

March 22, 2017



# Pressure BioSciences, Inc. Reports Fourth Quarter and Fiscal Year 2016 Financial Results and Provides Business Update

**55% Growth in Q4 2016 Products & Services Revenue, Including 70% Increase in Sale of Consumable Supplies, Helps Company Achieve 27% Growth in Products & Services Revenue for Fiscal Year 2016**

**New Product Releases and Expansion of Sales & Marketing Capabilities Expected to Augment Revenue in FY2017**

**Investor Conference Call Scheduled for Wednesday, March 22, 2017 at 4:30 PM EDT**

SOUTH EASTON, MA -- (Marketwired) -- 03/22/17 -- Pressure BioSciences, Inc. (OTCQB: PPIO) ("PBI" or the "Company") today announced financial results for the fourth quarter and fiscal year ended December 31, 2016, provided a business update, and offered limited guidance for FY2017.

## ***Financial Results: Q4 2016 vs. Q4 2015***

Products and services revenue was \$365,262 in the fourth quarter of 2016 compared to \$235,600 in the same quarter of 2015, a 55% increase. Sales of consumables were \$50,054 for the fourth quarter ended December 31, 2016 compared to \$29,521 for the same period in 2015, an increase of 70%. Grant revenue for Q4 2016 was \$54,449 compared to \$128,519 for the same period in 2015.

Total revenue for the fourth quarter ended December 31, 2016 was \$419,711 compared to \$364,119 for the same period in 2015, a 15% increase. This increase was due to products and services sales growth.

Operating loss for Q4 2016 was \$1,177,205 compared to a loss of \$935,746 for the same period in 2015. This increase was due primarily to inventory valuations and increases in marketing/IR activities, off-set by an increase in total revenue.

Income per common share -- basic -- was \$0.10 for Q4 2016 compared to a loss per common share of \$0.19 for the same period in 2015. Income per common share -- diluted -- was \$0.03 for Q4 2016 compared to a loss per common share of \$0.19 for the same period in 2015.

## ***Financial Results: FY2016 vs. FY2015***

Products and services revenue was \$1,794,749 in the year ended December 31, 2016 compared with \$1,409,991 in the year ended December 31, 2015, a 27% increase. Sales of

consumables were \$199,873 for the year ended December 31, 2016 compared to \$146,408 for the same period in 2015, an increase of \$53,465 or 37%. Grant revenue for fiscal year 2016 was \$181,738 compared to \$387,700 for the 2015 fiscal year.

Total revenue for the fiscal year ended December 31, 2016 was \$1,976,487 compared to \$1,797,691 for the same period in 2015, a 10% increase. This increase was due to products and services sales growth.

Operating loss for the year ended December 31, 2016 was \$3,735,653 compared to a loss of \$3,565,182 for the same period in 2015. This increase in operating loss was due primarily to increases in R&D, Sales and Marketing, and IR expenses, off-set to a certain extent by an increase in total revenue.

Loss per common share -- basic and diluted -- was \$0.10 for the year ended December 31, 2016 and \$0.36 for the same period in 2015.

### ***Financial and Operational Highlights: FY2016 & Q1 2017***

- **January 2016:** SCIEX, a global life sciences leader and subsidiary of Danaher Corp, announced a co-marketing agreement with PBI to improve protein quantification in complex samples.
- **February:** SCIEX and Children's Medical Research Institute (Sydney, Australia) announced a partnership to advance the promise of precision medicine and stated they would benefit from SCIEX's collaboration with PBI and our PCT platform for increased protein quantitation and reproducibility.
- **March:** PBI participated in a SCIEX workshop on new innovations in industrialized proteomics, marking the first time the two companies had presented together under their co-marketing agreement.
- **Q1 2016:** \$1.4M was received in a private placement of fixed-rate convertible debentures, bringing the total raised in our \$5M PIPE to an over-subscribed \$6.3M. All five PBI Board members participated.
- **April:** PBI was added to the high-performing Richmond Club Index.
- **June:** Scientists from six separate research groups made presentations at the American Association for Mass Spectrometry Annual Meeting on the compelling advantages of the PCT Platform.
- **July:** We announced the initial shipment of the next-generation Barocycler 2320EXTREME to the Australian cancer research group ProCan, a collaborator in the U.S.'s Cancer Moonshot initiative.
- **September:** PBI was invited, along with SCIEX, CMRI, Institute of Molecular Systems Biology (Zurich, CH), Beckman-Coulter, Illumina, and Next-Bio to present at the Gala Opening of the ProCan cancer research center.
- **October:** We announced the close of a \$2M line-of-credit under favorable terms to PBI shareholders.
  
- **February 2017:** We announced CE Marking for our new, next-generation Barocycler 2320EXTREME, giving us access to 31 countries in Europe that require the CE Mark prior to product commercialization in Europe.
- **March:** The Barocycler 2320EXTREME received the 2017 North American Excellence Award for "Best New Instrument for Sample Preparation" from Corporate America News, with a subscription list of over 135,000.

Mr. Richard T. Schumacher, President and CEO of PBI, commented: "Our accomplishments over the past year have set the stage for what we believe will be a very successful 2017. These accomplishments have let us enter the new year with a stronger balance sheet; a broader product offering; an award-winning, next generation instrument; important additions to our hard-working and talented staff; a larger customer base; and an expanded and enhanced sales and marketing capability."

Mr. Schumacher continued: "Our near-term goals are clear, focused, and attainable in 2017. We believe their achievement will subsequently position PBI to be a stronger, more valuable company. These goals include: (i) an up-list to the NASDAQ stock market in Q2 2017, (ii) measureable progress in completing and implementing a sound roadmap toward financial self-sufficiency and future growth and prosperity, (iii) continuation of the current expansion of our sales and marketing capabilities, and our reach into new countries, investigators, and fields-of-use; and (iv) a focus on sales, sales, and sales."

### ***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, March 22, 2017. To attend this teleconference via telephone, Dial-in: (877) 407-8031 (North America), (201) 689-8031 (International). Verbal Passcode: PBIO Fourth Quarter and Fiscal Year 2016 Financial Call, ID 10291.

Replay Number (877) 481-4010; (919) 882-2331 (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, 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**

	<i>For the Three Months Ended</i>		<i>For the Year Ended</i>	
	<i>December 31,</i>		<i>December 31,</i>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenue:				
Products, services, other	\$ 365,262	\$ 235,600	\$ 1,794,749	\$ 1,409,991
Grant revenue	54,449	128,519	181,738	387,700
Total revenue	<u>419,711</u>	<u>364,119</u>	<u>1,976,487</u>	<u>1,797,691</u>
Costs and expenses:				
Cost of products and services	106,314	33,274	834,012	609,054
Research and development	257,996	226,396	1,183,011	1,105,295
Selling and marketing	262,864	171,285	872,365	745,574
General and administrative	<u>969,742</u>	<u>868,910</u>	<u>2,822,752</u>	<u>2,902,950</u>
Total operating costs and expenses	<u>1,596,916</u>	<u>1,299,865</u>	<u>5,712,140</u>	<u>5,362,873</u>
Operating loss	(1,177,205 )	(935,746 )	(3,735,653 )	(3,565,182 )
Other (expense) income:				
Interest expense, net	(1,539,478 )	(1,315,310 )	(4,501,186 )	(4,146,416 )
Other expense	-	31	(1,112 )	(36,879 )
Impairment loss on investment	(373,682 )	-	(373,682 )	-

Gain on extinguishment of embedded derivative liabilities	-	526,856	-	2,555,180
Change in fair value of derivative liabilities	<u>6,317,149</u>	<u>(2,260,969)</u>	<u>5,904,649</u>	<u>(2,222,001)</u>
Total other (expense) income	<u>4,403,989</u>	<u>(3,049,392)</u>	<u>1,028,669</u>	<u>(3,850,116)</u>
Net income (loss)	<u>3,226,784</u>	<u>(3,985,138)</u>	<u>(2,706,984)</u>	<u>(7,415,298)</u>
Accrued dividends on convertible preferred stock	-	(1,426)	-	(23,194)
Net income (loss) applicable to common shareholders	<u>\$ 3,226,784</u>	<u>(3,986,564)</u>	<u>\$ (2,706,984)</u>	<u>\$ (7,438,492)</u>
Net income (loss) per share attributable to common stockholders - basic	\$ 0.10	\$ (0.19)	\$ (0.10)	\$ (0.36)
Net income (loss) per share attributable to common stockholders - diluted	\$ 0.03	\$ (0.19)	\$ (0.10)	\$ (0.36)
Weighted average common stock shares outstanding used in the basic net income (loss) per share calculation	30,915,938	21,511,904	27,339,362	20,726,205
Weighted average common stock shares outstanding used in the diluted net income (loss) per share calculation	104,431,537	21,511,904	27,339,362	20,726,205

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

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 138,363	\$ 116,783
Accounts receivable, net of \$28,169 reserve at December 31, 2016 and \$0 at December 31, 2015	281,320	113,256

Inventories, net of \$20,000 reserve at December 31, 2016 and \$50,000 at December 31, 2015	905,284	1,038,371
Prepaid income taxes	7,405	7,381
Prepaid expenses and other current assets	258,103	213,926
Total current assets	1,590,475	1,489,717
Investment in available-for-sale equity securities	25,865	294,522
Property and equipment, net	9,413	20,149
<b>TOTAL ASSETS</b>	<b>\$ 1,625,753</b>	<b>\$ 1,804,388</b>

LIABILITIES AND STOCKHOLDERS' DEFICIT

CURRENT LIABILITIES

Accounts payable	\$ 407,249	\$ 941,389
Accrued employee compensation	249,596	176,009
Accrued professional fees and other	956,884	821,088
Deferred revenue	159,654	140,878
Revolving note payable, net of unamortized debt discounts of \$637,030 and \$0, respectively	612,970	-
Convertible debt, net of unamortized discounts of \$2,235,839 and \$0, respectively	4,005,702	100,000
Other debt, net of unamortized discounts of \$380 and \$3,041, respectively	238,157	151,628
Warrant derivative liabilities	1,685,108	3,295,976
Conversion option derivative liabilities	951,059	3,940,791
Total current liabilities	9,266,379	9,567,759

LONG TERM LIABILITIES

Related party convertible debt, net of unamortized debt discounts of \$165,611 and \$0, respectively	125,523	-
Convertible debt, net of unamortized discounts of \$740,628 and \$5,223,658, respectively	529,742	177,342
Deferred revenue	87,527	36,935
<b>TOTAL LIABILITIES</b>	<b>10,009,171</b>	<b>9,782,036</b>

COMMITMENTS AND CONTINGENCIES

STOCKHOLDERS' DEFICIT

Series D Convertible Preferred Stock, \$.01 par value; 850 shares authorized; 300 shares issued and outstanding on December 31, 2016 and 2015, 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, 2016 and 2015, respectively	866	866

Series H Convertible Preferred Stock, \$.01 par value; 10,000 shares authorized; 10,000 shares issued and outstanding on December 31, 2016 and 2015, respectively	100	100
Series H2 Convertible Preferred Stock, \$.01 par value; 21 shares authorized; 21 shares issued and outstanding on December 31, 2016 and 2015, respectively	-	-
Series J Convertible Preferred Stock, \$.01 par value; 6,250 shares authorized; 3,521 and 3,546 shares issued and outstanding on December 31, 2016 and 2015, respectively	35	36
Series K Convertible Preferred Stock, \$.01 par value; 15,000 shares authorized; 6,816 and 11,416 shares issued and outstanding on December 31, 2016 and 2015, respectively	68	114
Common stock, \$.01 par value; 100,000,000 shares authorized; 30,999,839 and 23,004,898 shares issued and outstanding on December 31, 2016 and 2015, respectively	309,998	230,050
Warrants to acquire common stock	6,325,102	5,416,681
Additional paid-in capital	27,244,600	26,036,733
Accumulated other comprehensive loss	-	(105,025)
Accumulated deficit	(42,264,190)	(39,557,206)
Total stockholders' deficit	(8,383,418)	(7,977,648)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 1,625,753	\$ 1,804,388

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Source: Pressure BioSciences, Inc.