



SHINECO

Shineco, Inc. Enters into Strategic Cooperation Agreement with Wuchang Municipal Government of Heilongjiang Province

December 23, 2019

BEIJING, Dec. 23, 2019 (GLOBE NEWSWIRE) -- Shineco, Inc. ("Shineco" or the "Company"; NASDAQ: TYHT), a producer and distributor of Chinese herbal medicines, organic agricultural produce, hemp products, and various health and well-being focused plant-based products in China, announced today the Company, through its wholly owned subsidiary Beijing Tenjove NewHemp Biotech Co., Ltd. ("TNB"), has entered into a strategic cooperation agreement (the "Agreement") with Wuchang Municipal Government of Heilongjiang Province (the "Government") on December 18, 2019.

As previously disclosed in a release on December 16, 2019, Mr. Yuying Zhang, Chairman and Chief Executive Officer of Shineco, has reached a consensus on cooperation with Vice Mayor Zhang Jianchun of the Government regarding Shineco's industrial hemp development plan in Heilongjiang Province (the "Plan").

Pursuant to the Agreement, the Government agrees to actively promote the execution of the Plan, coordinate relevant departments to communicate on bilateral cooperation, and provide related services and convenience. The Government also agrees to create a good policy environment for Shineco's development in Wuchang City through providing tailored high-quality services, all-around support in terms of publicity and promotion, and national and local preferential policies. As part of the Agreement, the Company agrees to target Wuchang City as a key development area and formulate a cooperative development plan based on relevant local industrial advantages, industrial development needs and the Company's own strategic development plan.

Mr. Yuying Zhang, Chairman and Chief Executive Officer of Shineco, commented, "We highly value the strategic cooperation with the Government to establish Wuchang Industry Hemp Park (the "Park"). This is another important part of Shineco's development plan after our industrial hemp project in Shanxi landed. The Park focuses on the research and development of a CBD biotechnology product series based on comprehensive utilization and realizing the comprehensive utilization extraction of industrial hemp and the development plan for CBD biological manufacturing. As early as March of this year, the Company began to develop the Park in Heilongjiang Province. First, we entered into a strategic cooperation with the Institute of Hemp Research of the Chinese Academy of Agricultural Sciences and completed the regional planting trial of "Xinma No. 1" in Heilongjiang Province. "Xinma No. 1" is the first high quality industrial hemp seed in China which has obtained a seed license with a CBD content of more than 2%. Second, the company co-developed with Harbin Institute of Technology and Jiangsu Hagong Pharmaceutical Machinery Technology Co., Ltd. China's first artificial intelligence industrial hemp CBD extraction production line in April this year, which is expected to be put into production in the first quarter of next year. According to the Plan, 50,000 acres of "Xinma No. 1" will be planted within three years, and facilities for products such as CBD extraction, hemp oil, hemp protein powder, hemp oligopeptide, hemp fiber, and environmentally friendly building materials will be established correspondingly. After the completion of the construction of the Park, the output value is expected to reach RMB5.5 billion."

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. 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, 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 Shineco's registration statement and in its other filings with the Securities and Exchange Commission.

For more information, please contact:

Tina Xiao Ascent Investor Relations LLC Phone: +1-917-609-0333 Email: tina.xiao@ascent-ir.com



Shineco, Inc.