November 14, 2018

Pressure BioSciences, Inc. Reports Third Quarter and YTD 2018 Financial Results and Provides Business Update

Significant Operating Loss Decrease, Initial Revenue from New Scientific Services Group, and Accelerated Development of Ultra Shear Technology Platform Highlight Q3 and YTD Results

SOUTH EASON, MA / ACCESSWIRE / November 14, 2018 / Pressure BioSciences, Inc. (OTCQB: PBIO) ("PBI" or the "Company"), a leader in the development and sale of broadly enabling, pressure-based instruments, consumables, and platform solutions to the worldwide life sciences industry, today announced financial results for the third quarter and year-to-date periods ended September 30, 2018, provided a business update, and offered limited guidance for the remainder of FY2018.

Joseph L. Damasio, Vice President of Finance and CFO, said: "We are pleased to report that with tight fiscal oversight, our operating loss continued to decrease in FY 2018. For the third quarter alone, operating loss fell by $191,873 (17%) from the prior year same quarter, fueled to a great extent by our focus on reducing expenditures in investor and public relations, advertising, and non-essential corporate services. At the same time, we continued to increase our efforts on expanding the offerings and exposure of our new Scientific Services Group; these efforts led to significant revenue generation in Q3 and for year-to-date 2018, compared to no revenue in this area in FY2017. We believe revenue will continue to climb in Scientific Services in Q4; we also have expectations of very significant revenue growth in this area for FY2019."

Richard T. Schumacher, President and CEO of PBI, commented: "During the third quarter, a combination of factors temporarily reduced our revenue trend. Two of our three U.S. field sales directors departed from PBI during the quarter. Secondly, a large (six figure) instrument and consumables order from our biggest Chinese customer was put on hold because of new imposed tariffs. Finally, the majority of the R&D, technical services, and marketing staff of PBI were refocused on prioritizing the development of the Ultra Shear Technology ("UST") platform, to accelerate this major new technology into initial commercialization."

Mr. Schumacher continued: "We are actively looking to hire new sales directors for the two vacated territories and expect to do so before the end of the year. Regarding the large Chinese order placed on hold in September because of the new tariffs, we remain in weekly communication with our customer and continue to explore pathways to consummate the transaction. Finally, because of what we believe to be the game-changing potential of our new and unique UST platform, our accelerated UST development efforts are continuing at full speed. The increased efforts from our team focused on UST will continue through the end of this year and are expected to produce significant new growth progress within 2018."

Mr. Jeffrey N. Peterson, Chairman of the Board, said: "On November 9th, we announced the achievement of a major milestone in the development of our proprietary Ultra Shear Technology platform. This milestone - the development of the first working prototype of the UST system - has allowed us to begin the development of proprietary methods to make innovative nanoemulsions that deliver the long-sought breakthrough of making oil-based products effectively soluble in water. We anticipate that our UST platform will have transformational impact in multiple major markets, including the food, pharmaceutical and cosmetics markets that turn over sales in billions if not trillions of dollars annually."

Mr. Peterson concluded: "We are actively talking with many investors and companies on initial strategies for introduction of UST capabilities into these markets, with particular emphasis on the extremely hot CBD/cannabis market. We believe our UST platform will be capable of making high quality, highly stable, truly water-soluble nanoemulsions of CBD Oil.

Financial Results: Q3 2018 vs. Q3 2017 (Rounded to nearest hundred except earnings per share)

Products and services revenue was $461,000 for the third quarter of 2018 compared to $603,700 for the same quarter of 2017, a 24% decrease. Sales of instruments decreased to $277,600 in Q3 2018 compared to $410,900 in Q3 2017, a decrease of 32%. Sales of consumables were $43,400 for the third quarter of 2018 compared to $84,600 for the same period in 2017, a 49% decrease. Contracted scientific services for protein refolding applications and initial UST services to Ohio State provided an additional $79,800 in revenue. Grant revenue in Q3 2018 was $60,700 compared to $42,300 in Q3 2017.

Total revenue for the third quarter ended September 30, 2018 was $521,800 compared to $646,100 for the same period in 2017, a 19% decrease. This decrease was primarily due to employee turnover in our sales team and lost opportunities in China because of new tariffs imposed by both countries.

Operating loss for Q3 2018 was $933,400 compared to $1,125,300 for the same period in 2017. This decrease in operating loss of $191,900 or 17% was due primarily to the reduced utilization of outside investor and public relations firms and one-time costs in the prior period relating to our website development.

Loss per common share - basic and diluted- was $(2.01) for Q3 2018 compared to loss per common share of $(2.07) for the same period in 2017.

Financial Results: First Nine months 2018 vs. First Nine months 2017 (Rounded to nearest hundred except earnings per share)

Total revenue for the 2018 first nine months was $1,771,300 compared to $1,737,800 for the prior year same period, an increase of $33,500 or 2%. This increase was primarily due to higher revenue from scientific services, as described below. We believe total revenue will continue to increase in future periods.

Products and services revenue increased to $1,664,700 for the first nine months of 2018 compared to $1,610,100 for the same period in 2017, an increase of $54,600 or 3%. Comparing the first nine months 2018 to first nine months 2017, instrument sales decreased slightly to $1,094,700 from $1,153,900, a decrease of $59,200 or 5% and consumable sales decreased to $182,200 from $200,200, a decrease of $18,000 or 9%. We believe products and services revenue will increase year-over-year in future periods.

Grant revenue decreased to $106,600 in the 2018 first nine months from $127,700 in the prior year period, a decrease of $21,100 or 16.5%. Our current grant terminates at the end of November and a large amount of work remains to be completed to fulfill our grant obligations.

Operating loss was $2,962,400 for the first nine months of 2018, compared to a loss of 3,328,700 for the same period in 2017, a decrease of $366,300 or 11%. This decrease was due primarily to sales growth, reduced utilization of investor and public relations firms, the completion of a qualified sales leads development contract underway in the prior period, and one-time costs in the prior period relating to a co-marketing campaign with our European distributor and our website development, offset by increased R&D costs relating to contracted research performed by collaboration partners.

Net loss per common share was $(12.67) -- basic and diluted -- for the nine months ended September 30, 2018 compared to a net loss per common share of $(7.28) -- basic and diluted -- for the same period in 2017. The increased loss per share resulted from the Company recording deemed dividends relating to the beneficial conversion feature on the Series AA preferred stock, accrued dividends payable on the Series AA preferred stock and a price protection provision triggered on May 2, 2018 by the sale of Series AA preferred stock, affecting Debentures and Warrants to purchase Common Stock held by existing Debenture holders.

Earnings Call

The Company will hold an Earnings Conference Call at 4:30 PM EDT on Wednesday, November 1, 2018. To attend this teleconference via telephone, Dial-in: (877) 407-8033 (North America), (201) 689-8033 (International). Verbal Passcode: PBIO Third Quarter 2018 Financial Results Call. Replay Number (877) 481-4010 (North America), (919) 882-2331 (International). Replay ID Number: 41256. Teleconference Replay Available for 30 days.

About Pressure BioSciences, Inc.

Pressure BioSciences, Inc. (OTCQB: PBIO) 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 PreEMT technology from BaroFold, Inc. to allow entry into the biologics contract research 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 nine months ended September 30, 2018 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, 2017, 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.

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.

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PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2018	2017	2018	2017
Revenue:				
Products, services, other	$ 461,017	$ 603,726	$ 1,664,679	$ 1,610,124
Grant revenue	60,749	42,335	106,634	127,666
Total revenue	521,766	646,061	1,771,313	1,737,790
Costs and expenses:				
Cost of products and services	234,320	328,743	829,155	852,039
Research and development	262,054	239,326	910,862	744,565
Selling and marketing	223,286	301,676	722,696	814,796
General and administrative	735,505	901,588	2,270,953	2,655,054
Total operating costs and expenses	1,455,165	1,771,333	4,733,666	5,066,454
Operating loss	(933,399)	(1,125,272)	(2,962,353)	(3,328,664)
Other expense:				
Interest expense	(733,209)	(1,554,379)	(3,015,596)	(4,431,950)
Other expense	(1,283)	-	(15,595)	(7,108)
(Loss) gain on extinguishment of debt	(140,765)	90,862	335,132	90,862
Incentive shares/warrants	-	-	(663,130)	(186,802)
Change in fair value of derivative liabilities	-	245,213	-	(26,014)
Total other (expense) income	(875,257)	(1,218,304)	(3,359,189)	(4,561,012)
Net loss	(1,808,656)	(2,343,576)	(6,321,542)	(7,889,676)
Deemed dividend on down round feature	-	-	(213,012)	-
Deemed dividend on beneficial conversion feature	(1,146,280)	-	(11,678,571)	-
Preferred stock dividends	(277,439)	-	(373,318)	-
Net loss attributable to common stockholders	$(3,232,375)	$(2,343,576)	$(18,586,443)	$(7,889,676)
Basic and diluted net loss per share attributable to common stockholders	$ (2.01)	$ (2.07)	$ (12.67)	$ (7.28)
Weighted average common stock shares outstanding used in the basic and diluted net loss per share calculation	1,606,575	1,133,791	1,466,424	1,084,370

PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

	Unaudited September 30, 2018	December 31, 2017
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 5,919	$ 81,033
Accounts receivable	374,329	206,848
Inventories, net of $139,700 reserve at September 30, 2018 and $179,600 at December 31, 2017	899,934	857,662
Prepaid expenses and other current assets	254,464	222,158
Total current assets	1,534,646	1,367,701
Intangible assets, net of amortization of $64,904 and $0, respectively	685,096	750,000
Investment in available-for-sale equity securities	16,643	19,825
Property and equipment, net	16,885	22,662
TOTAL ASSETS	$ 2,253,270	$ 2,160,188
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	$ 605,653	$ 589,263
Accrued employee compensation	372,402	368,700
Accrued professional fees and other	942,077	800,620
Other current liabilities	1,041,193	1,536,507
Deferred revenue	161,301	263,106
Revolving note payable	-	3,500,000
Related party convertible debt, net of debt discount of $0 and $31,372, respectively	-	259,762
Convertible debt, net of unamortized debt discounts of $239,872 and $401,856, respectively	3,619,565	8,028,014
Other debt, net of unamortized discounts of $6,343 and $48,194, respectively	663,184	1,379,863
Related party other debt	22,500	-
Total current liabilities	7,427,875	16,725,835
LONG TERM LIABILITIES		
Deferred revenue	44,356	57,149
TOTAL LIABILITIES	7,472,231	16,782,984
STOCKHOLDERS' DEFICIT		
Series D Convertible Preferred Stock, $.01 par value; 850 shares authorized; 300 shares issued and outstanding on September 30, 2018 and December 31, 2017, 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, 2018 and December 31, 2017, respectively	806	806
Series H Convertible Preferred Stock, $.01 par value; 10,000 shares authorized; 10,000 shares issued and outstanding on September 30, 2018 and December 31,		

2017, respectively	100	100
Series H2 Convertible Preferred Stock, $.01 par value; 21 shares authorized; 21 shares issued and outstanding on September 30, 2018 and December 31, 2017, respectively	-	-
Series J Convertible Preferred Stock, $.01 par value; 6,250 shares authorized; 3,458 shares issued and outstanding on September 30, 2018 and December 31, 2017, respectively	35	35
Series K Convertible Preferred Stock, $.01 par value; 15,000 shares authorized; 6,880 shares issued and outstanding on September 30, 2018 and December 31, 2017, respectively	68	68
Series AA Convertible Preferred Stock, $.01 par value; 10,000 shares authorized; 5,655 and 0 shares issued and outstanding on September 30, 2018 and December 31, 2017, respectively	57	-
Common stock, $.01 par value; 100,000,000 shares authorized; 1,657,136 and 1,342,858 shares issued and outstanding on September 30, 2018 and December 31, 2017, respectively	16,571	13,429
Warrants to acquire common stock	18,290,689	9,878,513
Additional paid-in capital	38,516,869	30,833,549
Accumulated deficit	(62,044,159)	(55,349,299)
Total stockholders' deficit	(5,218,961)	(14,622,796)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 2,253,270	$ 2,160,188

SOURCE: Pressure BioSciences, Inc.