

Joint Statement regarding Red Bull Vitamin Drink China Co., Ltd.'s Joint Venture Term

October 16, 2018 – In response to enquiries regarding the latest statement issued by Red Bull Vitamin Drink Co., Ltd (RBVC) on behalf of Mr. Yan Bin on 16 October, we, Red Bull Vitamin Drink (Thailand) Co., Ltd. (RBVT) and Inter-Biopharm Holding Limited, as the shareholders collectively holding 95% shares of RBVC would like to clarify the following:

- We have never signed the so-called “50 year agreement” with RBVC or in connection with RBVC. In accordance with the latest Joint Venture Contract and Articles of Association approved by the government authorities, the joint venture term of RBVC is 20 years and has now expired.
- Please be informed that RBVC shareholders have, under no circumstances, ever agreed to extend the JV term of RBVC. Any claims contradicting the above facts are without legal or factual basis.
- The actions we have undertaken are the direct results of Mr. Yan Bin and his affiliates’ illegal activities which include:
 - Mr. Yan Bin setting up a number of companies outside of RBVC’s structure to manufacture and distribute Red Bull products, essentially resulting in Mr. Yan Bin engaging in a competing business for his own personal interests that put him in breach of his fiduciary duties as the former Chairman of the Board of Directors of RBVC.
 - These factories and distribution companies outside of RBVC’s structure have been producing and distributing Red Bull, as well as using the Red Bull trademarks, without a valid trademark license.
 - Since the inception of RBVC, we have consistently extended our full support of the company. This has included providing financial support, technical expertise, flavoring and licensed trademarks to support the operations and development of RBVC. Despite the extensive support we have extended to RBVC as its majority shareholder, through-out the entire JV term we have never received any of our rightful approved dividends even though it generates significant profits.
- T.C. Pharmaceutical Industries CO., Ltd. is the indisputable owner of the Red Bull trademarks in China and globally – any contradicting claims are without legal or factual basis. RBVC, through the unethical maneuvering of Mr. Yan Bin has tried to claim ownership of the Red Bull trademarks and related intellectual property through legal proceedings in China which have all resulted in failure due to the lack of legal and or factual evidence supporting his ridiculous claims.
- With great sincerity and tremendous patience, we have spent years engaging in negotiations with Mr. Yan Bin in an attempt to reach a fair and amicable resolution to these longstanding issues as well as ensure RBVC stakeholders are not negatively

impacted. Through this period, we have repeatedly been disappointed by Mr. Yan Bin's failure to meet his legal obligations.

- Mr. YB's action have been those of an individual engaging in selfish business practices and the single-minded pursuit of profit to the detriment of his partners, Chinese consumers, and, most importantly, China's well-earned reputation as a place that is open, friendly and welcoming to the best of the world's businesses.

In accordance with PRC law, RBVC should cease all business operations in view of its impending liquidation. During this transitional period and in order to ensure the long-term development of "Red Bull" in China, we have decided to launch new partnerships and a new business model in such a way that we may provide quality, legal Red Bull products to the vast number of Chinese consumers and do not negatively impact either our stakeholders or employees. We will continue to contribute to China's economic development in new ways as well as make necessary arrangements for RBVC employees.

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