



SHINECO

Shineco, Inc. Explores Medical Aesthetic Industry by Entering into MOU with Dragon Pride Limited

October 26, 2021

BEIJING, Oct. 26, 2021 (GLOBE NEWSWIRE) -- Shineco, Inc. ("Shineco" or the "Company"; NASDAQ: SIS), a producer and distributor of Chinese herbal medicines, organic agricultural and other biotech products, announced that it entered into a Memorandum of Understanding ("MOU") with Dr. Angus Hui, the founder and sole shareholder of Dragon Pride Limited ("Dragon Pride"), a renowned medical aesthetic service provider in Hong Kong, pursuant to which the Company has an exclusive right during a period of 90 days to negotiate the terms of a definitive agreement to acquire either 100% of the equity interest of Dragon Pride or not less than 50% of the equity interest of the Medical Aesthetic Center, subject to a definitive agreement.

Dragon Pride was founded by Dr. Angus Hui in 2008. Dr. Angus Hui also runs other health brands, such as WAYOUNG, CONCENTRIC and Drd together known as "Angus Beauty Concept". Dragon Pride provides customers with a broad range of medical aesthetic services to meet their different aesthetic and anti-aging needs. Its medical aesthetic services include: aesthetic surgery services including aesthetic surgical on the face or various parts of body, minimally-invasive aesthetic services, aesthetic injection and aesthetic dermatology services.

Ms. Jennifer Zhan, CEO of Shineco, commented, "We are pleased to pursue this potential acquisition, which may expand the Company's business scope if it is completed. According to International Society of Aesthetic Plastic Surgery and ChinaRN, China has become one of the fastest-growing medical aesthetic service markets in the world, with an annual compound growth rate of more than 20%. In 2020, the market size of China's medical aesthetic industry will exceed \$39 billion, and it is expected to reach \$75.2 billion in 2022."

Ms. Zhan continued, "In addition to founding Dragon Pride, Dr. Angus Hui has rich experience in the operation and management of medical aesthetic centers. If the acquisition is closed, with the expertise and leadership of Dr. Angus Hui, we believe Shineco will be better positioned to accomplish the goal of opening more than 10 medical aesthetic centers in China in the next three years, which we believe will generate annual net profit of no less than RMB100 million for the Company."

Dr. Angus Hui, Chairman of Dragon Pride said, "Dragon Pride's Angus Beauty Concept is located in Causeway Bay, Hong Kong, covering an area of 4,000 square feet. We have a team of medical professionals, consisting of doctors, nurses, therapists and beauticians. After the doctors' examination and evaluation on the constitution and skin types of customers, we will personalize the beauty treatments for customers to meet their unique needs. The cooperation with Shineco may create significant synergies and strengthen our capabilities in expansion. Our goal is to be a world-class medical beauty services company."

About Shineco, Inc.

Incorporated in Delaware in August 1997 and headquartered in Beijing, China, Shineco is a holding company. Utilizing modern engineering technologies and biotechnologies, Shineco produces, among other products, Chinese herbal medicines, organic agricultural produce, and specialized textiles. For more information about Shineco, please visit <http://tianyiluobuma.com>.

Forward-Looking Statements

This press release contains information about Shineco's view of its future expectations, plans and prospects that constitute forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements. Actual results may differ materially from historical results or those indicated by these forward-looking statements as a result of a variety of factors including, but not limited to, risks and uncertainties associated with its ability to raise additional funding, its ability to maintain and grow its business, variability of operating results, its ability to maintain and enhance its brand, its development and introduction of new products and services, the successful integration of acquired companies, technologies and assets into its portfolio of products and services, marketing and other business development initiatives, competition in the industry, general government regulation, economic conditions, the impact of the COVID-19 pandemic, dependence on key personnel, the ability to attract, hire and retain personnel who possess the technical skills and experience necessary to meet the requirements of its clients, and its ability to protect its intellectual property. Shineco encourages you to review other factors that may affect its future results in its registration statement and in its other filings

with the Securities and Exchange Commission. The forward-looking statements in this press release are based on current expectations and Shineco assumes no obligation to update these forward-looking statements.

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