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C-Bond Systems Provides First Quarter 2020 Operational Update

Company Continues to Evolve Its Business Model and Expand Nano-Product Portfolio

HOUSTON, May 18, 2020 (GLOBE NEWSWIRE) -- [C-Bond Systems, Inc.](#), (the “Company” or “C-Bond”) (OTC: CBNT), a nanotechnology solutions company, has reported an operational update focused on the recent establishment of two new divisions focused on its core intellectual property to serve existing markets with an evolving nano-product portfolio, as well as reported financial results for the first quarter ended March 31, 2020.

First Quarter 2020 and Subsequent Operational Highlights

- Established C-Bond Transportation Solutions, anchored by our patented C-Bond NanoShield™ product line, and focused on sales efforts to fleet operators, new car dealers, service providers, warranty and F&I companies, and windshield OEMs, and evolving to address the needs of the broader transportation market.
- Established C-Bond Safety Solutions, anchored by our patented C-Bond BRS (ballistic-resistant system), and focused on sales efforts for safety installations at schools, government buildings, media outlets, and other high-security facilities, and evolving to address additional facility safety and security demands.
- Entered into a strategic partnership with MACOMA Environmental Technologies, LLC to sell C-Bond FN® NANO, a nanotechnology photocatalytic coating used in healthcare facilities and other facilities with high foot traffic to reduce the spread of airborne toxins and allergens. Expands the breadth of C-Bond Transportation Solutions offerings.
- Signed joint marketing and distribution agreements with THOMS Aviation, THOMS Automotive, and EXEGi Trading Company to expand its nano and probiotic products portfolio. Expands the breadth of C-Bond Safety Solutions offerings.
- Received facility registration from the U.S. Environmental Protection Agency as the Company continues to grow its ability to expand and manufacture new nanoproducts to complement its core C-Bond patented technology and product suite.
- Partnered with Nano Liquid to offer a more robust product suite, powered by nanotechnology, for superior cleaning, anti-bacterial, and protection in automobile applications, with new branded products ranging from paint sealants to surface protectors.

- Released C-Bond Secure, developed in partnership with one of the industry's largest film suppliers, intended to replace C-Bond I as the industry standard for the installation of window film.
 - Increased distribution potential of 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, with a robust customer base of window film installers globally.
- Installed C-Bond BRS (ballistic-resistant system) in a law enforcement office in Hawaii and at several San Antonio, Texas area schools, as well as C-Bond Secure at a U.S. General Services Administration complex in Texas. C-Bond BRS consists of the patented C-Bond glass strengthening nanotechnology solution and a private-label security film.
- Temporarily converted manufacturing facility to produce hand sanitizer to assist in the fight against COVID-19 for both health professionals and consumers.
- Formed a Medical Advisory Board to advance the breadth and use of products offered by C-Bond Safety Solutions Group, primarily its C-Bond FN Nano® Coating, which is used in hospitals and other facilities to reduce the spread of pathogens.
- Granted key U.S. patent notice of allowance supporting underlying nanotechnology of the company's product portfolio.

Management Commentary

"The first quarter of 2020 was highlighted by our evolving business model and adaptation to address new market needs," said Scott R. Silverman, Chairman and Chief Executive Officer of C-Bond Systems. "I am incredibly proud of our team's ability to remain nimble, growing our nano-product portfolio through strategic partnerships that complement our existing products and the industries we serve.

"Our core products continue to make exciting progress as well – while C-Bond sales were naturally affected by the global coronavirus pandemic, we saw forward-thinking government buildings and schools installing our ballistic-resistant and C-Bond Secure products to further strengthen building security before their employees return to work and students return to class.

"We believe we are well positioned to continue to achieve new milestones throughout 2020, and I look forward to executing upon the opportunities facing C-Bond Systems today, creating long-term value for our shareholders," concluded Silverman.

First Quarter 2020 Financial Summary

Total revenue for the first quarter of 2020 was \$61 thousand, as compared to revenue of \$87 thousand in the same year-ago quarter. This decrease was primarily attributable to the economic slowdown and widespread stay-at-home orders in the United States as a result of the COVID-19 pandemic.

Operating expenses in the first quarter of 2020 were \$942 thousand, as compared to \$2.4

million in the same year-ago quarter. The reduction in operating expenses was primarily attributable to a decrease in stock-based compensation.

Operating loss in the first quarter of 2020 decreased to \$896 thousand, compared to an operating loss of \$2.3 million in the same year-ago quarter.

Net loss in the first quarter of 2020 was \$1.5 million, as compared to \$2.4 million in the same year-ago quarter.

Cash used in operations in the first quarter of 2020 was \$301 thousand, as compared with \$343 thousand 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 C-Bond FN NANO Coating directly to private enterprises, schools, hospitals and government agencies. For more information, please visit our website: www.cbondsyste.ms.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 the Company is well positioned to continue to achieve new milestones throughout 2020, and the likelihood that the Company will execute upon the opportunities facing C-Bond Systems today, creating long-term value for our shareholders; 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; 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 May 15, 2020, November 14, 2019, and August 12, 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.

Investor Contacts:

Luke Zimmerman
Senior Vice President
MZ Group - MZ North America
949-259-4987
CBNT@mzgroup.us
www.mzgroup.us

Allison Tomek
VP, Corporate Communications
C-Bond Systems, Inc.
atomek@cbondsystems.com
832-649-5658



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