

Glaucus "Research" Report Collapses Under Scrutiny

Waldman Trigoboff Hildebrandt Marx & Calnan, P.A. (the "Law Firm") has conducted a thorough investigation of the recent effort undertaken to inflict harm on National Beverage Corp. (the "Company") by a disgruntled former employee, David B. Mursten ("Mursten"), and a known short-seller of publicly traded securities, Glaucus Research Group California, LLC ("Glaucus"). Glaucus maliciously published a substantially false and purposely misleading report concerning the Company (**NASDAQ: FIZZ**) based on speculation, disproved allegations and an incomplete court record from which the report was derived. Glaucus made no attempt to verify information and cared little about the truth, choosing to rely instead on the unfounded allegations of Mursten, all notwithstanding that the federal court in which Mursten's allegations were actually litigated dismissed the case on the merits and imposed a judgment against him in favor of the Company (after which he declared bankruptcy).

The Law Firm was directly involved in the investigation and underlying litigation involving Mursten cited by Glaucus, and thus we are in a unique position to know the actual results of the litigation and the *true facts established* in the litigation. At the time of the publication of Glaucus' report, the Law Firm stated the following: *"The Company intends to vigorously enforce its legal rights in respect of this [Glaucus] matter and to pursue all of those responsible for not only the egregious violation of enforceable agreements and court orders, but also the commercial defamation of the Company...."* The Company has, indeed, done just that. In order to protect itself from the publication of demonstrably false facts by Glaucus, the Company has filed its own lawsuit against those responsible and has sought to re-open the Mursten-related litigation to pursue him and his co-conspirators. These actions are now pending in the federal district court in the Southern District of Florida.

Most recently, the federal district court judge overseeing the Mursten litigation entered an Order on January 18, 2017 requiring that the redacted Complaint containing baseless accusations which Glaucus featured in its report be sealed from public viewing because, as was shown by the Company, ". . . at least one third party [Glaucus] has obtained the contents of the improperly redacted portions of the Complaint and exploited them for the third party's own financial gain." As a result, the PlainSite web hosting website previously used by those seeking to profiteer from the false allegations has also removed the Complaint from its site also on January 18, 2017.

Glaucus' track record of filing false and misleading reports and its actions and reports have caught the attention of regulators and litigators alike. In 2015, Glaucus was ordered to pay approximately 595 million New Taiwan dollars in a civil case for "having the intention to manipulate" the stock price of Taipei-listed Asia Plastics Recycling Holding Ltd. In addition, in April 2016, Glaucus reached a settlement of libel litigation filed in the United States District Court for the Central District of California against Glaucus by Real Neutriceutical Group, Ltd. As part of the settlement agreement, Glaucus was required to prominently publish on its own website the settlement agreement in which it agreed to withdraw the same type of research report it published about the Company.

The Company is an exceptional American business that consistently demonstrates both top and bottom-line growth and significant cash generation. The Company is the fourth largest branded soft drink company in the U.S., with more than 1,200 employees located from coast to coast. The Company's founder, Chairman and Chief Executive Officer is Nick A. Caporella, a well-known entrepreneur and philanthropist. Mr. Caporella is the recipient of numerous civic and community awards, and both Mr. Caporella and the Company contribute to several charitable and community organizations. The talented, innovative and disciplined management of the Company, led by Mr. Caporella for decades, has created long-term value for consumers and shareholders since the Company's inception in 1985.

The Law Firm's founder and managing shareholder, Glenn Waldman, has been a long-term shareholder of the Company, personally witnessing its product innovation, exponential sales and earnings growth and commitment to its existing and future consumers to "*make America healthy*". Long-time shareholders have been rewarded with cumulative cash dividends of \$10.16 per share and robust share appreciation. There is no doubt that Glaucus has manipulated the common stock of the Company for its selfish financial interest at the expense of the Company's loyal shareholders. The legal system and securities regulation best practices should not permit the publication of libel for the benefit of a short-seller's ill-gotten gains. The Company has "made good" on its promise to its shareholders, employees, customers and consumers. Because it did so, the proponents of the malicious lies will be brought to justice.