

**Future FinTech Announces Entry into VIE Agreements for the Expansion of its E-commerce Business Scope in China**

XI'AN, China, Aug. 6, 2019 /PRNewswire/ -- Future FinTech Group Inc. (FTFT)("Future FinTech", "FTFT" or "the Company"), a financial technology company and integrated producer of fruit-related products, today announced that on July 31, 2019, Chain Cloud Mall Network and Technology (Tianjin) Co., Ltd., (the "CCM Tianjin"), a wholly-owned subsidiary of the Company, Chain Cloud Mall E-commerce (Tianjin) Co., Ltd., a limited liability company incorporated under the laws of the China (the "E-commerce Tianjin"), Mr. Zeyao Xue and Mr. Kai Xu, citizens of China and shareholders of E-commerce Tianjin, entered into the following agreements, or collectively, the "Variable Interest Entity Agreements or VIE Agreements," pursuant to which CCM Tianjin has contractual rights to control and operate the business of E-commerce Tianjin (the "VIE").

Pursuant to Chinese law and regulations, a foreign-owned enterprise cannot apply for and hold a license for operation of certain e-commerce businesses, the category of business which the Company plans to expand in China. CCM Tianjin is an indirectly wholly foreign-owned enterprise of the Company. In order to comply with the Chinese law and regulations, CCM Tianjin agreed to provide E-commerce Tianjin Exclusive Operation and Use Rights Authorization to operate and use the Chain Cloud Mall System owned by CCM Tianjin. E-commerce Tianjin was incorporated by Mr. Zeyao Xue and Mr. Kai Xu solely for the purpose to hold the operation license of the Chain Cloud Mall System. Mr. Zeyao Xue is a major shareholder of the Company and son of Mr. Yongke Xue, our Chairman and Chief Executive Officer. Mr. Kai Xu is the Chief Operating Officer of the Company.

As a result of the above contractual arrangements, CCM Tianjin has substantial control over E-commerce Tianjin's daily operations and financial affairs, election of its senior executives and all matters requiring shareholder approval. Furthermore, as the primary beneficiary of E-commerce Tianjin, the Company, via CCM Tianjin, is entitled to consolidate the financial results of E-commerce Tianjin in its own consolidated financial statements.

"Setting up the VIE structure is a key step of our Chain Cloud Mall development plan. As CCM continues to grow, we are looking to expand operations to telecom value-added services and online culture products business in China, which requires licenses such as Internet Content Provider (ICP) and Permit for Cyber Culture Business Operations. As such licenses will be granted to foreign owned companies, setting up the VIE structure allows us to gain access to the target market," said Mr. Yongke Xue, Chief Executive Officer and Chairman of Future Fintech.

### **About Future FinTech Group Inc.**

Future FinTech Group Inc. ("Future FinTech", "FTFT" or the "Company") is incorporated in Florida and engages in fruit juice and financial technology businesses. The Company engages in the research and development of digital asset systems based on blockchain technology and also operates an incubator for application projects using blockchain technology. The Company and its subsidiaries are developing blockchain technology and cryptocurrencies for a variety of B2B and B2C real-life applications including a variety of financial businesses and the distribution, marketing and sale of consumer products. FTFT is also developing an operational online shopping mall platform utilizing blockchain technology and the shared economy. For more information, please visit <http://www.ftft.top/>.

### **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, 2017 and our other reports and filings with SEC. 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 dates on which any such statements otherwise are made.



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