



SHINECO

Shineco, Inc. Proposes to Acquire 51% Equity Interests in Mayah Biological Holdings Limited

May 4, 2021

BEIJING, May 04, 2021 (GLOBE NEWSWIRE) -- Shineco, Inc. ("Shineco" or the "Company"; NASDAQ: TYHT), a producer and distributor of Chinese herbal medicines, organic agricultural and hemp products, today announced the Company and Mayah Biological Holdings Limited ("Mayah Biological"), a British Virgin Islands Company headquartered in Taiwan Biomedical Park, had signed a Proposal for Purchase of Equity Interest of Mayah Biological Holding Limited (the "Proposal"), with respect to the potential purchase of at least 51% equity interests in Mayah Biological by the Company.

The parties to the Proposal agreed to sign a definitive agreement after going through the due diligence progress by both parties. There is no guarantee, however, that the parties to the Proposal will enter into a definitive agreement. If a definitive agreement is not entered into for any reason, none of the parties to the Proposal will have any liability to any other party based on anything related to the non-binding terms of the Proposal.

Mayah Biological is a biotechnology company, which focuses on the development of chemical and biomedicine in the pre-clinical and clinical stages. Mayah Biological is committed to developing new biological targets of small molecule and protein medicines for the treatment of tumors, diabetes, and drug abuse.

Mayah Biological has a strong scientific research team which consists of professors in the field of medicine research and development ("R&D") from prestigious universities in the United States, such as professors of the Department of Molecular and Medical Pharmacology at the University of California, Los Angeles School of Medicine, professors of the Department of Molecular and Cellular Biochemistry at the University of Kentucky Cancer Center, and professors of the Department of Pharmaceutical Sciences at University of Kentucky School of Pharmacy. Each member of the scientific research team has over 30 years of working experience in biotechnology and pharmacy with many scientific research accomplishments.

Mayah Biological currently plans to build over 10 medicine pipelines, covering medicine R&D in the fields of tumor, diabetes and antidote. One drug has completed clinical trial phase 2, one cancer drug is ready for clinical trial phase 2, and three other cancer drugs have completed preclinical preparations to enter clinical trial phase 1. Many drugs in the pipeline are first-in-class drugs, with no similar products in the market. Mayah Biological takes advantages of the combination of years of medicine R&D experience of the scientific research team and AI medicine R&D technology, and is also engaged in the R&D of new me-better medicine with known targets.

By using AI medicine R&D technology and utilizing its scientific research team's strengths in basic research, medicine design, chemical synthesis, activity testing, animal models, and pathology, Mayah Biological believes it will be able to save about 3-5 years in drug development as compared with traditional medicine R&D companies, decrease the uncertainty of medicine R&D, improve the success rate of medicine R&D, greatly reduce the costs and risks of R&D research, and realize its interest to the most extent.

Mayah Biological is currently introducing medicine pipelines and carrying out follow-up R&D of some pipelines under clinical trials. Mayah Biological believes that its medicines will have broad market prospects and sustainable profitability. For example, Mayah Biological is currently developing proteasome inhibitors and new tumor inhibitors and analgesics: it is estimated that from 2024 to 2031, the total annual sales revenue of proteasome inhibitors for the treatment of prostate cancer will be US\$14.611 billion per year, the total sales revenue for the treatment of multiple myeloma will be US\$2.081 billion per year, and the total annual sales revenue of new tumor inhibitors and analgesics will be US\$3.247 billion per year.

About Shineco, Inc.

Incorporated in Delaware in August 1997 and headquartered in Beijing, China, Shineco is a holding company. Through its subsidiaries and variable interest entities, Shineco undertakes vertically- and horizontally-integrated production, distribution, and sales channels to provide health and well-being focused plant-based products in China. 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, including the risks described under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in its annual report on Form 10-K for the fiscal year ended June 30, 2020. 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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