A Share;
- (p) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and All Fund Management Co., Ltd.\* (大家基金管理有限公司) (as subscriber), pursuant to which All Fund Management Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 1,661,485 New A Shares at the subscription price of RMB48.15 per New A Share;
- (q) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and ABC-CA Fund Management Co., Ltd.\* (農銀匯理基金管理有限公司) (as subscriber), pursuant to which ABC-CA Fund Management Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 4,506,749 New A Shares at the subscription price of RMB48.15 per New A Share;
- (r) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and Bank of China Investment Management Co., Ltd.\* (中銀基金管理有限公司) (as subscriber), pursuant to which Bank of China Investment

Management Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 4,153,686 New A Shares at the subscription price of RMB48.15 per New A Share;

- (s) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and China Huarong Asset Management Co., Ltd.\* (中國華融資產管理有限公司) (as subscriber), pursuant to which China Huarong Asset Management Co., Ltd. agreed to subscribe for and Shuanghui Development agreed to issue 8,307,372 New A Shares at the subscription price of RMB48.15 per New A Share;
- (t) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and China International Capital Corporation Hong Kong Asset Management Limited\* (中國國際金融香港資產管理有限公司) (as subscriber), pursuant to which China International Capital Corporation Hong Kong Asset Management Limited agreed to subscribe for and Shuanghui Development agreed to issue 6,230,529 New A Shares at the subscription price of RMB48.15 per New A Share;
- (u) a subscription agreement dated 17 September 2020 entered into by Shuanghui Development and Penghua Fund Management Limited\* (鵬華基金管理有限公司) (as subscriber), pursuant to which Penghua Fund Management Limited agreed to subscribe for and Shuanghui Development agreed to issue 4,755,970 New A Shares at the subscription price of RMB48.15 per New A Share; and
- (v) a subscription agreement dated 15 September 2020 entered into by Shuanghui Development and Morgan Stanley & Co. International PLC (摩根士丹利國際股份有限公司) (as subscriber), pursuant to which Morgan Stanley & Co. International PLC agreed to subscribe for and Shuanghui Development agreed to issue 4,153,686 New A Shares at the subscription price of RMB48.15 per New A Share.

For details of the non-public issuance of New A Shares by Shuanghui Development, please refer to the announcement of the Company dated 17 May 2020.

## EXPERTS AND CONSENTS

The following are the qualifications of the experts who have been named in this Offer Document or have given opinion or advice contained in this Offer Document:

<b>Name</b>	<b>Qualification</b>
BofA Securities	a corporation licensed under the SFO to carry on type 1 (dealing in securities), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) regulated activities

<b>Name</b>	<b>Qualification</b>
Morgan Stanley	a company incorporated in Hong Kong with limited liability and licensed under the SFO to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities
Anglo Chinese	a corporation licensed under SFO to carry on type 1 (dealing in securities), 4 (advising on securities), 6 (advising on corporate finance) and 9 (asset management) regulated activities
Ernst & Young	certified public accountants and registered public interest entity auditor
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	professional property valuer

As at the Latest Practicable Date, the above experts had given and had not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its letters and opinions (as the case may be) and/or references to its name, opinions, reports and/or letters (as the case may be) in the form and context in which they respectively appear.

#### **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection (i) on the website of the Company ([www.wh-group.com](http://www.wh-group.com)); (ii) on the website of the Securities and Futures Commission ([www.sfc.hk](http://www.sfc.hk)); and (iii) at the principal place of business and corporate headquarters of the Company in Hong Kong at Unit 7602B-7604A, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong during normal business hours from 9:00 a.m. to 5:00 p.m. on any weekday (except public holidays) from the date of this Offer Document for so long as the Offer remains open for acceptance:

- (a) the Articles of Association;
- (b) the annual reports of the Company for the three financial years ended 31 December 2020;
- (c) the consent letters referred to in the paragraph under the heading “Experts and Consents” in this Appendix to this Offer Document;
- (d) the Letter from the Board, the text of which is set out on pages 8 to 23 of this Offer Document;
- (e) the Letter from BofA Securities and Morgan Stanley, the text of which is set out on pages 24 to 34 of this Offer Document;

- (f) the Letter from the Independent Board Committee, the text of which is set out on pages 35 to 36 of this Offer Document;
- (g) the Letter from the Independent Financial Adviser, the text of which is set out on pages 37 to 79 of this Offer Document;
- (h) the report from Ernst & Young on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix III to this Offer Document;
- (i) the property valuation report (including the valuation certificates) from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, the summary of which is set out in Appendix IV to this Offer Document;
- (j) the report from Ernst & Young on the First Quarterly Results Announcement as set out in Appendix VII to this Offer Document;
- (k) the report from Anglo Chinese on the First Quarterly Results Announcement as set out in Appendix VIII to this Offer Document;
- (l) the Controlling Shareholders Concert Group Undertakings; and
- (m) the material contracts as disclosed under the section headed “Material Contracts” in this Appendix.

**MISCELLANEOUS**

- (a) The registered office of the Company is situated at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.
- (b) The principal place of business and corporate headquarters of the Company in Hong Kong is situated at Unit 7602B–7604A, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.
- (c) The principal place of business of BofA Securities is situated at Level 55, Cheung Kong Center, 2 Queen’s Road Central, Central, Hong Kong.
- (d) The principal place of business of Morgan Stanley is situated at 46/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.
- (e) The registered office of the Independent Financial Adviser is at 40th Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong.
- (f) The principal members of the concert group of the (i) Company and (ii) the Controlling Shareholders are:
  - (i) Heroic Zone, whose correspondence address is Unit 7602B, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong;

- (ii) Sure Pass, whose correspondence address is Unit 7602B, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong;
  - (iii) High Zenith, whose correspondence address is Unit 7602B, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong;
  - (iv) Chang Yun, whose correspondence address is Unit 7602B, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong;
  - (v) Mr. Wan Long, whose correspondence address is Unit 7602B, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong;
  - (vi) Mr. Wan Hongwei, whose correspondence address is Unit 7602B, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong;
  - (vii) Mr. Guo Lijun, whose correspondence address is Unit 7602B, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong;
  - (viii) Mr. Ma Xiangjie, whose correspondence address is Unit 7602B, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong; and
  - (ix) Mr. Liu Songtao, whose correspondence address is Unit 7602B, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.
- (g) As at the Latest Practicable Date,
- (i) Heroic Zone was 100% owned by Rise Grand, and 100% of the beneficial interests in Rise Grand were owned by HSP Participants under the Heroic Zone Share Plan, the trustees of which were Messrs. Zhang Liwen, Ma Xiangjie and Liu Songtao. Under the Heroic Zone Share Plan, (1) Xing Tong Limited is a participant holding approximately 24.77% of the participant units and is wholly and beneficially owned by Mr. Wan Long; (2) Mr. Wan Long is a participant holding approximately 20.78% of the participant units; (3) Mr. Guo Lijun a participant holding approximately 1.69% of the participant units; (4) Mr. Ma Xiangjie a participant holding approximately 0.34% of the participant units; (5) Mr. Liu Songtao is a participant holding approximately 0.20% of the participant units; and (6) Mr. Zhang Liwen is a participant holding approximately 0.13% of the participant units;
  - (ii) Sure Pass was wholly and beneficially owned by Mr. Wan Long, an executive Director and Chairman of the Board;
  - (iii) High Zenith was wholly owned by Wan Tong International Holdings Limited, which was in turn wholly and beneficially owned by Mr. Wan Long; and
  - (iv) Chang Yun was 100% owned by Auspicious Joy, and 100% of the beneficial interests in Auspicious Joy were held by CSP Participants under Chang Yun Share Plan, the trustees of which are Messrs. Guo Lijun, Ma Xiangjie and Liu Songtao.

Under the Chang Yun Share Plan, (1) Mr. Wan Long is a participant holding approximately 12.43% of the participant units; (2) Mr. Guo Lijun is a participant holding approximately 14.12% of the participant units; (3) Mr. Ma Xiangjie is a participant holding approximately 9.93% of the participant units; (4) Mr. Liu Songtao is a participant holding approximately 6.89% of the participant units; (5) Mr. Zhang Liwen is a participant holding approximately 0.77% of the participant units;

- (h) The English texts of this Offer Document, the form of proxy for the EGM and the Form of Acceptance shall prevail over their respective Chinese texts.

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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 CONSOLIDATED QUARTERLY RESULTS  
 FOR THE THREE MONTHS ENDED MARCH 31, 2021**

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 three months ended 31 March 2021 (“**3M 2021**” or the “**Period**”). This announcement is made by the Company on a voluntary basis to enhance the practice of good corporate governance and further promote the transparency and accountability of the Company.

**HIGHLIGHTS**

	<b>3M 2021</b>	<b>3M 2020</b>
<b>Key operating data</b>		
Packaged meats sold		
<i>(thousand metric tons)</i>	<b>838</b>	781
Pork sold <i>(thousand metric tons)</i>	<b>1,012</b>	944

	3M 2021		3M 2020	
	Results before biological fair value adjustments <i>US\$ million</i> (unless otherwise stated)	Results after biological fair value adjustments <i>US\$ million</i> (unless otherwise stated)	Results before biological fair value adjustments <i>US\$ million</i> (unless otherwise stated)	Results after biological fair value adjustments <i>US\$ million</i> (unless otherwise stated)
<b>Key financial data</b>				
Revenue	6,610	6,610	6,282	6,282
EBITDA	672	958	711	615
Operating profit	501	501	550	550
Profit attributable to owners of the Company	293	511	353	281
Basic earnings per share ( <i>US cents</i> )	1.99	3.47	2.40	1.91
		<b>As at March 31, 2021 <i>US\$ million</i></b>		<b>As at December 31, 2020 <i>US\$ million</i></b>
Total assets		19,661		18,715
Equity attributable to owners of the Company		10,347		10,005

- Sales volume of packaged meats and pork increased by 7.3% and 7.2%, respectively.
- Revenue increased by 5.2%.
- Operating profit decreased by 8.9%.
- Profit attributable to owners of the Company, before biological fair value adjustments, decreased by 17.0%.

## INDUSTRY OVERVIEW

As the largest pork company in the world, our business is closely tied to the hog industry in each market that we operate. Supply and demand drive the movement in prices of hog and meat and consequently impact our inputs (costs) and outputs (sales). During the Period, the average hog price in the People's Republic of China ("**China**") was RMB31.7 (equivalent to approximately US\$4.9) per kilogram ("**kg**"), a decrease of 12.6% from that of the three months ended 31 March 2020 ("**3M 2020**" or the "**Comparable Period**") as a result of improvement in supply shortage caused by African Swine Fever ("**ASF**"). In the United States of America (the "**U.S.**"), the average hog price and pork cutout value for the Period increased by 32.3% to US\$1.3 per kg and by 28.2% to US\$2.0 per kg, respectively, due to

strong domestic and export demand. In Europe, the average carcass price of the member states of the European Union during the Period was Euro 1.4 (equivalent to approximately US\$1.7) per kg, a decrease of 12.6% as compared to the Comparable Period as exports were limited by the ASF outbreak.

### RESULTS OF OPERATIONS

<b>3M 2021 Revenue</b>	<b>Packaged meats<sup>(1)</sup></b>	<b>Pork<sup>(2)</sup></b>	<b>Others<sup>(3)</sup></b>	<b>Total</b>
		<i>US\$ million</i>		
China	1,092	1,523	231	2,846
U.S.	1,916	1,251	6	3,173
Europe	<u>231</u>	<u>266</u>	<u>94</u>	<u>591</u>
	<u><u>3,239</u></u>	<u><u>3,040</u></u>	<u><u>331</u></u>	<u><u>6,610</u></u>
<b>Operating profit/(loss)</b>				
China	220	50	21	291
U.S.	194	7	(20)	181
Europe	<u>28</u>	<u>5</u>	<u>(4)</u>	<u>29</u>
	<u><u>442</u></u>	<u><u>62</u></u>	<u><u>(3)</u></u>	<u><u>501</u></u>
<b>3M 2020 Revenue</b>				
		<i>US\$ million</i>		
China	939	1,478	110	2,527
U.S.	1,859	1,302	— *	3,161
Europe	<u>233</u>	<u>272</u>	<u>89</u>	<u>594</u>
	<u><u>3,031</u></u>	<u><u>3,052</u></u>	<u><u>199</u></u>	<u><u>6,282</u></u>
<b>Operating profit/(loss)</b>				
China	190	62	18	270
U.S.	156	106	(36)	226
Europe	<u>14</u>	<u>41</u>	<u>(1)</u>	<u>54</u>
	<u><u>360</u></u>	<u><u>209</u></u>	<u><u>(19)</u></u>	<u><u>550</u></u>

\* Less than US\$1 million

Notes:

- (1) Packaged meats represents production, wholesale and retail sales of packaged meat products.
- (2) Pork represents hog farming, slaughtering, wholesale and retail sales of fresh and frozen pork.

(3) Others represents ancillary businesses and includes certain corporate expenses.

### **Packaged Meats**

During the Period, sales volumes of our packaged meats were 838 thousand metric tons, an increase of 7.3% from that of the Comparable Period. In China, the increase of 10.7% in sales volume was driven by the timing of Chinese New Year and certain new product categories such as Chinese-style marinated deli and catering ingredients. In the U.S., sales volume grew by 4.3% notwithstanding the decline in foodservice demand as retail demand was strong and the timing of Easter helped. Sales volume in Europe also increased by 4.0% organically. Revenue of our packaged meats during the Period increased by 6.9% as sales volume increased. Operating profit increased considerably by 22.8%. In China, we benefited from volume expansion and lower raw materials cost, where our operating profit increased by 15.8%. In the U.S., although raw materials cost increased, costs related to the coronavirus disease 2019 (“**COVID-19**”) was lower in the Period. Therefore, our operating profit grew by 24.4%. In Europe, our operating profit doubled year-on-year as sales volume increased, product portfolio improved, and raw materials cost decreased.

### **Pork**

Sales volumes of pork increased by 7.2% to 1,012 thousand metric tons in the Period. In China, sales volume increased by 7.4% to 332 thousand metric tons as slaughtering and import volume grew. In the U.S., sales volume increased by 2.4% to 527 thousand metric tons as demand was strong. In Europe, sales volume increased by 26.7% to 153 thousand metric tons as a result of the acquisition in Poland. Revenue during the Period remained flat as compared to that of the Comparable Period. It was because although total sales volume and pork value in the U.S. went up, pork value in China and Europe decreased while hedging revenue was lower in the Period. Operating profits reduced significantly by 70.3% from US\$209 million to US\$62 million. In China, the decrease of 19.4% was mainly due to lower profitability of inventories sale. In the U.S., the decrease of 93.4% was mainly due to higher raw material costs, including feed grains and market hogs, which increased to a larger degree than meat value. In Europe, the primary reasons for the decline of 87.8% in operating profit were higher cost of feed grains and lower pork value relative to hog cost.

### **OUTLOOK**

The change in operating environment, driven by economic growth, consumers' preference, industry cycle and epidemics, is always impacting our business. In 2021, the risks associated with ASF and COVID-19 will still bring us potential challenges. Therefore, ensuring the safety of our employees and safeguarding the interests of the Company remain our first priority. Meanwhile, we will continue to pursue our strategies in volume expansion, product portfolio improvement and efficiency enhancement. Given pork is a consumer staple, and we have the advantage of vertical integration and geographical diversification, we are enabled to combat challenges and attain sustainable growth.

**REVIEW OF FINANCIAL INFORMATION**

The Group's financial information for the three months ended 31 March 2021 is unaudited, but has been reviewed by the audit committee of the Board.

By order of the Board  
**WH Group Limited**  
**Wan Long**  
*Chairman and Chief Executive Officer*

Hong Kong, 27 April 2021

*As at the date of this announcement, the executive directors of the Company are Mr. WAN Long, Mr. WAN Hongjian, Mr. GUO Lijun, Mr. Dennis Pat Rick ORGAN 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.*

*The following is the text of a report, received from the independent reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, on the unaudited financial information of the Group as set out in this appendix and prepared, for incorporation in this Offer Document:*



## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON UNAUDITED FINANCIAL INFORMATION

### TO THE BOARD OF DIRECTORS OF WH GROUP LIMITED

We have performed our work on the principal accounting policies adopted and the calculations used in the preparation of the unaudited consolidated financial results of WH Group Limited (the “**Company**”) and its subsidiaries (together the “**Group**”) for the three months ended 31 March 2021 (the “**Unaudited Financial Information**”) as set out in the Company’s announcement dated 27 April 2021 on “Unaudited consolidated quarterly results for the three months ended 31 March 2021”. The unaudited profit figures as set out in the Unaudited Financial Information is required to be reported on by us in accordance with Rule 10 of the Code on Takeovers and Mergers.

#### **Directors’ responsibilities**

The directors of the Company are solely responsible for preparing the unaudited profit figures as set out in the Unaudited Financial Information on a basis consistent with the accounting policies adopted by the Group, as set out in the audited consolidated financial statements of the Company for the year ended 31 December 2020. This responsibility includes designing, implementing and maintaining internal controls relevant to the selection and application of appropriate accounting policies and the accurate calculations in the preparation of the unaudited profit figures as set out in the Unaudited Financial Information that is free from material misstatement.

#### **Our independence and quality control**

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* issued by the HKICPA, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Reporting Accountants' responsibilities**

It is our responsibility to draw a conclusion on whether, so far as the accounting policies and calculations are concerned, the unaudited profit figures as set out in the Unaudited Financial Information has been properly compiled on a basis consistent in all material respects, with the accounting policies adopted by the Group, as set out in the audited consolidated financial statements of the Company for the year ended 31 December 2020, based on our reasonable assurance engagement, and to report our conclusion solely to you, as a body, for the purpose of the requirement under paragraph 3 of Rule 10 of the Code on Takeovers and Mergers in Hong Kong and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (“**HKSAE 3000**”) issued by the HKICPA.

Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company's directors have properly compiled the Unaudited Financial Information in accordance with the bases adopted by the directors and as to whether the Unaudited Financial Information is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

### **Opinion**

In our opinion, so far as the accounting policies and calculations are concerned, the unaudited profit figures as set out in the Unaudited Financial Information has been properly compiled in accordance with the basis adopted by the directors and is presented on a basis consistent in all material respects, with the accounting policies normally adopted by the Group, as set out in the audited consolidated financial statements of the Company for the year ended 31 December 2020.

**Ernst & Young**  
*Certified Public Accountants*  
Hong Kong

30 July 2021

*The following is the full text of a report on the profit forecast information received from Anglo Chinese, the Independent Financial Adviser, for the purpose of incorporation into this Offer Document:*

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**ANGLO CHINESE**

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CORPORATE FINANCE, LIMITED

40<sup>th</sup> Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong  
www.anglochinesegroup.com英高  
財務顧問有限公司

30 July 2021

The Board of Directors  
WH Group Limited  
Unit 7602B-7604A  
Level 76, International Commerce Centre  
1 Austin Road West  
Kowloon  
Hong Kong

Dear Sirs,

**(1) CONDITIONAL VOLUNTARY CASH OFFER  
BY MERRILL LYNCH (ASIA PACIFIC) LIMITED AND  
MORGAN STANLEY ASIA LIMITED ON BEHALF  
OF THE COMPANY TO BUY-BACK UP TO 1,916,937,202 SHARES  
AT A PRICE OF HK\$7.80 PER SHARE;  
AND  
(2) APPLICATION FOR WHITEWASH WAIVER**

We refer to the announcement dated 27 April 2021 (the “**First Quarterly Results Announcement**”) issued by WH Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) in relation to the unaudited consolidated quarterly results of the Group for the three months ended 31 March 2021, the full text of which is set out in Appendix VI to the offer document dated 30 July 2021 (the “**Offer Document**”) issued by the Company. The terms used in this letter shall have the same meaning as those defined in the Offer Document of which this letter forms part, unless the context requires otherwise.

The unaudited profit figures contained in the First Quarterly Results Announcement (the “**Profit Forecast Information**”), which comprised the operating profit and the profit attributable to owners of the Company for the three months ended 31 March 2021 together with the comparative figures for the corresponding period of 2020, constitute profit forecast under Rule 10 of the Takeovers Code and is therefore required to be reported on pursuant to Rule 10 of the Takeovers Code.

We have discussed with the Company the basis upon which the Profit Forecast Information was prepared. The Company's auditors, Ernst & Young, conducted the engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500 Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness ("HKSIR 500") and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("HKSAE 3000") issued by the Hong Kong Institute of Certified Public Accountants. We have also considered the letter dated 30 July 2021 issued by the Company's auditors, Ernst & Young to you (the text of which is set out in Appendix VII to the Offer Document) and which stated that so far as the accounting policies and calculations are concerned, the Profit Forecast Information has been properly compiled in accordance with the basis adopted by the Directors and is presented on a basis consistent in all material respects, with the accounting policies normally adopted by the Group as set out in the audited consolidated financial statements of the Company for the year ended 31 December 2020.

Based on the above, we are satisfied that the Profit Forecast Information, for which the Directors are solely responsible, has been prepared by the Directors with due care and consideration.

Yours faithfully,  
For and on behalf of  
**Anglo Chinese Corporate Finance, Limited**

**Stephen Clark**  
*Managing Director*

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## NOTICE OF EGM

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*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, 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 notice.*



### WH Group Limited 萬洲國際有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 288)**

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “**EGM**”) of WH Group Limited (the “**Company**”) will be held at Jade Room I&II, Level 3, The Ritz-Carlton, Hong Kong, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong on Monday, 16 August 2021 at 10:30 a.m. (or any adjournment thereof) for the purpose of considering and, if thought fit, passing with or without amendments, the following as ordinary resolutions of the Company, respectively:

#### ORDINARY RESOLUTIONS

1. **“THAT**, the conditional voluntary cash offer (the “**Offer**”) by Merrill Lynch (Asia Pacific) Limited and Morgan Stanley Asia Limited on behalf of the Company to buy-back up to 1,916,937,202 ordinary shares with nominal value of US\$0.0001 each in the share capital of the Company (the “**Share(s)**”) at a price of HK\$7.80 per Share and subject to the terms and conditions as set out in the offer document despatched on 30 July 2021 together with the accompanying acceptance form (copies of which marked “A” have been produced to the EGM and initialed by the chairman of the EGM for the purpose of identification) be approved, without prejudice and in addition to the existing authority of the Company under the general mandate to buy-back Shares granted at the annual general meeting of the Company held on 1 June 2021, and that the director(s) of the Company be authorised to execute all such documents (and, where necessary, to affix the seal of the Company thereon in accordance with the amended and restated memorandum and articles of association of the Company (the “**Articles of Association**”) and do all such acts as such director(s) consider desirable, necessary or expedient to give effect to or otherwise in connection with the Offer, including, without limitation, completion of the buy-back of Shares pursuant to the Offer.”

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## NOTICE OF EGM

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2. “**THAT**, the waiver (the “**Whitewash Waiver**”) in respect of any obligation under the Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong (the “**Codes**”) of controlling shareholders of the Company, being Rise Grand Group Limited, Heroic Zone Investments Limited, Chang Yun Holdings Limited, High Zenith Limited and Sure Pass Holdings Limited, to make a mandatory general offer for all the Shares and other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) not already owned by them and parties acting in concert (as defined under the Codes) with any of them, which may, but for the Whitewash Waiver, arise upon completion of the Offer be hereby approved, and that the director(s) of the Company be authorised to execute all such documents (and, where necessary, to affix the seal of the Company thereon in accordance with the Articles of Association) and do all such acts as such director(s) consider desirable, necessary or expedient to give effect to or otherwise in connection with the Whitewash Waiver.”

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

Hong Kong, 30 July 2021

### Notes:

1. Any shareholder of the Company entitled to attend and vote at the EGM entitled to appoint a proxy to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her to attend and vote on his/her behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited (“**Computershare**”) at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the EGM (i.e. before 10:30 a.m. on Saturday, 14 August 2021) or any adjournment thereof. Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the EGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

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## NOTICE OF EGM

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4. Where there are joint holders of any share, any one of such joint holders may vote at the EGM, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the EGM personally or by proxy, then the one of such joint holders so present whose name stands first on the register of members of the Company shall, in respect of such share, be entitled alone to vote in respect thereof.
5. The resolutions at the EGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.wh-group.com](http://www.wh-group.com)) in accordance with the Listing Rules.
6. For the purpose of ascertaining the shareholders’ entitlement to attend and vote at the EGM or any adjournment or postponement thereof (as the case may be), the register of members of the Company will be closed from Wednesday, 11 August 2021 to Monday, 16 August 2021, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM or any adjournment or postponement thereof (as the case may be), all transfers of shares of the Company accompanied by the relevant share certificates and properly completed transfer forms must be lodged for registration with Computershare at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 10 August 2021.
7. If a black rainstorm warning signal or a tropical cyclone warning signal no. 8 or above is in force in Hong Kong 2 hours before the scheduled time of the EGM, the EGM will be adjourned. The Company will post an announcement on the Company’s website and the Stock Exchange’s website to notify Shareholders of the date, time and place of the adjourned meeting. The meeting will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather conditions bearing in mind their own situations.
8. In order to facilitate the prevention and control of the spread of Coronavirus Disease 2019 (COVID-19) at the EGM, the Shareholders are strongly encouraged to appoint the chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM, instead of attending the EGM in person, by completing and return the form of proxy attached to the Offer Document.
9. The Company will implement precautionary measures (as further set out in the offer document of the Company dated 30 July 2021) at the EGM in compliance with the laws and regulations in Hong Kong in relation to the prevention of COVID-19. Subject to the development of COVID-19 and to the extent permitted under law, the Company may implement further changes and precautionary measures at the EGM.

*As at the date of this notice, the executive Directors are Mr. WAN Long, Mr. GUO Lijun and Mr. MA Xiangjie; the non-executive Director is Mr. JIAO Shuge; and the independent non-executive Directors are Mr. HUANG Ming, Mr. LEE Conway Kong Wai and Mr. LAU, Jin Tin Don.*