

August 15, 2023



# C-Bond Systems Reports Record Net Income of \$3.8 Million for the Second Quarter of 2023

*Record net income and the strengthening of the Company's balance sheet is a result of the sale of the C-Bond nanoShield assets in May 2023*

*Company is focused on growing its Patriot Glass Solutions division and broadening distribution as Texas and other states emphasize improved school safety measures including forced entry-resistant and bullet-resistant window film*

SAN ANTONIO, Aug. 15, 2023 (GLOBE NEWSWIRE) -- [C-Bond Systems](#) (the "Company" or "C-Bond") (OTC: CBNT), a developer and marketer of glass strengthening solutions for enhanced safety, announced today that it reported financial results for the quarter ended June 30, 2023, including net income of \$3.8 million due to the sale of the C-Bond nanoShield assets to a third party in May 2023.

As a result of the transaction and sale of the C-Bond nanoShield assets, the Company has paid off a majority of its debt and significantly increased its cash position to grow its Patriot Glass Solutions division, which offers forced-entry resistant security film and ballistic-resistant film systems.

## Second Quarter 2023 Financial Highlights:

- For the three months ended June 30, 2023 and 2022, net income (loss) amounted to \$3,774,273 and \$(1,009,352), respectively.
- During the three months ended June 30, 2023, we reported a gain on the sale of our nanoShield product line of \$4,051,709. We did not record other operating income during the 2022 period.
- For the three months ended June 30, 2023, other income (expenses), net, amounted to \$294,428 as compared to \$(597,858) for the three months ended June 30, 2022, a positive change of \$892,286, or 149.2%. This change was primarily due to a decrease in interest expense of \$195,385 related to a decrease in the amortization of debt discount and a decrease in interest-bearing debt, \$143,811, and an increase in gain on debt extinguishment of \$696,901 related to the payoff and settlement of debt using proceeds from the sale of nanoShield product line and related technologies.
- For the three months ended June 30, 2023, sales amounted to \$414,055 as compared to \$540,367 for the three months ended June 30, 2022, a decrease of \$126,312, or 23.4%. In May 2023, we sold our C-Bond nanoShield product line, which accounted for \$26,825 and \$66,258 of total sales for the three months ended June 30, 2023 and 2022, respectively.
- For the three months ended June 30, 2023, operating expenses amounted to

\$776,848 as compared to \$742,157 for the three months ended June 30, 2022, an increase of \$34,691, or 4.7%.

- For the three months ended June 30, 2023, general and administrative expenses decreased by \$42,987, or 23.2%, as compared to the three months ended June 30, 2022.
- For the three months ended June 30, 2023, income (loss) from operations amounted to \$3,479,845 and \$(411,494), respectively, a positive change of \$3,891,339, or 945.7%.

“Following the sale of the C-Bond nanoShield assets, we have additional capital to grow our Patriot Glass Solutions division, which brings security and ballistic-resistant window film systems to organizations that need it most – schools, hospitals, government, commercial, and more,” said Scott R. Silverman, Chairman and CEO of the Company. “We continue to add dealers throughout the country and our new relationship with Curtis Stout is expected to put us in front of new audiences and introduce our products as part of a broader safety solutions offering. The sales team at Patriot Glass Solutions is submitting bids to schools and districts in Texas on a continual basis, and we expect to see the effects of those efforts in the coming quarters.”

Patriot Glass Solutions offers forced-entry resistant security film and ballistic-resistant film systems. [C-Bond Secure](#), the Company’s proprietary glass strengthener, is applied directly to the window prior to the application of window film to increase the strength and flexibility of the underlying glass. When used in conjunction with security film, C-Bond Secure delays forced entry, which gives law enforcement or other security personnel significantly more time to lead those inside a facility to safety and apprehend the perpetrator. Patriot Glass Solutions also offers [C-Bond BRS](#), a ballistic-resistant film system, which includes C-Bond’s patented glass strengthening technology and multiple layers of security film on specified glass thickness to help stop bullets from penetrating glass. C-Bond BRS is certified by third-party labs to meet National Institute of Justice Level I, Level IIA, Level II, and Underwriters Laboratories (UL) 752 ballistic-resistant protection standards.

### **About C-Bond**

C-Bond Systems, Inc. (OTC: CBNT) is a San Antonio-based nanotechnology company and marketer of the patented C-Bond technology, which is independently proven to strengthen glass in architectural applications. The Company’s [Patriot Glass Solutions](#) division sells ballistic-resistant glass solutions and forced entry deterrent solutions to private enterprises, schools, and government agencies, primarily through its majority-owned subsidiary, A1 Glass Coating. For more information, please visit our websites: [www.cbondsystems.com](http://www.cbondsystems.com), Facebook: <https://www.facebook.com/cbondsys/> and Twitter: <https://twitter.com/CBondSys> and [https://twitter.com/Patriot\\_Glass](https://twitter.com/Patriot_Glass).

### **Forward-Looking Statements**

*Statements in this press release about our future expectations, including the likelihood that we continue to add dealers throughout the country and our new relationship with Curtis Stout is expected to put us in front of new audiences and introduce our products as part of a broader safety solutions offering; the likelihood that the sales team at Patriot Glass Solutions is submitting bids to schools and districts in Texas on a continual basis, and we expect to see the effects of those efforts in the coming quarters; 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, the Company's ability to successfully commercialize its products; the likelihood that schools will comply with the Texas Education Agency's rule on school safety; the Company's and its customers' ability to source materials; construction delays; film delays; the Company's ability to raise capital; regulatory risks; 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 31, 2023, its Forms 10-Q filed on August 14, 2023, May 15, 2023, and November 14, 2022, 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.*

Contact:  
Allison Tomek  
C-Bond Systems  
atomek@cbondsystems.com



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