

Hybrid Fortune 500 Partner PPG-Comex Launches Green Polyurethane™ Based Coating Product

SAN FRANCISCO, Aug. 25, 2016 (GLOBE NEWSWIRE) -- Hybrid Coating Technologies Inc. (HCTI) is pleased to announce that after several years of development, Comex a division of PPG Industries Inc. (see About PPG below) has created a new coatings product utilizing Hybrid's zero isocyanate Polyurethane technology. The product was recently launched in the Mexican market and is now sold in PPG-Comex stores in Mexico. PPG-Comex developed and launched the product in an effort to bring more environmentally friendly green products to customers without compromising on performance. The coating product has been reported to work exceptionally well and was found to perform better than competitor's products on both durability and coating properties. "We are very excited to be working in partnership with PPG-Comex the world's largest industrial coatings company," said Joseph Kristul President and CEO, "this is yet another example of the commercial value of Hybrid's unique technology."

Later this year, PPG-Comex will also be launching a second coating product based on Hybrid's zero isocyanate Polyurethane technology.

This product launch demonstrates the strong desire and ability for companies to develop their own products using Hybrid's zero isocyanate Green Polyurethane™ hardener as a raw material. It also demonstrates a strong market demand for Green Polyurethane™ by some of the largest coatings companies in the world. Hybrid's end goal is for numerous companies to develop multiple products based on Hybrid's zero isocyanate Green Polyurethane™ hardener as legislation for isocyanates eventually becomes more restrictive, thereby allowing Hybrid to deeply and broadly penetrate the coatings market not only as a finished goods supplier, but also as a raw materials supplier. Hybrid is and continues to be the only supplier in the world of zero isocyanate polyurethane hardener and zero isocyanate polyurethane based finished goods.

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Hybrid's patented technology is the only formulation in the world today that produces polyurethane without the use of any isocyanates in the entire production process.

CAUTIONARY DISCLOSURE ABOUT FORWARD-LOOKING STATEMENTS

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements in this news release other than statements of historical fact are "forward-looking statements" that are based on current expectations and assumptions. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by the statements, including, but not limited to, the following: the ability of Hybrid Coating Technologies Inc. to provide for its obligations, to provide working capital needs from operating revenues, to obtain additional financing needed for any future acquisitions, to meet competitive challenges and technological changes, and other risks. Hybrid Coating Technologies Inc undertakes no duty to update any forward-looking statement(s) and/or to confirm the statement(s) to actual results or changes in Hybrid Coating Technologies Inc. expectations.

About PPG

PPG is an American Fortune 500 company and global supplier of paints, coatings, specialty materials, chemicals, glass, and fiberglass. With headquarters in Pittsburgh, [Pennsylvania](#), PPG operates in more than 70 countries around the globe. By revenue it is the largest coatings company in the world with \$15B for 2015. PPG has 47,000 employees worldwide and trades under the symbol PPG on the NYSE with a \$27B market cap. PPG acquired **Comex** in 2014 for \$2.3B. Comex has 4,000 retail locations, 5,000 employees and \$1B in revenues.

About Hybrid Coating Technologies

Hybrid Coating Technologies (HCT) is a San Francisco-based innovator focused on improving the quality and safety of foams, coatings, and adhesives for industrial and commercial customers around the world. We are the exclusive licensee of Green Polyurethane™ foam, coatings, and adhesives – the world's first-ever patent protected polyurethane-based foam, coatings, and adhesive products that eliminate toxic isocyanates from the entire production process (licensed by Nanotech Industries, Inc.) and the 2015 recipient of the Presidential Green Chemistry Award.

The Problem of Conventional Foams/Coatings/Paint and Isocyanates

Conventional polyurethane (PU) paint and coatings have many disadvantages: they are

porous, permeable and maintain poor hydrolytic stability. This makes the material highly vulnerable to environmental degradation and ultimately leads to their chemical decomposition, especially when in contact with water. Conventional PU foams such as spray foam insulation are applied via a spraying mechanism that sends toxic isocyanates in the air – exposing workers to the dangers of toxic isocyanates. Strict and costly health & safety measures have to be implemented in the manufacture and application of conventional polyurethane due to the toxicity of isocyanates. This is why regulatory bodies around the world are now looking toward phasing out the use of isocyanates.

Since conventional polyurethanes contain isocyanates, very strict health and safety measures related to their use must be taken. In addition, special measures for the preparation of fillers for paints and coatings must be taken since isocyanates are very sensitive to moisture. Both of these issues lead to a highly regulated and costly working environment. On the other hand, it is not necessary to address any of these issues with Green Polyurethane™ since no isocyanates are used at any stage of the production or application process – making it hundreds of times less toxic than conventional PU.

Current global trends toward more environmentally sound products and new legislative restrictions on the use of hazardous materials and their chemical by-products pose formidable obstacles to conventional polyurethane manufacturers. Governmental health agencies and workers unions are beginning to actively speak out and regulate against the dangers of isocyanates in the workplace.

The Green Polyurethane™ Solution

Green Polyurethane™ (also referred to as “HNIPU” - hybrid non-isocyanate polyurethane) is a “hybrid” material that combines the high chemical resistance properties of epoxy and advanced durability and wear resistance properties of polyurethane, making it the perfect coating application for sanitary, high traffic and corrosive surface areas. As a hybrid material with superior properties, Green Polyurethane™ can be applied in one or two coatings, providing a welcome cost-saving substitute to currently used multi-layered coating applications. Its safety features allow it to be applied without the interruption of business due to public exposure, creating an additional 30-60% savings on application costs for customers. As a foam, Green Polyurethane™ provides high R values up to 6.0, energy savings up to 30% and improved tensile strength over conventional foam without using dangerous isocyanates.

Recent Anti-Isocyanate Regulatory Pressure

US EPA MDI Action Plan: The US EPA (Environmental Protection Agency) is taking progressive action to regulate and potentially ban isocyanates and has mentioned Hybrid's technology as an alternative to toxic polyurethane in its MDI Action Plan against isocyanates (see page 4 Figovsky and Shapovalov) <http://www.epa.gov/sites/production/files/2015-09/documents/tdi.pdf>.

OSHA National Emphasis Program: On June 25, 2013 the Occupational Safety and Health Administration (OSHA), a division of the US Department of Labor, initiated a National Emphasis Program to protect workers from the serious health effects from occupational exposure to isocyanates. Isocyanates are found in polyurethane based products. According to OSHA, "Workers exposed to isocyanates can suffer debilitating health problems for months or even years after exposure which could result in death."

California's Department of Toxic Substances Control (DTSC) on March 13, 2014 selected isocyanates and two other substances from a list of 1,100 toxic components that it will focus on with the goal of potentially banning them altogether within the next two years. The announcement is part of a bigger effort to educate consumers and manufacturers about product safety under the Green-Chemistry Law, which went into effect in California last year. Under the law, the agency has jurisdiction to ban these products altogether after following proper protocol. That process includes workshops, a public comment period and requiring manufacturers that want to sell these products in California to determine whether it would be feasible to use safer ingredients

The US EPA on January 8, 2015 announced that it was taking action to protect consumers from new uses and imports of harmful isocyanates in polyurethane. The EPA's proposed action, a Significant New Use Rule (SNUR) under the Toxic Substances Control Act (TSCA), would require manufacturers (including importers) to notify the EPA at least 90 days before starting or resuming new uses of isocyanates in polyurethane based consumer products. The EPA would then have the opportunity to evaluate the intended use of and if necessary, to take action to prohibit or limit all products containing over one tenth of one percent of the chemical including imported products that make their way into the United States.