

October 19, 2022



CCA Industries, Inc. Reports Financial Results for the Quarter and Nine Months ended August 31, 2022

LITTLE FERRY, N.J., Oct. 19, 2022 /PRNewswire/ -- CCA Industries, Inc. (OTC: CAWW), announced today its results for the three and nine months ended August 31, 2022. The results can be found on the chart below. The Company also announced that Lance Funston stepped down as Chairman of the Board, effective October 1, 2022, but remains as a director. Brent Funston, who has been a director, was appointed as Chairman by the board. Brent Funston is the son of Lance Funston.

Net loss was \$114,047 for the three months ended August 31, 2022 as compared to a net loss of \$82,109 for the three months ended August 31, 2021. Net income was \$139,604 for the nine months ended August 31, 2022 as compared to net income of \$273,445 for the nine months ended August 31, 2021. However, the net income for the nine months ended August 31, 2021 included a \$316,400 gain on extinguishment of debt as a result of the forgiveness of the loan granted under the Paycheck Protection Program by the United States Small Business Administration. This was a non-cash transaction as the funds were received in fiscal 2020. As shown in the chart below, the EBITDA for the first nine months of fiscal 2022 was \$252,321 as compared to \$106,664 for the first nine months of fiscal 2021 after adjusting for the Paycheck Protection Loan forgiven.

Christopher Dominello, Chief Executive Officer commented, "We have had some extraordinary challenges in the third quarter of fiscal 2022. As we previously disclosed, we were notified in April 2022 that the United States FDA has banned the use of hydroquinone in Porcelana. We immediately stopped shipping the Porcelana products. Our Porcelana products were re-formulated but had an expense to dispose of inventory related to the original product. In addition, Porcelana sales were interrupted as we were not able to have the re-formulated product available until the last week of August 2022. We were notified by a major customer in July 2022 that they were reducing significantly the number of stores carrying our Plus White products. However, our online sales increased 58% for the third quarter of fiscal 2022 compared to the same period in 2021. Sales of the Porcelana re-formulated product have resumed in the fourth quarter of fiscal 2022. We anticipate it will take a couple of months for sales to ramp back up to their previous level. We have presented our Neutein product to a major retailer and we expect that we will have retail distribution next year. While this has been a difficult environment, I do believe that there is light at the end of the tunnel with the seeds planted with the expectation of an improved fiscal 2023.

Further information, including the Unaudited Financial Statement for the quarter and nine months ended August 31, 2022, the Audited Financial Statements for the year ended November 30, 2021 and the Quarterly Disclosure Statement filed with the OTC, may be

found on the Company's investor web site: www.ccainvestor.com

CCA Industries, Inc. manufactures and markets health and beauty aids, each under its individual brand name. The products include, principally, "Plus White" toothpastes and teeth whiteners, "Bikini Zone" medicated topical and shave gels, "Nutra Nail" nail care treatments, "Porcelana" skin care products, "Scar Zone" scar treatment products, "Sudden Change" anti-aging skin care products, brands, "Hair Off" depilatory products, "Solar Sense" sun care products and "Neutein" brain health supplements which the Company licensed in January 2022.

Statements contained in the news release that are not historical facts are forward looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties, which would cause actual results to differ materially, from estimated results. No assurance can be given that the results in any forward-looking statement will be achieved and actual results could be affected by one or more factors, which could cause them to differ materially. For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act.

CCA INDUSTRIES, INC.
Financial Results (Unaudited)

	Three Months Ended	
	August 31, 2022	August 31, 2021
Revenues	\$ 3,033,908	\$ 3,440,070
Net Income	\$ (114,047)	\$ (82,109)
Earnings Per Share:		
Basic	\$ (0.02)	\$ (0.01)
Diluted	\$ (0.02)	\$ (0.01)
Weighted Average Common Shares Outstanding:		
Basic	7,561,684	7,546,847
Diluted	7,561,684	7,546,847
ADJUSTED EBITDA *	\$ (139,391)	\$ (91,292)

* Earnings before interest, taxes, depreciation and amortization

Reconciliation of Net Income to EBITDA:

Net Income	\$ (114,047)	\$ (82,109)
Provision for income taxes	(47,197)	(34,306)
Interest expense	20,101	20,190
Depreciation and Amortization	1,753	4,933
EBITDA	<u>\$ (139,390)</u>	<u>\$ (91,292)</u>

	Nine Months Ended	
	August 31, 2022	August 31, 2021
Revenues	\$ 10,371,394	\$ 10,721,510
Net Income	\$ 139,604	\$ 273,445
Earnings Per Share:		
Basic	\$ 0.02	\$ 0.04
Diluted	\$ 0.02	\$ 0.04
Weighted Average Common Shares Outstanding:		
Basic	7,561,684	7,543,235
Diluted	7,592,160	7,588,203
ADJUSTED EBITDA *	\$ 252,321	\$ 106,664

* Earnings before interest, taxes, depreciation, amortization and gain on debt extinguishment

Reconciliation of Net Income to EBITDA:

Net Income	\$ 139,604	\$ 273,445
Provision for income taxes	59,972	43,452
Interest expense	44,368	88,328
Depreciation and Amortization	8,377	17,839
EBITDA	\$ 252,321	\$ 423,064
Gain on extinguishment of debt	-	(316,400)
ADJUSTED EBITDA	\$ 252,321	\$ 106,664

View original content: <https://www.prnewswire.com/news-releases/cca-industries-inc-reports-financial-results-for-the-quarter-and-nine-months-ended-august-31-2022--301654204.html>

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