

May 16, 2017



Pressure BioSciences, Inc. Reports First Quarter 2017 Financial Results and Provides Business Update

Total Revenue, Products & Services Revenue, Consumable Sales, & Gross Margins All Increased While Operating Loss Decreased, Quarter-over-Quarter; CFO Hire, CE Marking Achievement, Sales & Marketing Expansion Expected to Help Drive Revenue, Expand Customer Base, and Increase Shareholder Value Throughout FY2017

SOUTH EASTON, MA -- (Marketwired) -- 05/16/17 -- Pressure BioSciences, Inc. (OTCQB: PBIO) ("PBI" or the "Company"), a leader in the development and sale of broadly enabling, pressure cycling technology ("PCT")-based sample preparation solutions to the worldwide life sciences industry, today announced financial results for the first quarter of 2017, provided a business update, and offered limited guidance on its growth plan for FY2017.

Financial Results: Q1 2017 vs. Q1 2016

Products and services revenue increased 16% to \$525,998 for Q1 2017 as compared to \$454,350 for Q1 2016. This increase was primarily attributable to an increase of 19% in the sale of instrument systems, from \$332,016 in Q1 2016 to \$396,095 in the same quarter of 2017. Sales of consumables also increased during these same periods, from \$44,234 in Q1 2016 to \$63,264 in Q1 2017, an increase of 43%. Grant revenue decreased from \$56,128 in Q1 2016 to \$25,359 in Q1 2017. We believe grant revenue will increase over the remaining quarters in 2017.

Despite this decrease in grant revenue, total revenue increased to \$551,357 for the three months ended March 31, 2017 as compared to \$510,478 during the three months ended March 31, 2016, an increase of \$40,878 or 8%. This increase was attributable to increases in the sales of our products and services.

Operating loss decreased to \$999,103 in Q1 2017 from \$1,045,945 for the same period in 2016, a reduction of \$46,842 or 4%. This decrease was primarily due to reduced R&D expenses combined with increased sales of product and services.

Loss per common share - basic and diluted - was \$0.18 for Q1 2017 compared to a loss per common share of \$0.26 for the same period in 2016.

Financial and Operational Highlights: Q1 2017

- **February 2, 2017.** PBI announced it had achieved CE Marking for the Barocycler 2320EXTREME (the "Barocycler 2320EXT"), the Company's recently released, next-

generation PCT-based sample preparation instrument. With the achievement of CE Marking, the Company can now market and sell the Barocycler 2320EXT in all 31 countries comprising the European Economic Area.

- **March 1, 2017.** The Company announced that the Barocycler 2320EXT had been named the "Best New Instrument for Sample Preparation 2017" by Corporate America News as part of the publication's 2017 North American Excellence Awards.
- **March 23, 2017.** The Company announced it had significantly bolstered its marketing and sales capabilities by contracting with EKG Sales Associates, a lead generation company, and by hiring two of the Company's planned four field sales directors.

Mr. Joseph L. Damasio, Jr., VP of Finance and CFO, said: "As reported, we continued to show quarter-over-quarter revenue growth, especially in the important area of products and services. We also increased gross margins during the period. What makes these accomplishments even more rewarding was their achievement during a quarter in which we were also able to reduce operating expenses and operating loss. We believe the financial results of the first quarter 2017 have set us up well to significantly drive revenue and business growth for the rest of the fiscal 2017 year, and beyond."

Mr. Richard T. Schumacher, President and CEO of PBI, commented: "Although pleased with the financial results of the first quarter, we are even more pleased with our operational accomplishments. During the first quarter, we made significant progress on our clearly-defined 2017 goals to (i) develop a clear and sustainable path to profitability and financial self-sufficiency; (ii) enhance and expand our current sales and marketing capabilities with the hiring of a minimum of four field sales directors, plus an external lead-generation service and internal operational personnel; and (iii) achieve an up-list to the NASDAQ Stock Exchange by or before the end of the 2017 second quarter. We believe that continued progress on or the achievement of these goals will position PBI to be a stronger, more valuable company, which in turn should increase shareholder value, which is our ultimate goal."

Earnings Call

The Company will hold an Earnings Conference Call at 4:30 PM EDT on Tuesday, May 16, 2017. To attend this teleconference via telephone, Dial-in: (877) 407-8031 (North America), (201) 689-8031 (International). Verbal Passcode: PBIO First Quarter 2017 Financial Call. Replay Number (877) 481-4010; (919) 882-2331 (International). Replay ID Number: 10404. Teleconference Replay Available for 30 days.

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.

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, 2016 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, 2016, 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 STATEMENTS OF OPERATIONS
(UNAUDITED)

	<i>For the Three Months Ended March 31,</i>	
	2017	2016
Revenue:		
Products, services, other	\$ 525,998	\$ 454,350
Grant revenue	25,359	56,128
Total revenue	<u>551,357</u>	<u>510,478</u>
Costs and expenses:		
Cost of products and services	235,997	221,699
Research and development	263,456	335,270
Selling and marketing	213,009	191,236
General and administrative	837,998	808,218
Total operating costs and expenses	<u>1,550,460</u>	<u>1,556,423</u>
Operating loss	(999,103)	(1,045,945)
Other (expense) income:		

Interest expense, net	(1,526,632)	(835,144)
Other expense	(959)	(912)
Impairment loss on investment	(6,069)	-
Change in fair value of derivative liabilities	<u>(3,061,752)</u>	<u>(4,068,390)</u>
Total other (expense) income	<u>(4,595,412)</u>	<u>(4,904,446)</u>
Net loss	<u>(5,594,515)</u>	<u>(5,950,391)</u>
Net loss per common share - basic and diluted	\$ (0.18)	\$ (0.26)
Weighted average common stock shares outstanding - basic and diluted	31,223,061	23,198,360

PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	<u>March 31, 2017</u>	<u>December 31, 2016</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 121,438	\$ 138,363
Accounts receivable, net of \$28,169 reserve at March 31, 2017 and December 31, 2016	518,727	281,320
Inventories, net of \$20,000 reserve at March 31, 2017 and December 31, 2016	940,383	905,284
Prepaid income taxes	7,405	7,405
Prepaid expenses and other current assets	<u>207,745</u>	<u>258,103</u>
Total current assets	1,795,698	1,590,475
Investment in available-for-sale equity securities	19,796	25,865
Property and equipment, net	<u>22,571</u>	<u>9,413</u>
TOTAL ASSETS	<u><u>\$ 1,838,065</u></u>	<u><u>\$ 1,625,753</u></u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 672,729	\$ 407,249
Accrued employee compensation	250,039	249,596
Accrued professional fees and other	990,425	956,884
Deferred revenue	145,918	159,654
Revolving note payable, net of unamortized debt discounts of \$839,969 and \$637,030, respectively	1,410,031	612,970
Related party convertible debt, net of debt discount of \$132,522 and \$0, respectively	158,612	-
Convertible debt, net of unamortized debt discounts of \$1,987,382 and \$2,235,839, respectively	5,213,529	4,005,702
Other debt, net of unamortized discounts of \$167,263 and \$380, respectively	683,116	238,157
Warrant derivative liability	3,018,515	1,685,108
Conversion option liability	<u>2,679,404</u>	<u>951,059</u>
Total current liabilities	<u>15,222,318</u>	<u>9,266,379</u>
LONG TERM LIABILITIES		
Related party convertible debt, net of debt discount of \$0 and \$165,611, respectively	-	125,523
Convertible debt, net of debt discount of \$5,575 and \$740,628, respectively	5,425	529,742
Deferred revenue	<u>74,805</u>	<u>87,527</u>
TOTAL LIABILITIES	<u><u>15,302,548</u></u>	<u><u>10,009,171</u></u>
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' DEFICIT		
Series D Convertible Preferred Stock, \$.01 par value; 850 shares authorized; 300 shares issued and outstanding on March 31, 2017 and December 31, 2016, 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 March 31, 2017 and December 31, 2016, respectively	866	866
Series H Convertible Preferred Stock, \$.01 par value; 10,000 shares authorized; 10,000 shares issued and outstanding on March 31, 2017 and December 31, 2016, respectively	100	100
Series H2 Convertible Preferred Stock, \$.01 par value; 21 shares authorized; 21 shares issued and outstanding on March 31, 2017 and December 31, 2016, respectively	-	-
Series J Convertible Preferred Stock, \$.01 par value; 6,250 shares authorized; 3,521 shares issued and outstanding on March 31, 2017 and December 31, 2016, respectively	35	35
Series K Convertible Preferred Stock, \$.01 par value; 15,000 shares authorized; 6,816 shares issued and outstanding on March 31, 2017 and December 31, 2016, respectively	68	68
Common stock, \$.01 par value; 100,000,000 shares authorized; 31,809,839 and 30,999,839 shares issued and outstanding on March 31, 2017 and December 31, 2016, respectively	318,098	309,998
Warrants to acquire common stock	6,628,580	6,325,102
Additional paid-in capital	27,446,472	27,244,600
Accumulated deficit	(47,858,705)	(42,264,190)
Total stockholders' deficit	(13,464,483)	(8,383,418)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 1,838,065	\$ 1,625,753

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Source: Pressure BioSciences, Inc.