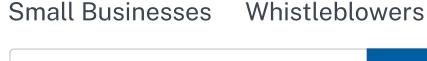
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PRESS RELEASE

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SEC Charges Future FinTech CEO **Shanchun Huang With Fraud and Disclosure Failures**

FOR IMMEDIATE RELEASE 2024-5

Washington D.C., Jan. 11, 2024 — The Securities and Exchange Commission today charged Shanchun Huang with manipulative trading in the stock of Future FinTech Group Inc., using an offshore account shortly before he became Future FinTech's CEO in 2020. The SEC also charged Huang with failing to disclose his beneficial ownership of Future FinTech stock as well as transactions in such stock.

According to the SEC's complaint, in late 2019 or early 2020, Huang was approached by Future FinTech's founder and former CEO about the possibility of Huang becoming CEO of Future FinTech. Huang allegedly used an account in Hong Kong to place trades in Future FinTech stock beginning in January 2020, at a time when Future FinTech was at risk of being delisted from NASDAQ because its stock price had fallen below NASDAQ's minimum bid price requirement of \$1.00 per share. Huang allegedly bought more than 530,000 shares of Future FinTech over a two-month period and repeatedly traded at a volume so large that his trades constituted a high percentage of the daily volume of Future FinTech stock transactions. Huang also allegedly placed multiple buy orders in short timeframes, placed limit buy orders with escalating limit prices from one order to the next, and made trades that generally would not make economic sense for an investor seeking to buy the stock at the lowest available price. The SEC's complaint alleges that Huang's trades were intended to, and at times did, push the Future FinTech stock price up. For example, on February 6, 2020, when Huang's trading constituted 60 percent of the daily trading volume, he placed multiple buy orders within nine minutes, driving the price up from \$0.89 to \$1.05, at which point his trading stopped.

Huang was named Future FinTech's CEO in March 2020. Upon becoming CEO of Future FinTech, Huang was required to file initial, annual, and change of ownership forms about his holdings of Future FinTech stock, but he failed to do so for the year after he became CEO. As alleged in the complaint, in March 2021, after he no longer owned any Future FinTech stock, Huang belatedly filed a misleading initial form representing that he owned no Future FinTech stock.

"Timely disclosure of insider stock transactions is a fundamental component of the federal securities laws that ensures the fair operation of our securities markets," said Sheldon L. Pollock, Associate Regional Director of the SEC's New York Regional Office. "CEOs should assume that the use of an offshore account will not prevent the staff of the SEC from identifying manipulative trading."

The SEC's complaint, filed in the U.S. District Court for the Southern District of New York, charges Huang with violating the antifraud and beneficial ownership disclosure provisions of the Securities Exchange Act of 1934 and seeks permanent injunctive relief, a civil penalty, and an officer-and-director bar.

The SEC's investigation has been conducted by Yitzchok Klug, Howard Kim, and Adam S. Grace, and supervised by Mr. Pollock. The SEC's litigation will be led by Travis Hill.

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Last Reviewed or Updated: Jan. 11, 2024

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