

Shineco expands to capture cannabis market

19 March 2019 | News

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Shineco, a producer and distributor of Chinese herbal medicines, organic agricultural produce, specialized textiles, and other health and well-being focused plant-based products in China, announced that the Company has established a wholly owned subsidiary, Beijing Tenjove Newhemp Biotechnology Co., Ltd. to capture growth in the industrial cannabis market.

The Company has formulated a strategic development plan (the "Plan") based on 20 years' successful experience in the Apocynum (a type of hemp) industry. The Company expects to implement this Plan to expand in the industrial cannabis market including planting, CBD processing, CBD derivatives development and the comprehensive utilization of industrial hemp.

CBD, a naturally occurring compound within the cannabis plant, has been used to study the treatment of epilepsy, depression and other psychiatric diseases, and the inhibition of cancer cell growth and the prevention and treatment of AIDS. Presently, its medicinal value is gaining recognition, and its scope of application is very broad, indicative of the Company's future development prospects.

Mr. Yuying Zhang, Chairman and Chief Executive Officer of Shineco, commented, "We believe that the new business line of industrial cannabis will likely enrich and draw on the Company's longtime experience in the comprehensive utilization of hemp plants and position the Company to become one of the world's leading experts in the industrialization of hemp-based plants. We expect our plan to create greater value and return to our shareholders and investors."