

December 19, 2019



Pressure BioSciences, Inc. Reports Third Quarter 2019 Financial Results and Provides Business Update

Significant Revenue Growth Reported in Consumable Products (158%) and Scientific Services (87%); Company Continues to Gain Momentum in Its PCT, BaroFold, and UST Technology Platforms

Investor Conference Call Scheduled for Thursday, December 19, 2019 at 4:30 PM EST

SOUTH EASTON, Mass., Dec. 19, 2019 (GLOBE NEWSWIRE) -- via OTC PR WIRE -- Pressure BioSciences, Inc. (OTCQB: PBIO) ("PBI" or the "Company"), a leader in the development and sale of broadly enabling, pressure-based instruments, consumables, services, and platform solutions to the worldwide life sciences industry, today announced financial results for the third quarter ended September 30, 2019, provided a business update, and offered limited guidance for FY2020.

Mr. Richard T. Schumacher, President and CEO of PBI, commented: "We have consistently highlighted the importance of the "razor/razor blade" business model. In the 3rd quarter, consumable sales for our pressure cycling technology ("PCT") platform exceeded \$100,000/quarter for the first time, increasing by 158% over the same quarter last year. A significant portion of this accelerating growth came from scientists working in cancer research centers worldwide. These researchers use PBI's PCT platform in studies focused on improving cancer diagnostics, prognostics, therapeutics, and prevention. For example, on October 1st we announced that the research group led by nationally acclaimed cancer researcher Dr. Tom Conrads (Sr. Director of Women's Health Research at the Inova Women's Hospital, Fairfax, VA) had developed a novel workflow that could enable the identification of biomarkers associated with women's cancers and possibly result in significant improvements in the clinical management of gynecologic cancer. Dr. Conrads' comments highlighted that PBI's PCT platform was an essential part of their workflow."

Mr. Schumacher continued: "According to ASD Reports (Dec 2016), the cancer/tumor profiling market is poised to reach nearly \$62 billion by 2021. Based on multiple recent publications and presentations by cancer research scientists that have highlighted the importance of our PCT platform in their work, we believe our PCT-based products (instruments and consumables) position us well to take advantage of this very large and growing market. Because of this, and because of feedback received from many cancer researchers (including Key Opinion Leaders), we believe our PCT-based products will show significant revenue increases in 2020. We also expect to announce one or more strategic marketing and distribution agreements with industry leaders during 2020; we believe these will also help to accelerate revenue."

PBI's Chairman of the Board, Mr. Jeffrey N. Peterson, added: "In addition to the vigorous growth expected in our PCT applications, we are particularly enthusiastic about our newest strategic sectors of unique pressure technology applications, building upon our BaroFold technology (refolding protein therapeutics into their required optimal configurations) and our Ultra Shear Technology platform (stable and fully absorbable nanoemulsions of oil-based nutrients in water). We have recently demonstrated the capabilities of our new high throughput UST production prototype for prospective clients and partners, who were stunned by the product absorption and silky texture advances that we offered to their existing product formulations. Our initial purchase orders for the first generation BaroShear K45 UST nanoemulsion system are now being eclipsed by accelerating demand for system purchase quotations, particularly to solve critical dosing efficiency and consistency challenges in the cannabis/CBD industry."

Mr. Peterson further noted: "We believe UST-produced nanoemulsions will make all kinds of oils effectively and safely water soluble and long-term stable. We believe the impact of this technology will quickly become profound in the breadth and scale of markets that it can transform, and the market leaders that it can create in this process. This has been the primary driver behind our previous guidance showing PBI sales more than doubling in 2020, reaching or exceeding \$6M."

Financial Results: Q3 2019 vs. Q3 2018 (Rounded to nearest hundred except earnings per share)

Products and services revenue was \$501,200 for the 2019 third quarter compared to \$461,000 for the same quarter of 2018, a 9% increase. Sales of consumables were \$112,000 for the third quarter of 2019 compared to \$43,400 for the same period in 2018, a 158% increase. Sales of instruments totaled \$185,800 in Q3 2019 compared to \$250,200 in Q3 2018, a decrease of 26%. Contracted scientific services for protein refolding ("BaroFold") applications and

Ultra-Shear Technology™ (“UST™”) services provided revenue of \$149,200 in Q3 2019, compared to \$79,800 in Q3 2018, an increase of 87%. We reported no grant revenue in the third quarter of 2019 compared to \$60,800 of grant revenue in the same quarter of 2018.

Total revenue for the third quarter ended September 30, 2019 was \$501,200 compared to \$521,766 for the same period in 2018, a 4% decrease. This decrease was primarily due to the loss in grant revenue, and our shift of resources into building up our commercial UST platform readiness for 2020 and beyond.

Operating loss for Q3 2019 was \$1,069,000 compared to \$933,400 for the same period in 2018, an increase of 15%. This increase was primarily due to the loss in grant revenue, increased use of investor relations services, non-cash stock compensation, and employee costs relating to a new chief commercial officer with related travel for business development.

Loss per common share – basic and diluted– was \$(2.20) for Q3 2019 compared to loss per common share of \$(2.01) for the same period in 2018.

Recent Operational and Technical Highlights

Launch of our Revolutionary UST-Based System to Make High Quality, Stable, Water-Soluble Nanoemulsions of CBD Oil

- We announced our entrance into the CBD market with the launch of a novel, proprietary processing system (the BaroShear K45) to revolutionize the manufacture of water-soluble, long-term stable, highly absorbable, nanoemulsified CBD Oil
- We announced receipt of the initial three purchase orders for our BaroShear K45 nanoemulsification system
- We hired pharma/biotech/lab instrumentation veteran Ken Micciche to direct the UST Program
- We sent out quotations for potential BaroShear K45 purchases to multiple companies in the U.S. and Canada
- We are close to completing the build-out of our GMP-compliant manufacturing laboratory, where we expect to showcase the BaroShear K45 and our new industrial scale, high volume (2 liters/minute) UST-based nanoemulsification systems

Expansion of our Recently Launched BaroFold Contract Services Business

- We entered into a six-figure agreement with a new multi-national, multi-billion-dollar biopharma company
- We began discussions towards an agreement with several additional multi-national, multi-billion-dollar companies
- We expanded the contract services laboratory with additional specialized equipment and new methods/applications

Expanded Applications for our Core Suite of PCT and Constant Pressure-Based Instruments

- Our proprietary PCT Platform was acknowledged to fill a pivotal role for tumor analysis in a novel workflow presented at a leading global gynecological cancer meeting. The presenters commented that data from the analysis of cancer tissue proteins excised by their novel PCT-based workflows could lead to improved clinical management of gynecological cancers.
- At a major international conference in Australia, our PCT Platform was featured in 10 separate presentations by scientists from 17 research institutions worldwide. The presentations highlighted novel applications for the PCT Platform in cancer research and diagnostics.
- The PCT Platform was identified by two prestigious research centers as pivotal for cancer biomarker discovery and potential clinical diagnostics in studies using preserved (i.e., formalin-fixed, paraffin-embedded, or FFPE) cancer biopsy tissue samples.

Earnings Call

The Company will hold an Earnings Conference Call at 4:30 PM EST on Thursday, December 19, 2019. To attend this teleconference via telephone, Dial-in: (844) 602-0380 (North America), (862) 298-0970 (International). Verbal Passcode: P BIO Third Quarter 2019 Financial Results Call. Replay Number (877) 481-4010 (North America), (919) 882-2331 (International). Replay ID Number: 57001. Teleconference Replay Available for 30 days.

About Pressure BioSciences, Inc.

Pressure BioSciences, Inc. (OTCQB: P BIO) is a leader in the development and sale of innovative, broadly enabling, pressure-based solutions for the worldwide life sciences industry. Our products are based on the unique properties of both constant (i.e., static) and alternating (i.e., pressure cycling technology, or PCT) hydrostatic pressure. PCT is a patented enabling technology platform that uses alternating cycles of hydrostatic pressure between ambient and ultra-high levels to safely and reproducibly control bio-molecular interactions (e.g., cell lysis, biomolecule extraction).

Our primary focus is in the development of PCT-based products for biomarker and target discovery, drug design and development, biotherapeutics characterization and quality control, soil & plant biology, forensics, and counter-bioterror applications. Additionally, major new market opportunities have emerged in the use of our pressure-based technologies in the following areas: (1) the use of our recently acquired, patented technology from BaroFold, Inc. (the "BaroFold" technology) to allow entry into the bio-pharma contract services sector, and (2) the use of our recently-patented, scalable, high-efficiency, pressure-based Ultra Shear Technology ("UST") platform to (i) create stable nanoemulsions of otherwise immiscible fluids (e.g., oils and water) and to (ii) prepare higher quality, homogenized, extended shelf-life or room temperature stable low-acid liquid foods that cannot be effectively preserved using existing non-thermal technologies.

Forward Looking Statements

This press release contains forward-looking statements. These statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed, implied or inferred by these forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "would," "expects," "plans," "intends," "anticipates," "believes," "estimates," "predicts," "projects," "potential" or "continue" or the negative of such terms and other comparable terminology. These statements are only predictions based on our current expectations and projections about future events. You should not place undue reliance on these statements. In evaluating these statements, you should specifically consider various factors. Actual events or results may differ materially. The Company's financial results for the three months ended September 30, 2019 may not necessarily be indicative of future results. These and other factors may cause our actual results to differ materially from any forward-looking statement. These risks, uncertainties, and other factors include, but are not limited to, the risks and uncertainties discussed under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2018, and other reports filed by the Company from time to time with the SEC. The Company undertakes no obligation to update any of the information included in this release, except as otherwise required by law. Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

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For more information about PBI and this press release, please click on the following website link:

<http://www.pressurebiosciences.com>

Please visit us on Facebook, LinkedIn, and Twitter.

PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY CONSOLIDATED STATEMENTS OF OPERATIONS UNAUDITED

	For the Three Months Ended September 30,	
	2019	2018
Revenue:		
Products, services, other	\$ 501,158	\$ 461,017
Grant revenue	-	60,749
Total revenue	<u>501,158</u>	<u>521,766</u>
Costs and expenses:		
Cost of products and services	285,794	234,320
Research and development	276,712	262,054
Selling and marketing	133,032	223,286
General and administrative	874,611	735,505
Total operating costs and expenses	<u>1,570,149</u>	<u>1,455,165</u>
Operating loss	(1,068,991)	(933,399)
Other income (expense):		

Interest expense	(2,124,477)	(733,209)
(Loss) Gain on extinguishment of debt	(185,203)	(140,765)
Incentive shares/warrants	-	-
Other income (expense)	4,674	(1,283)
Total other expense	<u>(2,305,006)</u>	<u>(875,257)</u>
Income tax benefit	217,168	-
Net loss	<u>(3,156,829)</u>	<u>(1,808,656)</u>
Deemed dividend on down round feature	-	-
Deemed dividend on beneficial conversion feature	(675,979)	(1,146,280)
Preferred stock dividends	<u>(492,494)</u>	<u>(277,439)</u>
Net loss attributable to common stockholders	<u>\$ (4,325,302)</u>	<u>(3,232,375)</u>
Basic and diluted net loss per share attributable to common stockholders	\$ (2.20)	\$ (2.01)
Weighted average common stock shares outstanding used in the basic and diluted net loss per share calculation	1,967,872	1,606,575

**PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS**

ASSETS	Unaudited September 30, 2019	December 31, 2018
CURRENT ASSETS		
Cash and cash equivalents	\$ 135,364	\$ 103,118
Accounts receivable, net of \$0 reserve at September 30, 2019 and December 31, 2018	411,442	474,830
Inventories, net of \$273,547 reserve at September 30, 2019 and December 31, 2018	713,886	765,478
Prepaid expenses and other current assets	<u>239,216</u>	<u>170,734</u>
Total current assets	1,499,908	1,514,160
Investment in equity securities	16,643	16,643
Property and equipment, net	94,242	69,272
Other assets	201,534	136,385
Intangible assets, net	<u>598,558</u>	<u>663,462</u>
TOTAL ASSETS	<u>\$ 2,410,885</u>	<u>\$ 2,399,922</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 612,839	\$ 658,856
Accrued employee compensation	393,498	456,932
Accrued professional fees and other	1,573,872	1,112,995
Other current liabilities	2,536,812	1,233,325
Deferred revenue	27,495	20,623
Operating lease liability	92,950	59,799
Convertible debt, net of unamortized discounts of \$326,380 and \$156,180, respectively	4,888,935	4,000,805
Other debt, net of unamortized discounts of \$7,036 and \$9,118, respectively	1,808,237	852,315
Other related party debt	<u>79,000</u>	<u>15,000</u>
Total current liabilities	<u>12,013,638</u>	<u>8,410,650</u>
LONG TERM LIABILITIES		
Operating lease liability, net of current portion	-	76,586
Deferred revenue	<u>21,776</u>	<u>37,757</u>
TOTAL LIABILITIES	<u>12,035,414</u>	<u>8,524,993</u>
COMMITMENTS AND CONTINGENCIES (Note 5)		
STOCKHOLDERS' DEFICIT		
Series D Convertible Preferred Stock, \$.01 par value; 850 shares authorized; 300 shares issued and outstanding on September 30, 2019 and December 31, 2018, respectively (Liquidation value of \$300,000)	3	3

Series G Convertible Preferred Stock, \$.01 par value; 240,000 shares authorized; 80,570 shares issued and outstanding on September 30, 2019 and December 31, 2018, respectively	806	806
Series H Convertible Preferred Stock, \$.01 par value; 10,000 shares authorized; 10,000 shares issued and outstanding on September 30, 2019 and December 31, 2018, respectively	100	100
Series H2 Convertible Preferred Stock, \$.01 par value; 21 shares authorized; 21 shares issued and outstanding on September 30, 2019 and December 31, 2018, respectively	-	-
Series J Convertible Preferred Stock, \$.01 par value; 6,250 shares authorized; 3,458 shares issued and outstanding on September 30, 2019 and December 31, 2018, respectively	35	35
Series K Convertible Preferred Stock, \$.01 par value; 15,000 shares authorized; 6,880 shares issued and outstanding on September 30, 2019 and December 31, 2018, respectively	68	68
Series AA Convertible Preferred Stock, \$.01 par value; 10,000 shares authorized; 7,899 and 6,499 shares issued and outstanding on September 30, 2019 and December 31, 2018, respectively	80	65
Common stock, \$.01 par value; 100,000,000 shares authorized; 2,172,163 and 1,684,182 shares issued and outstanding on September 30, 2019 and December 31, 2018 respectively	21,722	16,842
Warrants to acquire common stock	22,064,307	19,807,247
Additional paid-in capital	43,263,325	39,777,301
Accumulated deficit	(74,974,975)	(65,727,538)
Total stockholders' deficit	(9,624,529)	(6,125,071)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 2,410,885	\$ 2,399,922

Source: Pressure BioSciences, Inc.