



For Immediate Release

April 24, 2018

## **Hangzhou Dasuo Technology Co. Ltd. (Dasso) Concludes Annual Meeting By Issuing Statement on North American Operations**

*Hangzhou, China:* Hangzhou Dasuo Technology Co. Ltd. (Dasso), one of the leading manufacturers and suppliers of bamboo products worldwide, issued a statement from its headquarters that may have a significant impact on the bamboo exterior decking industry in the United States. The announcement came after several days of meetings at the company's world headquarters in Hangzhou, China during the week of April 16, 2018, with many high-ranking board members, executive officers and corporate representatives from Dasso, as well as Dasso's expansive group of subsidiaries and affiliated entities, in attendance. A major topic discussed at the company's board of director's meeting concerned a **former, terminated** factory manufacturing and selling counterfeited exterior bamboo decking product to distributors, who then mislead consumers, suppliers and dealers by claiming that the counterfeited product is manufactured at a Dasso contracted factory.

Of particular note, the statement released from Dasso identifies MOSO International, BV's (MOSO) as one of the distributors involved in the scheme of purchasing counterfeited exterior decking product directly from Dasso's **former** factory and importing the counterfeited product into the United States, beginning in 2017. According to Lin Hai, the founder and Policy and Technical Advisor of Dasso, "It is of great importance that customers, distributors and dealers of our patented exterior decking product in the United States understand precisely where we, as a company, stand on these issues." The statement released by Dasso is a **"buyer beware"**, and notifies and warns consumers, dealers, distributors and retailers that the product being sold by MOSO in the United States under the brand name **MOSO Bamboo X-treme<sup>1</sup> is counterfeited product being manufactured and produced at an unauthorized and terminated former factory. The statement also makes clear that Dasso has not merged with MOSO, is not doing business as MOSO and is not selling product as or under the MOSO brand, including MOSO Bamboo-X-treme, in the United States market.**

Steve Shen, Dasso's Vice President, was quoted as saying: "In June 2017, MOSO's President, Rene Zaal, made multiple trips to China and requested permission from Dasso to enter into the U.S. market as an authorized distributor of Dasso's patented exterior decking product sold by MOSO in Europe as MOSO Bamboo X-treme. After Mr. Zaal's request was repeatedly denied, Mr. Zaal struck a backdoor deal with a Dasso contracted factory and began buying Dasso's patented product

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<sup>1</sup> MOSO Bamboo X-treme is distributed in the U.S. and Canada through MOSO's newly created subsidiary, MOSO North America, Inc.



directly from the factory without authorization or consent, which violated the factory's contract with Dasso, as well as MOSO's restricted distribution contract with Dasso. When the factory refused to allow Dasso's representatives into the factory for safety and product inspections and refused to cease selling the patented exterior decking product directly to MOSO, **Dasso terminated the factory's manufacturing agreement on September 18, 2017.** Despite its termination, the factory continues to illegally manufacture exterior bamboo decking product using Dasso's patented processes and Dasso is pursuing the former factory owner for criminal prosecution and civil damages in China. Further, MOSO continues to purchase the counterfeited exterior decking product from the terminated and former factory in violation of the laws of China, the United States. We, as a company, cannot allow a former factory to continue manufacturing counterfeited product in violation of Dasso's patent rights; nor can we allow a distributor to strike a deal behind our backs with a now-former factory and claim the counterfeited product is genuine."

The statement released from the company also includes a direct quote from Dasso's Chief Executive Officer, Frank Xu: "Our biggest concern is, first and foremost, for the safety of each end-user of our patented products. Our entire company's philosophy is built upon the customer's experience and satisfaction. Secondly, it is imperative that Dasso's patented product is manufactured in strict accordance with our patented processes to ensure the safety, integrity, dependability and reliability of our products sold worldwide. Each factory that manufactures our patented product is contractually required to adhere to stringent manufacturing guidelines, inspections and onsite visits. **This is non-negotiable and strictly enforced. Dasso's product warranties only apply and extend to genuine product manufactured by an authorized contracted factory and does not apply to counterfeited products being sold in the United States under the brand name MOSO Bamboo X-treme.** In those markets, the only genuine, authorized and approved exterior bamboo decking products that carry Dasso's product warranties are sold under the dassoXTR brand by our U.S.-based affiliate, Easoon USA, LLC."

Dasso's CEO concluded the meetings by reviewing the company's financials. According to Mr. Xu, Dasso, including its many subsidiaries and affiliated companies, is financially strong and viable and continue to exceed projections and expectations. In fact, 2017 was Dasso's most profitable, with the current year's first quarter already outperforming last year's first quarter in revenue and sales. Mr. Xu outlined and detailed several new innovative products currently being developed, and updated the company on new products ready for production and distribution. With the annual increases in revenue and profitability, the company unanimously voted to establish a committee to begin the process of becoming a publicly listed company in the near future. After a week of meetings, factory tours and a celebratory dinner, the future looks bright for Dasso.



### **Dasso's Board of Directors**

***Standing from left to right: Tony Wong, Vice President of International Sales; Qingwei Hu, Vice President of Greater China Sales; Frank Xu, Chief Executive Officer; Giovani Xue, Vice President of Product Design; Hongzheng Liu, Vice President of Technical and R&D; Xubo Zhen, Chief Financial Officer.***

***Seated from left to right: Scott Hoopes, Board Member and General Legal Counsel; Larry Lin, Founder and Policy and Technical Advisor; Avery Chua, President of Dasso's U.S. Operations; Steve Shen, Vice President of Legal and General Administration.***