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C-Bond Systems Provides Second Quarter 2020 Operational Update

HOUSTON, Aug. 17, 2020 (GLOBE NEWSWIRE) -- [C-Bond Systems](#), Inc. (the “Company” or “C-Bond”) (OTC: CBNT), a nanotechnology solutions company, has reported an operational update and financial results for the second quarter ended June 30, 2020.

Second Quarter 2020 and Subsequent Operational Highlights

- Signed C-Bond NanoShield private label supply agreement with a premier provider of vehicle protection solutions to thousands of automotive dealerships nationwide.
- Entered into an exclusive supply agreement with a large overseas conglomerate to sell a version of C-Bond NanoShield™ with annual minimum purchase requirements in excess of \$1 million to maintain exclusivity.
- Announced an exclusive, nationwide distribution agreement with Quip Laboratories, Inc. for MB-10 Tablets, an EPA-registered disinfectant to help in the fight against COVID-19.
 - The Company received an initial purchase order for MB-10 Tablets in excess of \$80,000 from a Southeast Asian distributor.
- Expanded installation of the C-Bond Ballistic-Resistant System (“BRS”) into the Austin Independent School District; a law enforcement office in Hawaii; at several San Antonio, Texas area schools; and at a U.S. General Services Administration complex in Texas.
- Increased distribution of the recently launched C-Bond Secure through a distribution agreement with 44Tools, an industry leading online retail outlet with a comprehensive line of tools and equipment for the professional application of window film, reaching a robust potential customer base of window film installers globally.
- Successfully registered the Company’s manufacturing facility with the U.S. Environmental Protection Agency, an important step as the Company continues to grow its ability to expand and manufacture new nanoproducts to complement its core product suite.

Management Commentary

“The second quarter of 2020 was highlighted by the rising importance of our disinfection products, particularly MB-10, in the fight against the global COVID-19 pandemic,” said Scott R. Silverman, Chairman and Chief Executive Officer of C-Bond Systems. “We continue to seek out exciting new ways to expand our capabilities through new strategic partnerships

with the goal of both boosting our sales footprint globally and expanding our increasingly robust product line.

“I am encouraged by the strong reception to our new EPA registered MB-10 Tablets, which are a broad spectrum disinfectant effective against a wide range of bacteria and viruses, including SARS-CoV-2, which causes COVID-19. We are shipping these tablets both nationwide and internationally, seeing particular interest in the Southeast Asian market. As the pandemic continues to unfold, we expect continued interest in this innovative new product for transportation markets worldwide.

“Taken together, we are positioning C-Bond as the market leader in Safety and Transportation verticals around the world. 2020’s challenges to both safety and public health are driving heavy demand for our products and we are expanding quickly to meet those market needs. We are proud to offer solutions that consumers and clients can count on, and which position us to create value for our shareholders over the long-term,” concluded Silverman.

Second Quarter 2020 Financial Summary

Total revenue for the second quarter of 2020 was \$43 thousand, compared to revenue of \$158 thousand in the same year-ago quarter. The decrease was primarily attributable to a decrease in sales of C-Bond BRS, mainly due to a decrease in international sales resulting from the shutdown of economies caused by COVID-19, offset by an increase in the sale of sanitizer products.

Operating expenses in the second quarter of 2020 were \$0.9 million, compared to \$1.3 million in the same year-ago quarter. The reduction in operating expenses was primarily attributable to decreases in stock-based compensation, research and development, professional fees, and general and administrative expenses.

Operating loss in the second quarter of 2020 decreased to \$1.1 million, compared to an operating loss of \$1.6 million in the same year-ago quarter.

Net loss in the second quarter of 2020 was \$1.6 million, compared to \$1.7 million in the same year-ago quarter.

Cash used in operations in the second quarter of 2020 was \$0.7 million, compared with \$0.6 million in the same year-ago quarter.

About C-Bond

C-Bond Systems, Inc. (OTC: CBNT) is a Houston-based advanced nanotechnology company and marketer of the patented C-Bond technology, developed in conjunction with Rice University and independently proven to significantly strengthen glass in key automotive and structural applications. The Company’s Transportation Solutions Group sells C-Bond NanoShield®, a liquid solution applied directly to automotive windshields, sold through distributors. The Company’s Safety Solutions Group sells ballistic-resistant glass solutions and FN NANO Coating directly to private enterprises, schools, hospitals and government agencies. For more information, please visit our website: www.cbondsystems.com, Facebook: <https://www.facebook.com/cbondsys/> and Twitter: https://twitter.com/CBond_Systems.

Forward-Looking Statements

Statements in this press release about our future expectations, including the likelihood that registering our manufacturing facility with the EPA is an important step as we continue to grow our ability to expand and manufacture new nanoproducts to complement our core product suite; the likelihood that we continue to seek out exciting new ways to expand our capabilities through new strategic partnerships with the goal of both boosting our sales footprint globally and expanding our increasingly robust product line; the likelihood that as the pandemic continues to unfold, we expect continued interest in MB-10 tablets for transportation markets worldwide; the likelihood that we are positioning C-Bond as the market leader in Safety and Transportation verticals around the world; the likelihood that 2020's challenges to both safety and public health are driving heavy demand for our products and we are expanding quickly to meet those market needs; the likelihood that our solutions position us to create value for our shareholders over the long-term; constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and as that term is defined in the Private Litigation Reform Act of 1995. Such forward-looking statements involve risks and uncertainties and are subject to change at any time, and our actual results could differ materially from expected results. These risks and uncertainties include, without limitation, C-Bond's ability to raise capital; the Company's ability to successfully commercialize its products; the effect of the COVID-19 global pandemic on the Company's business and ability to operate; as well as other risks. Additional information about these and other factors may be described in the Company's filings with the Securities and Exchange Commission ("SEC") including its Form 10-K filed on March 25, 2020, its Forms 10-Q filed on August 14, 2020, May 15, 2020, and November 14, 2019, and in future filings with the SEC. The Company undertakes no obligation to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this statement or to reflect the occurrence of unanticipated events, except as required by law.

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