



23F, China Development Bank Tower
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Xi'an, Shaanxi, China 710075

SkyPeople to Establish Agricultural Commodity Trading Center

XI'AN, China, March 23, 2017 /PRNewswire/ -- SkyPeople Fruit Juice, Inc. (NASDAQ: SPU) ("SkyPeople" or "the Company"), a producer of fruit juice concentrates, fruit juice beverages and other fruit-related products, today announced that on March 20, 2017, its wholly owned subsidiaries, Hedetang Foods (China) Co. Ltd. ("Hedetang China") and Hedetang Farm Products Trading Market (Mei County) Co. Ltd., ("Hedetang Farm") entered into an agreement with Xi'an Taizhan Financial Management Co., Ltd. ("Taizhan") to jointly establish a new company currently named China Agricultural Commodity Trading Market Co., Ltd. (the "China Agricultural Commodity Trading Center") in Mei County, Shaanxi Province, China. The trading center's name is to be approved by China's National General Administration for Industry and Commerce.

"We estimate that the China Agricultural Commodity Trading Center could generate commodities trading volume of RMB 100 billion and revenue of RMB 100 million over the next three years," commented Hongke Xue, Chief Executive Officer of SkyPeople. "Instead of a traditional trading model for agricultural products, our trading center will utilize an e-commerce business model which we envision will draw major commercial traffic and market share to the platform."

"To further enhance our new trading platform, we are also launching standardized financial contracts, long-term commodity trading services and commodity options that we believe will broaden the trading center's platform while generating additional revenue. We also plan upon developing close relationships with banks who would offer financing services to meet our customers' needs. Our recent announcement of our entry into the FinTech space is meant to augment this traditional access to capital."

"Our goal is to build a regional agricultural products trading market and to become a leader in agricultural finance technology. We are excited as to the potential of this new business and view the establishment of this innovative trading center as an important milestone for SkyPeople," Mr. Xue concluded.

Pursuant to the agreement, the total registered capital for the China Agricultural Commodity Trading Center will be RMB 50 million (approximately \$7.35 million). Hedetang China has agreed to contribute RMB 17.50 million (approximately \$2.57 million), Hedetang Farm has



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agreed to contribute RMB 15 million (approximately \$2.21 million) and Taizhan has agreed to contribute RMB 17.50 million (approximately \$2.57 million) to the China Agricultural Commodity Trading Center. The agreement stipulates that each shareholder will split both the profits and the losses of the new entity on a pro rata basis.

The business scope of the China Agricultural Commodity Trading Market will include market management of pan-resource commodity contract transactions and transaction capital settlements; commodity transaction market management services; relevant consultation services of the above-mentioned businesses; RMB settlement services for commodity cross-border transactions; and, supervision services for logistics storage. Once established, the China Agricultural Commodity Trading Center will become an innovative platform that promotes agricultural e-commerce trading, industrial integration and modernization, and financial innovation.

It is planned that the China Agricultural Commodity Trading Center will focus on the trading of agricultural products and will expand its capabilities to include financial derivatives based on market trends and investors' needs. The China Agricultural Commodity Trading Center will be designed to rely on advanced financial and trading technology to standardize the prices of agricultural products and will offer an open, fair and market-based pricing mechanism. It is also planned that trading center will offer a call auction market and tradeable derivatives to meet customers' investing and financing needs.

The Company intends to position the China Agricultural Commodity Trading Center as (1) a big data and analytics service provider; (2) a platform utilizing technology to boost efficiency and productivity; (3) a platform leveraging technology to provide a unique and efficient shopping experience; (4) a fully-integrated solution that benefits each party in the supply chain and boosts customer sales; (5) a sophisticated financial management system that enables efficient access for large enterprises as well as small agriculture businesses to access capital to meet ongoing growth needs; and, (6) a technology platform that solves three key issues for agricultural businesses: improving revenue, reducing risk, and enabling the successful closing out or exiting of a transaction.

About SkyPeople Fruit Juice, Inc.

SkyPeople Fruit Juice, Inc., a Florida company, through its wholly-owned subsidiary Pacific Industry Holding Group Co., Ltd. ("Pacific"), a Vanuatu company, and SkyPeople Juice International Holding (HK) Ltd., a company organized under the laws of Hong Kong Special



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Administrative Region of the People's Republic of China and a wholly owned subsidiary of Pacific, holds 73.42% ownership interest in SkyPeople Juice Group Co., Ltd. ("SkyPeople (China)") and 100% ownership interest in SkyPeople Foods (China) Co., Ltd. ("SkyPeople Foods China"). SkyPeople (China) and ("SkyPeople Foods China"), together with their operating subsidiaries in China, are engaged in the production and sales of fruit juice concentrates, fruit beverages, and other fruit related products in the PRC and overseas markets. The Company's fruit juice concentrates are sold to domestic customers and exported directly or via distributors. Fruit juice concentrates are used as a basic ingredient component in the food industry. Its brands, "Hedetang" and "SkyPeople," which are registered trademarks in the PRC, are positioned as high quality, healthy and nutritious end-use juice beverages. For more information, please visit <http://www.skypeoplefruitjuice.com>.

Safe Harbor Statement

Certain of the statements made in this press release are "forward-looking statements" within the meaning and protections of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions, and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance, capital, ownership or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be forward-looking statements. You can identify these forward-looking statements through our use of words such as "may," "will," "anticipate," "assume," "should," "indicate," "would," "believe," "contemplate," "expect," "estimate," "continue," "plan," "point to," "project," "could," "intend," "target" and other similar words and expressions of the future.

All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by this cautionary notice, including, without limitation, those risks and uncertainties described in our annual report on Form 10-K for the year ended December 31, 2015 and otherwise in our SEC reports and filings, including the final prospectus for our offering. Such reports are available upon request from the Company, or from the Securities and Exchange Commission, including through the SEC's Internet website at <http://www.sec.gov>. We have no obligation and do not undertake to update, revise or correct any of the forward-looking statements after the date hereof, or after the respective



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dates on which any such statements otherwise are made.

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