



Investor Relations | Smithfield Foods USA, Global Food Company

WH Group's Smithfield Establishes Strategic Partnership with JD.com for Singles Day Fresh Food Sale

NEW YORK, Oct. 24, 2017 (GLOBE NEWSWIRE) -- WH Group Limited, the world's largest pork company, is pleased to announce that its wholly-owned subsidiary Smithfield Foods, Inc., the renowned U.S. pork processor, has jointly launched a Tripartite Strategic Partnership Agreement with JD.com, China's largest retailer, and Henan Shuanghui Investment and Development Co., Ltd. According to the agreement, which was announced at an event in New York, the fresh food division of JD.com, JD Fresh, will become the exclusive online sales platform for Smithfield's pork products in China. In addition, the parties will sell more than ten kinds of exclusive products on JD.com, and further cooperate on big data, cold chain logistics and foods traceability.

Mr. Kenneth Sullivan, President and Chief Executive Officer of Smithfield, said at the ceremony: "Through this partnership, Smithfield Foods will take yet another step in developing its e-commerce business and expand its presence in China, as we meet consumers where they shop. Smithfield has a strong food safety platform and we take this even further to deliver products consumers enjoy and feel good about sharing with their families. We are proud to bring this longstanding reputation and sense of responsibility to our partnership with JD.com."

Shuanghui Development is the exclusive domestic agent of Smithfield. Mr. Ma Xiangjie, Vice President of Shuanghui Development, said: "Shuanghui Development will capitalize on its national presence of industrial facilities and knowledge of domestic and foreign consuming habits, to introduce more and more Smithfield and Shuanghui products for family meals, meeting the personalized and convenient needs of the end-user towards imported products."

Richard Liu, JD.com chairman and chief executive officer, said, "Ensuring the quality, safety and reliability of everything we sell is part of JD's overall commitment to our customers. When it comes to food, and particularly a major staple of Chinese households like pork, this is even more critical. That's why we are pleased to be working with Smithfield, a trusted and respected partner with a long history in the industry, to offer easy access to high-quality choices for even more families around the country."

Smithfield's pork products have long been known for their high quality. The products sold exclusively on JD will include bone-in cuts and variety meats, with a focus on small-packaged frozen products. These are all products which Smithfield specializes in, and includes the types of products in highest demand in China.

JD Fresh is the largest direct sales fresh food platform in China. In the first half of 2017, gross merchandise volume (GMV) for meats from direct sales of meats on JD increased more than 780 percent year-over-year. It is now the largest online pork retail platform in China.

Launching these new products is just the first step in the partnership. According to the agreement, JD will leverage its big data insights to help Smithfield in areas including data analysis and categorization of on-shelf goods and to carry out precisely targeted marketing campaigns based on in-depth study of consumers' shopping behaviors.

In order to ensure product quality and safety, JD and Smithfield will work on seamless cooperation in cold chain logistics. In the U.S., whether it is land or marine transportation, Smithfield can monitor in real time the temperature inside the cargo hold of a truck and inside a container. When the products are imported to China, there are two sets of cold chain distribution systems, from both JD.com and Shuanghui, to help ensure quality and freshness.

Smithfield is a world leader in product traceability throughout animals' lifetimes — from raising live animals to the sale of the final products. JD.com has also been actively implementing block chain tracing technology in recent years. It set up the "JD Tracing and Anti-Counterfeit Alliance" earlier this year which has been successfully applied to beef, chicken, seafood and other animal products. The cooperation between the two sides in the cold chain and traceability can ensure the cold chain system in place will protect the quality of every piece of pork cut transported from the U.S. to China. Its "identity information" is open, transparent and

searchable.

The partnership is another example of the synergy between WH Group and Smithfield after the acquisition in 2013. The fast and direct delivery of high-quality products to Chinese consumers illustrates how the company is capitalizing on its global industrial resources deployment. The cooperation enables high-quality imported pork products to go directly to the dining tables of Chinese consumers, fills gaps in the domestic market of fresh imported pork products, and brings traceable, safe and quality products to consumers. With completed and efficient cold chain logistics, and self-operated after-sales service, it maximizes consumers' online shopping experience.

About WH Group Limited (HKEx stock code: 288)

WH Group Limited is the largest pork company in the world with the top market share in China, the U.S. and some markets in Europe. It owns many well-recognized and trusted brands and stands above the rest with global market leadership in all key segments of the pork value chain, including packaged meats, fresh pork and hog production. The Group conducts its operations through Henan Shuanghui Investment & Development Co., Ltd., the largest animal protein company in Asia, and Smithfield Foods, the largest pork company in the U.S. For more information, visit www.wh-group.com.

About Smithfield Foods

Smithfield Foods, a wholly owned subsidiary of WH Group Limited, is a global food company and the world's largest pork processor and hog producer. In the United States, the company is also the leader in numerous packaged meats categories with popular brands including Smithfield®, Eckrich®, Farmland®, Armour®, Cook's®, John Morrell®, Gwaltney®, Nathan's Famous®, Kretschmar®, Margherita®, Curly's®, Carando® and Healthy Ones®. Smithfield Foods is committed to providing good food in a responsible way and maintains robust animal care, community involvement, employee safety, environmental and food safety and quality programs. For more information, visit www.smithfieldfoods.com and www.smithfieldfoods.com/responsible-operations.

About Henan Shuanghui Investment & Development Co., Ltd.

Founded in 1998, Henan Shuanghui Investment & Development Co., Ltd. is the largest animal protein company in Asia. Shuanghui Development is committed to providing customers with quality food products, which mainly include chilled fresh pork and packaged meat products such as high temperature and low temperature meat products. It represents the leading brand in packaged meat and fresh pork products in China. Shuanghui Development was listed on the Shenzhen Stock Exchange on December 10, 1998, stock code: 000895. For more information, please visit: www.shuanghui.net.

About JD.com

JD.com is both the largest e-commerce company in China and the country's largest retailer by revenue. The company strives to offer consumers the best online shopping experience. Through its user-friendly website, native mobile apps, and WeChat and Mobile QQ entry points, JD offers consumers a superior shopping experience. The company has the largest fulfillment infrastructure of any e-commerce company in China. As of June 30, 2017, JD.com operated 7 fulfillment centers and 335 warehouses covering 2,691 counties and districts across China, staffed by its own employees. JD.com is a member of the NASDAQ100 and a Fortune Global 500 company.

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