

October 15, 2020



Pingtan Marine Enterprise to Vertically Integrate Business Model With Fish Processing and Entry Into Retail Market

FUZHOU, China, Oct. 15, 2020 /PRNewswire/ --**Pingtan Marine Enterprise Ltd. (NASDAQ: PME)**, ("**Pingtan**" or the "**Company**"), today announced that the construction of the Pingtan International Marine Industry and Logistics Park ("Marine Industry Park"), a strategic investment project of the Company, has been completed. About 90% of equipment installation has been completed and the facilities are expected to commence operations by the end of the year.



The Marine Industry Park, located at North Aoqian Road in Pingtan Comprehensive Experimental Zone of China, was developed and will be operated by Global Deep Ocean Fishing (Pingtan) Industry Co. Ltd. ("GDOF"). Pingtan has a 20% equity stake in GDOF. The Marine Industry Park covers a land area of about 40,000 square meters and has a floorage of over 80,000 square meters. The facilities include a subzero and low-temperature freezing center, a fish processing plant, a distribution center and an office complex. With these facilities, the Marine Industry Park integrates multiple functions such as cold-chain logistics, state-of-the-art processing and bonded storage. Once in operation, the fish processing plant will be able to process 100,000 tons of catches annually and the subzero and low-temperature freezing center will provide over 250,000 tons of annual storage capacity.

This strategic investment represents the first step of the Company's foray into the direct-to-retail market. The Company is planning to directly sell its processed catches to Chinese consumers through online and offline channels. This move indeed makes the Company's business vertically integrated, from catching to processing to selling directly to consumers. The Company expects that the integration of its business will result in an improvement to the Company's gross margin and earnings.

Mr. Xinrong Zhuo, Chairman and CEO of the Company, commented: "Pingtan International Marine Industry and Logistics Park is a key step of the Company's long-term growth strategy and an important link to start the direct-to-retail business. We have spent years in preparing for the Company's vertical integration. We have reached a consensus with GDOF that the Marine Industry Park will become the consigned fish processing base of Pingtan, responsible for processing, packaging and distributing Pingtan's retail products. Currently, we have 89 catching vessels operating in the oceans. We believe that the opening of the Marine Industry Park will have a significant positive impact on our earnings in 2021."

About Pingtan

Pingtan is a global fishing company engaging in ocean fishing through its subsidiary, Fujian Provincial Pingtan County Ocean Fishing Group Co., Ltd., or Pingtan Fishing.

Business Risks and Forward-Looking Statements

This press release contains forward-looking statements that are subject to the safe harbors created under the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended. Words such as "estimate," "project," "forecast," "plan," "believe," "may," "expect," "anticipate," "intend," "planned," "potential," "can," "expectation" and similar expressions, or the negative of those expressions, may identify forward-looking statements. Although forward-looking statements reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements are inherently subject to risks and uncertainties and actual results and outcomes may differ materially from the results and outcomes discussed in or anticipated by the forward-looking statements, including general economic and market conditions and other risk factors contained in Pingtan's SEC filings available at www.sec.gov, including Pingtan's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Readers are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date on which they are made. Pingtan undertakes no obligation to update or revise any forward-looking statements for any reason, except as required by law.

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