

April 6, 2016



# **Pressure BioSciences, Inc. Reports Fiscal Year 2015 Financial Results and Provides Business Update**

## **Company Reports Increases in Total/Products/Grant Revenue & Product Gross Margins**

**2015 Highlights Include Co-Marketing Agreement with Global Life Science Leader SCIEX, \$1 Million NIH Grant Award, Elimination of All Variable-Rate Debt, Release of New Instruments/Consumables, & Multiple Third Party Publications Strongly Supporting Company's Patented and Enabling PCT Platform**

**Investor Conference Call Scheduled for Wednesday, April 6, 2016 at 4:30 PM EDT**

SOUTH EASTON, Mass., April 6, 2016 /PRNewswire/ -- Pressure BioSciences, Inc. (OTCQB: PBIO) ("PBI" or the "Company") today announced financial results for the fiscal year ended December 31, 2015, provided a business update, and offered limited guidance for FY2016.

**Financial Results: FY2015 vs. FY2014** Total revenue for the fiscal year ended December 31, 2015 was \$1,797,691 compared to \$1,374,744 for the same period in 2014, an increase of approximately 31%. Products and services revenue was \$1,409,991 for the year ended December 31, 2015 compared to \$1,350,150 for the same period in 2014, an increase of 4.4%. Sales of instrumentation increased in 2015 by \$36,139 or 5%, from \$799,472 in FY 2014 to \$835,611 in FY 2015. Consumable sales were \$146,408 in FY 2015 compared to \$167,380 in FY 2014, a decrease of 13%. Grant revenue for the year ended December 31, 2015 was \$387,700 as compared to \$24,594 in 2014, an increase of \$363,106 or approximately 1500%. This significant increase in grant revenue was due to the receipt of a \$1,020,969 SBIR Phase II grant (2R44HG007136) from the NIH, as announced on February 19, 2015.

Operating loss for the year ended December 31, 2015 was \$3,565,182 compared to a loss of \$3,338,350 for the same period in 2014, an increase of approximately 7%. This increase in operating loss was due primarily to increases in R&D and G&A expenses, and by the award of director and employee stock options, off-set partially by increases in total revenue and product gross margins.

Loss per common share – basic and diluted – was \$0.36 for the year ended December 31, 2015 compared to a loss per common share – basic and diluted – of \$0.44 for the same

period in 2014.

### **Financial Highlights: 2015**

|    |                                                                                                                                                          |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) | Received \$4.9M in a private placement of fixed-rate convertible debentures between July – Dec 2015                                                      |
| b) | Eliminated 100% of the Company's variable-rate convertible debt                                                                                          |
| c) | Increased Total/Products & Services/Grant Revenue and Product Gross Margins, 2015 vs 2014                                                                |
| d) | Awarded \$1,020,969 NIH SBIR Phase II grant to develop a high-throughput, high pressure-based DNA shearing system for Next Generation Sequencing ("NGS") |

### **Operational Highlights: 2015**

|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| e) | SCIEX, a global leader in life science analytical technologies, and a wholly-owned subsidiary of Danaher Corporation, announced an exclusive co-marketing agreement with PBI to improve protein quantitation in complex samples.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| f) | Professor Ruedi Aebersold, an international authority in proteomics based at ETH Zurich, and his colleagues published an article in the well-respected scientific journal Nature Medicine on a breakthrough method to permit quantification of thousands of proteins in needle biopsy samples. The method was enabled by PBI's pressure cycling technology ("PCT") platform. The Company estimates there are millions of needle biopsy samples analyzed worldwide every year.                                                                                                                                                                                                                                                                                               |
| g) | Collaborators and customers published and presented multiple papers throughout 2015 to highlight the key advantages of the Company's PCT platform in a number of important applications, including: (i) drug discovery and design, (ii) cancer detection, (iii) analysis of microbial populations in soil, (iv) proteomic profiling and classification of prostate cancer tissue biopsy samples, (v) potential acceleration of the discovery of new biomarkers for the early diagnosis and prediction of complications in diabetes, (vi) potential improvement in the extraction of DNA from rape kits and other forensic samples, and (vii) potential discovery of new biomarkers and underlying pathways in the emergence and progression of COPD-associated lung cancer. |
| h) | The commercial release of PCT-HD, the "Next Generation Protein Preparation System", in two separate presentations at a major international scientific meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

Mr. Richard T. Schumacher, President and CEO of PBI, commented: "We accomplished a number of key goals in 2015: the receipt of approximately \$5M in new capital; the elimination of all toxic debt; the release of new pressure-based instruments and consumables; the initial development of the new Barocycler NEP2320 Extreme – designed to allow SCIEX and other mass spectrometry customers to unleash the full potential of PCT in their proteomic workflows; and the initiation of a co-marketing agreement with SCIEX, a key provider of analytical instrumentation to the scientific research markets worldwide."

Mr. Schumacher continued: "These accomplishments, combined with the planned expansion of our marketing and sales capabilities this year, position us well for success in 2016 and beyond. We have well-defined near-term goals that we believe are clear, focused, and attainable. If achieved, we believe these goals should continue to build value realization in PBI, positioning us as a stronger, more valuable company going forward."

### **Near-Term Goals: FY2016**

|    |                                                                                                           |
|----|-----------------------------------------------------------------------------------------------------------|
| a) | Continue to implement a sound path toward financial self-sufficiency and future growth and profitability. |
|----|-----------------------------------------------------------------------------------------------------------|

|    |                                                                                                                                                                                      |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| b) | Increase total/products & services/grant revenue & gross margins, quarter/quarter and year/year.                                                                                     |
| c) | Complete the manufacture of the Barocycler NEP2320 Extreme and begin the commercialization plan for this robust, computer-driven, highly capable new pressure-generating instrument. |
| d) | Support and expand our co-marketing program with SCIEX.                                                                                                                              |
| e) | Secure a strategic marketing and distribution partner for the Barozyme HT48 high throughput system and for the NMR and EPR PCT-based sample preparation systems.                     |
| f) | Implement an expanded marketing campaign for the patent-pending micro-Pestle consumable.                                                                                             |
| g) | Expand sales and marketing capabilities to reach into new countries, investigators, and fields-of-use.                                                                               |
| h) | Continue to prepare for a targeted up-list to NASDAQ or the NYSE.                                                                                                                    |

## About Pressure BioSciences, Inc.

Pressure BioSciences, Inc. ("PBI") (OTCQB: PBIO) develops, markets, and sells proprietary laboratory instrumentation and associated consumables to the estimated \$6 billion life sciences sample preparation market. 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. To date, we have installed over 250 PCT systems in approximately 160 sites worldwide. There are over 100 publications citing the advantages of the PCT platform over competitive methods, many from key opinion leaders. Our primary development and sales efforts are in the biomarker discovery, drug discovery and design, and forensics areas. Customers also use our products in other areas, such as bio-therapeutics characterization, soil & plant biology, vaccine development, and counter-bioterror applications.

## Earnings Call

The Company will hold an Earnings Conference Call at 4:30 PM EDT on Wednesday, April 6, 2016. To attend this teleconference via telephone, Dial-in: (877) 407-8031 (North America), (201) 689-8031 (International). Verbal Passcode: PBI FY 2015 Financial Conference Call, ID 13634697. Replay Number (877) 660-6853 (North America); (201) 612-7415 (International). Teleconference Replay Available for 30 days

## 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 year ended December 31, 2015 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, 2015, 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.

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 BALANCE SHEETS**

**(AUDITED)**

|                                                                                 | <b>December<br/>31, 2015</b> | <b>December<br/>31, 2014</b> |
|---------------------------------------------------------------------------------|------------------------------|------------------------------|
| <u><b>ASSETS</b></u>                                                            |                              |                              |
| <b>CURRENT ASSETS</b>                                                           |                              |                              |
| Cash and cash equivalents                                                       | \$116,783                    | \$473,948                    |
| Accounts receivable                                                             | 113,256                      | 272,022                      |
| Inventories, net of \$50,000 reserve at December 31, 2015 and December 31, 2014 | 1,038,371                    | 850,552                      |
| Prepaid income taxes                                                            | 7,381                        | 7,381                        |
| Prepaid expenses and other current assets                                       | 213,926                      | 104,204                      |
| Total current assets                                                            | 1,489,717                    | 1,708,107                    |
| Investment in available-for-sale equity securities                              | 294,522                      | -                            |

|                                                                                                                                                                                              |                    |                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| Property and equipment, net                                                                                                                                                                  | 20,149             | 36,025             |
| <b>TOTAL ASSETS</b>                                                                                                                                                                          | <b>\$1,804,388</b> | <b>\$1,744,132</b> |
| <b><u>LIABILITIES AND STOCKHOLDERS' DEFICIT</u></b>                                                                                                                                          |                    |                    |
| <b>CURRENT LIABILITIES</b>                                                                                                                                                                   |                    |                    |
| Accounts payable                                                                                                                                                                             | \$941,389          | \$1,035,781        |
| Accrued employee compensation                                                                                                                                                                | 176,009            | 157,347            |
| Accrued professional fees and other                                                                                                                                                          | 821,088            | 719,432            |
| Deferred revenue                                                                                                                                                                             | 140,878            | 27,117             |
| Convertible debt, net of unamortized discounts of \$0 and \$328,681, respectively                                                                                                            | 100,000            | 1,004,513          |
| Other debt, net of unamortized discounts of \$3,041 and \$0, respectively                                                                                                                    | 151,628            | 80,480             |
| Warrant derivative liabilities                                                                                                                                                               | 3,295,976          | 159,875            |
| Conversion option derivative liabilities                                                                                                                                                     | 3,940,791          | 590,341            |
| <b>Total current liabilities</b>                                                                                                                                                             | <b>9,567,759</b>   | <b>3,774,886</b>   |
| <b>LONG TERM LIABILITIES</b>                                                                                                                                                                 |                    |                    |
| Convertible debt, net of unamortized discounts of \$5,223,658 and \$0, respectively                                                                                                          | 177,342            | -                  |
| Deferred revenue                                                                                                                                                                             | 36,935             | 28,977             |
| <b>TOTAL LIABILITIES</b>                                                                                                                                                                     | <b>9,782,036</b>   | <b>3,803,863</b>   |
| <b>STOCKHOLDERS' DEFICIT</b>                                                                                                                                                                 |                    |                    |
| Series D Convertible Preferred Stock, \$.01 par value; 850 shares authorized; 300 shares issued and outstanding on December 31, 2015 and 2014, respectively (Liquidation value of \$300,000) | 3                  | 3                  |
| Series G Convertible Preferred Stock, \$.01 par value; 240,000 shares authorized; 86,570 shares issued and outstanding on December 31, 2015 and 2014, respectively                           | 866                | 866                |
| Series H Convertible Preferred Stock, \$.01 par value; 10,000 shares authorized; 10,000 shares issued and outstanding on December 31, 2015 and 2014, respectively                            | 100                | 100                |
| Series H2 Convertible Preferred Stock, \$.01 par value; 21 shares authorized; 21 shares issued and outstanding on December 31, 2015 and 2014, respectively                                   | -                  | -                  |
| Series J Convertible Preferred Stock, \$.01 par value; 6,250 shares authorized; 3,546 shares issued and outstanding on December 31, 2015 and 2014, respectively                              | 36                 | 36                 |

|                                                                                                                                                                   |              |              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Series K Convertible Preferred Stock, \$.01 par value; 15,000 shares authorized; 11,416 shares issued and outstanding on December 31, 2015 and 2014, respectively | 114          | 114          |
| Common stock, \$.01 par value; 100,000,000 shares authorized; 23,004,898 and 18,673,390 shares issued and outstanding on December 31, 2015 and 2014, respectively | 230,050      | 186,734      |
| Warrants to acquire common stock                                                                                                                                  | 5,416,681    | 5,253,566    |
| Additional paid-in capital                                                                                                                                        | 26,036,733   | 24,617,564   |
| Accumulated other comprehensive income                                                                                                                            | (105,025)    | -            |
| Accumulated deficit                                                                                                                                               | (39,557,206) | (32,118,714) |
| Total stockholders' deficit                                                                                                                                       | (7,977,648)  | (2,059,731)  |
| TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT                                                                                                                       | \$1,804,388  | \$1,744,132  |

**PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY**

**CONSOLIDATED STATEMENTS OF OPERATIONS**

**(AUDITED)**

**For the Year Ended**

**December 31,**

**2015          2014**

Revenue:

|                           |             |             |
|---------------------------|-------------|-------------|
| Products, services, other | \$1,409,991 | \$1,350,150 |
| Grant revenue             | 387,700     | 24,594      |
| Total revenue             | 1,797,691   | 1,374,744   |

Costs and expenses:

|                               |           |         |
|-------------------------------|-----------|---------|
| Cost of products and services | 609,054   | 652,438 |
| Research and development      | 1,105,295 | 952,555 |
| Selling and marketing         | 745,574   | 721,229 |

|                                                                                                               |               |               |
|---------------------------------------------------------------------------------------------------------------|---------------|---------------|
| General and administrative                                                                                    | 2,902,950     | 2,386,872     |
| Total operating costs and expenses                                                                            | 5,362,873     | 4,713,094     |
| Operating loss                                                                                                | (3,565,182)   | (3,338,350)   |
| Other (expense) income:                                                                                       |               |               |
| Interest expense                                                                                              | (4,146,416)   | (1,303,129)   |
| Other expense                                                                                                 | (36,879)      | (169,554)     |
| Gain on extinguishment of embedded derivative liabilities                                                     | 2,555,180     | -             |
| Change in fair value of derivative liabilities                                                                | (2,222,001)   | 198,493       |
| Total other (expense) income                                                                                  | (3,850,116)   | (1,274,190)   |
| Net loss                                                                                                      | (7,415,298)   | (4,612,540)   |
| Accrued dividends on convertible preferred stock                                                              | (23,194)      | (143,771)     |
| Deemed dividends on convertible preferred stock                                                               | -             | (1,495,415)   |
| Net loss applicable to common shareholders                                                                    | \$(7,438,492) | \$(6,251,726) |
| Net loss per share attributable to common stockholders - basic and diluted                                    | \$(0.36)      | \$(0.44)      |
| Weighted average common stock shares outstanding used in the basic and diluted net loss per share calculation | 20,726,205    | 14,264,753    |

|                                            |                    |
|--------------------------------------------|--------------------|
| <b>Investor Contacts:</b>                  |                    |
| Richard T. Schumacher, President & CEO     | (508) 230-1828 (T) |
| Jeffrey N. Peterson, Chairman of the Board | (650) 812-8121 (T) |

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/pressure-biosciences-inc-reports-fiscal-year-2015-financial-results-and-provides-business-update-300247124.html>

SOURCE Pressure BioSciences, Inc.