

May 17, 2021



Milestone Scientific Reports a 61% Increase in Revenue for Q1 2021

Achieves 32% sequential increase in revenue for Q1 2021 versus Q4 2020

Reports approximately \$17 million of cash and cash equivalents as of March 31, 2021

ROSELAND, N.J., May 17, 2021 (GLOBE NEWSWIRE) -- **Milestone Scientific Inc. (NYSE: MLSS)**, a leading developer of computerized drug delivery instruments that provide painless and precise injections, today provided a business update and announced financial results for the first quarter ended March 31, 2021.

Arjan Haverhals, President of Milestone Scientific and CEO of Wand Dental Inc., stated, "I am pleased to report that our revenue for the first quarter of 2021 increased more than 61% to \$2.9 million versus \$1.8 million for the same period last year. We also achieved a strong sequential increase in sales of 32% versus the fourth quarter of 2020. We continue to carefully manage our operating expenses and significantly reduced our net loss during the quarter. Importantly, our dental segment remains cash flow positive on a standalone basis with continued growth opportunities. Our primary focus has been, and continues to be, the commercialization of the CompuFlo Epidural System within our medical segment. Specifically, now that we have penetrated several medical institutions with our CompuFlo® Epidural Instrument and CathCheck™ System, we are aggressively building our sales and marketing organization as we prepare for the next phase of our growth. We believe these latest commercial orders from several recognized hospitals is validation that our technology provides a level of safety and efficiency not currently available to medical professionals using conventional syringes. We truly believe 2021 will be a transformative year for our medical business and an important turning point as we execute on our goal of establishing our medical instruments and disposables as the new standard of care for epidural procedures in labor and delivery."

Leonard Osser, Interim Chief Executive Officer, further noted, "Our strong balance sheet with approximately \$17 million of cash and cash equivalents as of March 31, 2021 provides us substantial resources and the ability to accelerate our sales and marketing activities around both our dental and medical instruments. It also allows us to advance the development and commercialization of other indications for our proprietary DPS Dynamic Pressure Sensing Technology, which we believe represent further growth opportunities for our company. Additionally, last week we announced that we are promoting Arjan Haverhals to CEO and hired Scott Kahn as our new CFO. Arjan has already proven his exceptional leadership, and Scott will be instrumental, not only overseeing our financial infrastructure, but also helping us to increase investor awareness as we execute on key milestones. I look forward to staying actively involved as Vice Chairman of the Board and continuing to oversee our China operations."

For the three months ended March 31, 2021 and 2020, revenues were approximately \$2.9

million and \$1.8 million, respectively. Dental revenues increased by approximately \$1.0 million, due to the re-opening of dental offices throughout the country, the rest of the world, and China. Gross profit for the first quarter ended March 31, 2021 was \$1.8 million or 62% of revenue versus \$1.3 million or 71% of revenue for first quarter ended March 31, 2020. The decrease in the gross profit margin is due to the lower margin in sales to China. Operating loss for the three months ended March 31, 2021 was approximately \$(1.0) million versus approximately \$(1.6) million for the first quarter ended March 31, 2020. Net loss was approximately \$(1.0) million, or \$(0.01) per share for the three months ended March 31, 2021, versus net loss of \$(1.6) million, or \$(0.03) per share, for the comparable period in 2020.

Conference Call

Milestone Scientific's executive management team will host a conference call today at 11:00 A.M. Eastern Time to discuss the Company's financial results for the first quarter ended March 31, 2021, as well as the Company's corporate progress and other developments.

The conference call will be available via telephone by dialing toll free 1- 877-407-0778 for U.S. callers or 201-689-8565 for international callers. A webcast of the call may be accessed at <https://www.webcaster4.com/Webcast/Page/2306/41369> or on the Company's website at <https://www.milestonescientific.com/>.

An audio replay of the of the call will be available through May 31, 2021 and can be accessed by dialing 877-481-4010 for U.S callers or 919-882-2331 for international callers and by entering the access code: 41369.

About Milestone Scientific Inc.

Milestone Scientific Inc. (MLSS) is a biomedical technology research and development company that patents, designs and develops innovative diagnostic and therapeutic injection technologies and instruments for medical, dental, cosmetic and veterinary applications. Milestone's computer-controlled systems are designed to make injections precise, efficient, and virtually painless. Milestone's proprietary DPS Dynamic Pressure Sensing technology® is our technology platform that advances the development of next-generation devices, regulating flow rate and monitoring pressure from the tip of the needle, through platform extensions for local anesthesia for subcutaneous drug delivery, with specific applications for cosmetic botulinum toxin injections, epidural space identification in regional anesthesia procedures and intra-articular joint injections. For more information please visit our website: www.milestonescientific.com.

Safe Harbor Statement

This press release contains forward-looking statements regarding the timing and financial impact of Milestone's ability to implement its business plan, expected revenues, timing of regulatory approvals and future success. These statements involve a number of risks and uncertainties and are based on assumptions involving judgments with respect to future economic, competitive and market conditions, future business decisions and regulatory developments, all of which are difficult or impossible to predict accurately and many of which are beyond Milestone's control. Some of the important factors that could cause actual results to differ materially from those indicated by the forward-looking statements are general

economic conditions, failure to achieve expected revenue growth, changes in our operating expenses, adverse patent rulings, FDA or legal developments, competitive pressures, changes in customer and market requirements and standards, and the risk factors detailed from time to time in Milestone's periodic filings with the Securities and Exchange Commission, including without limitation, Milestone's Annual Report for the year ended December 31, 2020. The forward-looking statements in this press release are based upon management's reasonable belief as of the date hereof. Milestone undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

(tables follow)

MILESTONE SCIENTIFIC AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

| | March 31, 2021 | December 31, 2020 |
|---|-------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 16,950,710 | \$ 14,223,917 |
| Accounts receivable, net | 978,761 | 1,080,656 |
| Accounts receivable, related party net | 267,300 | - |
| Prepaid expenses and other current assets | 688,820 | 415,915 |
| Inventories, net | 2,020,549 | 2,420,179 |
| Advances on contracts | 753,197 | 414,202 |
| Total current assets | 21,659,337 | 18,554,869 |
| Furniture, fixtures and equipment, net | 27,074 | 30,729 |
| Intangibles, net | 317,896 | 329,249 |
| Right of use assets | 612,576 | 632,453 |
| Other assets | 24,150 | 24,150 |
| Total assets | \$ 22,641,033 | \$ 19,571,450 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 694,044 | \$ 482,972 |
| Accounts payable, related party | 184,360 | 385,138 |
| Accrued expenses and other payables | 1,178,907 | 824,454 |
| Accrued expenses, related party | 382,627 | 586,734 |
| Current portion of finance leases liabilities | 7,977 | 7,796 |
| Current portion of operating lease right-of-use liabilities | 73,596 | 72,031 |
| Deferred profit, related party | 241,288 | 242,589 |
| Note payable | 276,180 | 276,180 |
| Total current liabilities | 3,038,979 | 2,877,894 |

| | | |
|-----------------------------|---------------------|---------------------|
| Finance lease liabilities | 26,544 | 28,607 |
| Operating lease liabilities | 538,421 | 557,981 |
| Total liabilities | <u>\$ 3,603,944</u> | <u>\$ 3,464,482</u> |

Commitments and contingencies

Stockholders' equity

Common stock, par value \$.001; authorized 85,000,000 shares; 66,591,883 shares issued and 66,558,550 shares outstanding as of March 31, 2021; 64,171,435 shares issued and 64,138,102 shares outstanding as of December 31, 2020;

| | | |
|--|----------------------|----------------------|
| Additional paid in capital | 66,591 | 64,171 |
| Additional paid in capital | 121,848,254 | 117,934,696 |
| Accumulated deficit | (101,858,826) | (100,885,957) |
| Treasury stock, at cost, 33,333 shares | (911,516) | (911,516) |
| Total Milestone Scientific Inc. stockholders' equity | <u>19,144,503</u> | <u>16,201,394</u> |
| Noncontrolling interest | (107,414) | (94,426) |
| Total stockholders' equity | <u>19,037,089</u> | <u>16,106,968</u> |
| Total liabilities and stockholders' equity | <u>\$ 22,641,033</u> | <u>\$ 19,571,450</u> |

MILESTONE SCIENTIFIC AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

| | For the three months ended March 31, | |
|--|---|----------------|
| | 2021 | 2020 |
| Product sales, net | \$ 2,924,707 | \$ 1,811,386 |
| Cost of products sold | <u>1,122,413</u> | <u>527,250</u> |
| Gross profit | 1,802,294 | 1,284,136 |
| Selling, general and administrative expenses | 2,749,299 | 2,748,043 |
| Research and development expenses | 16,444 | 107,480 |
| Depreciation and amortization expense | <u>20,924</u> | <u>37,219</u> |
| Total operating expenses | 2,786,667 | 2,892,742 |
| Loss from operations | (984,373) | (1,608,606) |
| Interest expense, net | <u>(2,535)</u> | <u>(4,097)</u> |
| Loss before provision for income taxes and net of equity investments | (986,908) | (1,612,703) |
| Provision for income taxes | <u>(250)</u> | <u>(250)</u> |

| | | |
|--|--------------|----------------|
| Loss before equity in net earnings of equity investments | (987,158) | (1,612,953) |
| Income from China Joint Venture | 1,301 | - |
| Net loss | (985,857) | (1,612,953) |
| Net loss attributable to noncontrolling interests | (12,988) | (12,738) |
| Net loss attributable to Milestone Scientific Inc. | \$ (972,869) | \$ (1,600,215) |
| | | |
| Net loss per share applicable to common stockholders— | | |
| Basic | (0.01) | (0.03) |
| Diluted | (0.01) | (0.03) |
| | | |
| Weighted average shares outstanding and to be issued— | | |
| Basic | 66,578,435 | 49,730,252 |
| Diluted | 66,578,435 | 49,730,252 |

Contact:

David Waldman or Natalya Rudman
Crescendo Communications, LLC
Email: mlss@crescendo-ir.com
Tel: 212-671-1020



Source: Milestone Scientific, Inc.