

S&W Seed Company Receives Trademark for 'Kandi Leaf' Stevia in U.S. and Mexico

For Immediate Release

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FRESNO, California – January 5, 2017 – S&W Seed Company (Nasdaq: SANW) today announced it has received a trademark for the use of the brand name 'Kandi Leaf' stevia. The trademark will be applied on S&W's unique stevia lines bred for enhanced flavor characteristics and marketed for the fresh and dry leaf market, in which S&W currently has two unique stevia varieties— 'SW 201' and 'SW 227'.

S&W's stevia focus is on developing varieties with unique, enhanced characteristics, providing added value along the entire supply chain. As previously announced, S&W has applied for patent protection with the U.S. Patent and Trademark Office ("USPTO) for 'SW 201' and 'SW 227', and has also applied for patent protection with the USPTO for two unique stevia varieties for the commercial processing market— 'SW 107' and 'SW 129'.

Mark Grewal, chief executive officer of S&W Seed Company commented, "Following years of research and development success, our stevia program is laying the foundation for commercial-based production contracts, royalty agreements and other R&D collaborations, as we await our patent protection being granted by the USPTO. The trademark for Kandi Leaf follows our earlier trademarking of 'Stevia California' as we look to brand and market S&W's stevia development and commercialization program through the introduction of unique varieties. It is our intention to build a portfolio of proprietary stevia varieties that we believe can add value at the front end of the supply chain to address the rapidly growing stevia market. We view our branding capabilities of our unique stevia varieties as a key component to our commercialization strategy moving forward."



About S&W's Unique Stevia Varieties

Fresh and Dry Leaf Market

Stevia variety 'SW 201' for the fresh and dry leaf market not only has a sweet taste with very little bitterness and aftertaste, but exhibited more Reb-A, less stevioside, more total steviol glycosides, a higher Reb-A to stevioside ratio, and a higher percentage of Reb-A to total steviol glycosides compared to the comparison samples from common varieties.

Stevia variety 'SW 227' has an excellent, sweet leaf taste with very low bitterness and aftertaste, late flowering, high plant vigor characterized by extensive stooling and branching, enhanced dry leaf yields and leaves having an average rebaudioside A content of 10.7%.

Commercial Processing Market

Stevia variety 'SW 107' exhibits increased concentrations of Reb-A sweetener, higher leaf mass production and an improved taste profile that has little or no aftertaste. 'SW 107' has been bred to address commercial processing markets in North America, South America, and other regions of the world that have climates suitable for it.

Stevia variety 'SW 129' has very sweet leaves with high levels of steviol glycosides, very low bitterness and aftertaste, excellent overwintering, high plant vigor, high leaf yield and is late flowering. 'SW 129' is ideally suited for commercial level stevia extraction due to these enhanced characteristics.

About the Stevia and Sweetener Industry

Stevia is a relative newcomer in the estimated over \$50 billion global sweetener market. According to a report released by analysts at Technavio on May 26, 2016, this market is forecasted to grow at a compound annual growth rate of 4.78% during the period between 2016 and 2020. Although this market is still dominated by sugar, sugar substitutes continue to increase in market share as consumer concern over sugar intake continues to increase. Stevia leaf and its refined products constitute a natural, noncaloric high intensity sweetener, estimated to be 200 to 300 times sweeter than sugar. Its taste has a slower onset and longer duration than that of sugar. It has the advantage of not breaking down with heat, making it more stable for cooking than other sugar alternatives. In the U.S., approximately 70% of all new products formulated with stevia are beverages, with the remainder split between diverse categories, including dairy products and baked goods.



The stevia plant is indigenous to the rain forests of Paraguay and has been used as a sweetener in its raw, unprocessed form for hundreds of years. In recent years, it has been grown commercially in Brazil, Paraguay, Uruguay, parts of Central America, Thailand, China and the U.S. Currently, the majority of global commercial stevia production occurs in China.

The incorporation of stevia-derived extracts into foods and beverages in the U.S. has seen a rapid increase since the beginning of 2009, when stevia was first introduced as a sweetener alternative to sugar in food and beverages. According to a Mintel and Leatherhead Food Research report released in 2014, the use of intense sweeteners, such as stevia, in food and beverage products has grown from being used in approximately 3.5% of all launches globally in 2009 to approximately 5.5% in 2012. The value of stevia as an additive for use in food and beverage manufacture in 2013 totaled approximately \$110 million, and Mintel and Leatherhead Food Research estimates that this total will grow to approximately \$275 million by 2017. Their report further states that, while sales of artificial sweeteners, such as aspartame, acesulfame K and sucralose still dominate the market for sugar substitutes, consumer demand for artificial sweeteners has seen a decline since the introduction of stevia. Mintel and Leatherhead Food Research expects this trend to continue, with plant-derived sweeteners, such as stevia, providing the main area of growth in the sweetener market in the future.

About S&W Seed Company

Founded in 1980, S&W Seed Company is a global agricultural Company, headquartered in Fresno, California. The Company's vision is to be the world's preferred proprietary seed Company which supplies a range of forage and specialty crop products that supports the growing global demand for animal proteins and healthier consumer diets. The Company is a global leader in alfalfa seed, with significant research and development, production and distribution capabilities. S&W's capabilities span the world's alfalfa seed production regions, with operations in the San Joaquin and Imperial Valleys of California, five other U.S. states, Australia, and three provinces in Canada, and S&W sells its seed products in more than 30 countries around the globe. Additionally, the Company is utilizing its research and breeding expertise to develop and produce stevia, the all-natural, zero calorie sweetener for the food and beverage industry. For more information, please visit www.swseedco.com.

Safe Harbor Statement

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, plans, results, or strategies and are generally preceded by words such as "may," "future," "plan" or "planned," "will" or "should," "expected," "anticipates," "draft," "eventually" or "projected." Forward-looking statements in this release include, but are not limited to, statements concerning commercialization strategies and the ability to execute those strategies. You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results



may differ materially from those projected in the forward-looking statements as a result of various factors and other risks identified in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal year ended June 30, 2016, and in other filings subsequently made by the Company with the Securities and Exchange Commission. The Company does not undertake any obligation to publicly update any forward-looking statements, whether as a result of the receipt of new information, the occurrence of future events or otherwise.