



Monster Enters into Asset Purchase Agreement with Vital Pharmaceuticals

July 3, 2023

Proposed Transaction to Capitalize on Growing Energy Drink Category

Vital Pharmaceuticals filed for Chapter 11 Protection in October 2022

CORONA, Calif.--(BUSINESS WIRE)--Jul. 3, 2023-- Monster Beverage Corporation (NASDAQ: MNST) ("Monster") and Vital Pharmaceuticals, Inc. (together with certain of its debtor affiliates, "Bang Energy") today announced they have entered into an Asset Purchase Agreement ("APA" or "Agreement") under which a subsidiary of Monster would acquire substantially all of Bang Energy's assets, including a beverage production facility located in Phoenix, AZ (the "Transaction"). The Transaction is subject to certain terms and closing conditions, which include obtaining Bankruptcy Court approval.

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Under the terms of the APA, subject to satisfaction of certain closing conditions, Monster will acquire Bang Energy's performance beverages and related Bang Energy businesses through the purchase of substantially all of Bang Energy's assets.

While Monster is hopeful that the Transaction will be completed, there is no guarantee that it will receive Bankruptcy Court approval. Bang Energy filed for Chapter 11 protections under the U.S. Bankruptcy Code in October 2022.

Advisors

Evercore Group LLC is acting as investment banker and Pachulski Stang Ziehl & Jones LLP and Akerman LLP are acting as legal counsel to Monster.

Huron Consulting Group is acting as financial advisor, Rothschild & Co is acting as investment banker, and Latham & Watkins LLP and Berger Singerman LLP are acting as legal counsel to Bang Energy. C Street Advisory Group is acting as strategy and communications advisor to Bang Energy.

Monster Beverage Corporation

Based in Corona, California, Monster Beverage Corporation is a holding company and conducts no operating business except through its consolidated subsidiaries. The Company's subsidiaries develop and market energy drinks, including Monster Energy® drinks, Monster Energy Ultra® energy drinks, Juice Monster® Energy + Juice energy drinks, Java Monster® non-carbonated coffee + energy drinks, Rehab® Monster® non-carbonated energy drinks, Monster Hydro® non-carbonated refreshment + energy drinks, Monster Energy® Nitro energy drinks, Reign Total Body Fuel® high performance energy drinks, Reign Inferno® thermogenic fuel high performance energy drinks, Reign Storm® clean energy drinks, NOS® energy drinks, Full Throttle® energy drinks, BPM® energy drinks, BU® energy drinks, Burn® energy drinks, Gladiator® energy drinks, Live+® energy drinks, Mother® energy drinks, Nalu® energy drinks, Play® and Power Play® (stylized) energy drinks, Relentless® energy drinks, Samurai® energy drinks, Ultra Energy® drinks, Predator® energy drinks and Fury® energy drinks. The Company's subsidiaries also develop and market still and sparkling waters under the Monster® Tour Water™ brand name. The Company's subsidiaries also develop and market craft beers, hard seltzers and flavored malt beverages under a number of brands, including Jai Alai® IPA, Dale's Pale Ale®, Dallas Blonde®, Wild Basin® hard seltzers and The Beast Unleashed™. For more information visit www.monsterbevcorp.com.

About Bang Energy

Since 1993, Florida-based Vital Pharmaceuticals, Inc., d/b/a Bang Energy and as VPX Sports, has developed delicious performance beverages, supplements, and workout products to fuel high-energy lifestyles. In addition to one of the top energy drink brands in the U.S., Bang Energy, the company's premium quality products include keto-friendly Meltdown®, Quash®, Vooz™ and Redline®.

Forward Looking Statements

Certain statements made in this announcement may constitute "forward-looking statements" within the meaning of the U.S. federal securities laws, as amended, regarding the expectations of management with respect to our future operating results and other future events including revenues and profitability. Monster cautions that these statements are based on management's current knowledge and expectations and are subject to certain risks and uncertainties, many of which are outside of the control of Monster that could cause actual results and events to differ materially from the statements made herein. For a more detailed discussion of these and other risks that could affect our operating results, see Monster's reports filed with the Securities and Exchange Commission, including our annual report on Form 10-K for the year ended December 31, 2022, and any subsequent filings as well as the following: the expected timing and likelihood of completion of the proposed transaction, including the timing, receipt and terms and conditions of Bankruptcy Court approval; the occurrence of any event, change or other circumstances that could give rise to the termination of the Asset Purchase Agreement; the outcome of any legal proceedings that may be instituted against the parties and others following announcement of the Asset Purchase Agreement and proposed transaction; the inability to consummate the proposed transaction due to the failure to satisfy other conditions to complete the proposed transaction; the amount of the costs, fees, expenses and charges related to the proposed transaction; the forfeiture of all or any portion of the deposit paid by Monster under the APA; and the ability of Monster to successfully integrate Bang Energy's assets and recognize the anticipated benefits of the proposed transaction. Monster's actual results could differ materially from those contained in the forward-looking statements. Monster assumes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Source: Monster Beverage Corporation