

April 25, 2019



# Pressure BioSciences, Inc. Reports Record Fourth Quarter and Fiscal Year 2018 Financial Results and Provides Business Update

- *Q4 2018 Total Revenue Increases 37% over Q4 2017, Setting New Record Quarterly High;*
- *FY 2018 Total Revenue Increases 10% over FY 2017, Setting New Record Annual High;*
- *Initial Revenue Reported from New BioPharma Services and UST Businesses;*
- *Balance Sheet Improves with Significant Conversion of Debt to Equity.*
- *Investor Conference Call Scheduled for Thursday, April 25, 2019 at 4:30 PM EDT*

**SOUTH EASTON, MA / ACCESSWIRE / April 25, 2019** /Pressure BioSciences, Inc. (OTCQB: PBI) ("PBI" or the "Company"), a leader in the development and sale of innovative, broadly enabling, pressure-based instruments and related consumables for the worldwide life sciences and other industries, today announced financial results for the fourth quarter and fiscal year ended December 31, 2018, provided a business update, and offered limited guidance for FY2019.

## **Financial Results: Q4 2018 vs. Q4 2017**

Total revenue for Q4 2018 was \$686,558 compared to \$502,708 for the same period in 2017, a 37% increase. This increase was primarily due to our double-digit growth in products and services and in grant revenues.

Products and services revenue was \$535,860 for the fourth quarter of 2018 compared to \$455,767 for the same quarter of 2017, an 18% increase. Sales of instruments increased to \$388,356 in Q4 2018 compared to \$317,498 in Q4 2017, an increase of 22%. Sales of consumables were \$52,935 for 2018 fourth quarter compared to \$60,108 for the same period in 2017, a 12% decrease. Grant revenue in Q4 2018 was \$150,698 compared to \$46,941 in Q4 2016 an increase of 321%.

Operating loss for Q4 2018 was \$1,514,730 compared to \$1,318,384 for the same period in 2017. This increase in operating loss was primarily due to increases in general and administrative expense.

Loss per common share - basic and diluted - was \$(2.93) for Q4 2018 compared to \$(2.37) for the same period in 2017.

## **Financial Results: FY2018 vs. FY2017**

Total revenue for FY2018 was \$2,457,871 compared to \$2,240,498 for FY2017, a 10%

increase. This increase was primarily due to our growth in products and services and in grant revenues.

Products and services revenue was \$2,200,539 for the year ended December 31, 2018 compared with \$2,065,891 for the year ended December 31, 2017, a 7% increase. Sales of instruments decreased to \$1,418,731 for FY2018 compared to \$1,459,326 for FY2017, a decrease of 3%. Sales of consumables were \$235,132 for the year ended December 31, 2018 compared to \$260,331 for the same period in 2017, a decrease of \$25,199 or 10%. Grant revenue for fiscal year 2018 was \$257,332 compared to \$174,607 for the 2017 fiscal year, an increase of \$82,725 or 48%.

Operating loss for FY2018 was \$4,477,083 compared to \$4,647,048 for FY2017. This decrease was primarily due to increases in total revenue.

Loss per common share - basic and diluted - was \$(15.33) for FY2018 and \$(9.62) for the 2017 fiscal year.

### **Operational & Technical Highlights: FY2018**

- Bradford A. Young, Ph.D., MBA Joins PBI as Senior VP and Chief Commercial Officer in November 2018.
- We Converted \$13.6 Million of Debt into Equity, Significantly Reducing Total Liabilities.
- A Major Cancer Research Center Reported that Our Patented Pressure Cycling Technology ("PCT") Platform Could Play Major Role in Improving Cancer Diagnosis and Treatment.
- PBI and ISS, Inc. Announced Two-Year Worldwide Co-Marketing and Distribution Agreement.
- We were Awarded a Key U.S. Patent for Novel High-Pressure Flow-Through Microfluidic Sample Prep Device.
- Our Ultra High-Pressure Instruments, Processing Methods, and Platform Technologies were Prominently Featured at a Leading, Worldwide Food Science Meeting.
- We Announced the First Contract Utilizing our Recently Acquired, Patented Protein Refolding and Disaggregation Platform Technology from our December 2017 Purchase of All Assets of BaroFold, Inc.
- We Accelerated the Development of our Novel Ultra Shear Technology™ ("UST™") Platform to Pursue Commercialization into Major New Markets, Including Food & Beverages, Nutraceuticals, and Cosmetics.
- Our Patented UST Platform was Featured as a Potential Breakthrough Processing Method for Higher Quality, Longer Lasting Liquid Foods and Beverages not requiring Refrigeration or Chemical Additives, such as Shelf Stable Milk and Other Dairy Products.
- We Announced a Strategic Collaboration with Ohio State's College of Food,

Agriculture, and Environmental Sciences, and were Awarded \$318,000 from a USDA Grant to Build the First Prototype UST Instrument.

- We Achieved Two Major Milestones in the Development of our Proprietary UST Technology Platform, Including the Development of a UST-based Process to Make Nanoemulsions of CBD Plant Oil from Hemp.

Mr. Richard T. Schumacher, President and CEO of PBI, said: "This past year was filled with multiple significant financial, operational and technological accomplishments. Key among these was the hiring of Dr. Brad Young as PBI's Chief Commercial Officer. In this leadership role, Dr. Young will be responsible for assessing multiple major new and divergent market opportunities, and for optimizing the commercialization priorities and strategy for PBI. In addition to this essential role in strategic planning, Dr. Young will also drive the execution of critical partnering and commercialization programs to build customer adoption and accelerate growth."

Dr. Bradford A. Young, Chief Commercial Officer of PBI, commented: "We are pleased with the overall performance of the Company in 2018, especially in Q4 when total revenue reached a record, all-time high for quarterly revenue. In addition to recording significantly increased sales of our core, PCT platform in 2018, we also recorded the first revenue from our newly launched BioPharma Services business. Our BioPharma Services business helps us not only monetize the BaroFold assets we acquired in December 2017 for improved manufacturing of protein therapeutics, but also supports sales of our Barocycler PCT platform. In fact, we use the Barocycler 2320 EXTREME to perform our BioPharma Services and saw increased demand for our Barocycler 2320 EXTREME in 2018 for quality control applications used during the manufacturing of protein therapeutics."

Dr. Young continued: "It's clear that our PCT and BaroFold platform technologies can help companies produce new and improved therapeutic products, a market that is expected to reach \$240 billion dollars by 2023 (ResearchAndMarkets.com, 2018). In addition, the new, cutting-edge Ultra Shear Technology (UST) platform we are developing for the production of high-quality nanoemulsion mixtures of oil & water can provide an enhanced way to deliver therapeutics or drugs. Thus, our UST platform has the potential to provide a superior method to develop and deliver drug formulations with improved bio-absorption and faster uptake. We look forward to building on the great progress we've made in 2018 and growing the adoption of our life sciences platform technologies for research, development and manufacturing applications in 2019 and beyond."

## **Earnings Call**

The Company will hold an Earnings Conference Call at 4:30 PM EDT on Thursday, April 25, 2019. To attend this teleconference via telephone, Dial-in: (844) 602-0380 (North America), (862) 298-0970 (International). Verbal Passcode: PBIO Fourth Quarter and Fiscal Year 2018 Financial Call. Replay Number (877) 481-4010; (919) 882-2331 (International). Replay Passcode: 47337. 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 protein disaggregation and refolding technology from BaroFold, Inc. (the "BaroFold" technology) 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 year ended December 31, 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, 2018, 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.

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**PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF OPERATIONS**

	For the Three Months Ended		For the Year Ended	
	December 31,		December 31,	
	2018	2017	2018	2017
Revenue:				
Products, services, other	\$ 535,860	\$ 455,767	\$ 2,200,539	\$ 2,065,891
Grant revenue	150,698	46,941	257,332	174,607
Total revenue	<u>686,558</u>	<u>502,708</u>	<u>2,457,871</u>	<u>2,240,498</u>
Costs and expenses:				
Cost of products and services	451,115	421,315	1,280,270	1,273,354
Research and development	297,298	244,032	1,208,160	988,597
Selling and marketing	286,872	394,538	1,009,568	1,209,334
General and administrative	1,166,003	761,207	3,436,956	3,416,261
Total operating costs and expenses	<u>2,201,288</u>	<u>1,821,092</u>	<u>6,934,954</u>	<u>6,887,546</u>
Operating loss	<u>(1,514,730)</u>	<u>(1,318,384)</u>	<u>(4,477,083)</u>	<u>(4,647,048)</u>
Other (expense) income:				
Interest expense, net	(1,152,618)	(1,623,470)	(4,168,214)	(6,055,420)
Other expense	(211,726)	(4,635)	(15,135)	(5,674)
Impairment loss on investment	-	-	-	(6,069)
Gain on extinguishment of embedded derivative liabilities	(74,678)	94,590	260,454	185,452
Incentive shares and warrants	(424,024)	-	(1,299,340)	(186,802)
Change in fair value of derivative liabilities	-	-	-	-
Total other (expense) income	<u>(1,863,046)</u>	<u>(1,533,515)</u>	<u>(5,222,235)</u>	<u>(6,068,513)</u>
Net (loss) income	<u>(3,377,776)</u>	<u>(2,851,899)</u>	<u>(9,699,318)</u>	<u>(10,715,561)</u>
Deemed dividend on down round feature	-	-	(213,012)	-
Deemed dividend on beneficial conversion feature	(1,203,328)	-	(12,881,899)	-
Preferred stock dividends	(305,603)	-	(678,921)	-
Net (loss) attributable to common shareholders	<u>\$ (4,886,707)</u>	<u>\$ (2,851,899)</u>	<u>\$ (23,473,150)</u>	<u>\$ (10,715,561)</u>
Net (loss) per common share - basic and diluted	\$ (2.93)	\$ (2.37)	\$ (15.33)	\$ (9.62)
Weighted average common stock shares outstanding used in the basic and diluted net (loss) income per share calculation	1,666,591	1,202,817	1,530,989	1,114,225

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

	<b>December 31, 2018</b>	<b>December 31, 2017</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 103,118	\$ 81,033
Accounts receivable, net of \$0 reserve at December 31, 2018 and December 31, 2017	474,830	206,848
Inventories, net of \$273,547 reserve at December 31, 2018 and \$179,600 December 31, 2017	765,478	857,662
Prepaid income taxes	-	7,482
Prepaid expenses and other current assets	170,734	214,676
<b>Total current assets</b>	<b>1,514,160</b>	<b>1,367,701</b>
Investment in equity securities	16,643	19,825
Property and equipment, net	69,272	22,662
Right of use asset leases	136,385	-
Intangible assets, net	663,462	750,000
<b>TOTAL ASSETS</b>	<b>\$ 2,399,922</b>	<b>\$ 2,160,188</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 658,856	\$ 589,263
Accrued employee compensation	456,932	368,700
Accrued professional fees and other	1,112,995	800,620
Other current liabilities	1,233,323	1,536,507
Deferred revenue	20,623	263,106
Revolving note payable, net of unamortized debt discounts of \$0 and \$637,030, respectively	-	3,500,000
Related party convertible debt, net of unamortized debt discounts of \$0 and \$31,372, respectively	-	259,762
Convertible debt, net of unamortized discounts of \$156,180 and \$401,856, respectively	4,000,805	8,028,014
Other debt, net of unamortized discounts of \$9,118 and \$48,194, respectively	852,315	1,379,863
Other related party debt	15,000	-
<b>Total current liabilities</b>	<b>8,350,851</b>	<b>16,725,835</b>
<b>LONG TERM LIABILITIES</b>		
Right of use asset liability	136,385	-
Deferred revenue	37,757	57,149
<b>TOTAL LIABILITIES</b>	<b>8,524,993</b>	<b>16,782,984</b>
<b>COMMITMENTS AND CONTINGENCIES (Note 7)</b>		
<b>STOCKHOLDERS' DEFICIT</b>		

Series D Convertible Preferred Stock, \$.01 par value; 850 shares authorized; 300 shares issued and outstanding on December 31, 2018 and 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 December 31, 2018 and 2017, respectively	806	806
Series H Convertible Preferred Stock, \$.01 par value; 10,000 shares authorized; 10,000 shares issued and outstanding on December 31, 2018 and 2017, respectively	100	100
Series H2 Convertible Preferred Stock, \$.01 par value; 21 shares authorized; 21 shares issued and outstanding on December 31, 2018 and 2017, respectively	-	-
Series J Convertible Preferred Stock, \$.01 par value; 6,250 shares authorized; 3,458 shares issued and outstanding on December 31, 2018 and 2017, respectively	35	35
Series K Convertible Preferred Stock, \$.01 par value; 15,000 shares authorized; 6,880 shares issued and outstanding on December 31, 2018 and 2017, respectively	68	68
Series AA Convertible Preferred Stock, \$.01 par value; 10,000 shares authorized; 6,499 and 0 shares issued and outstanding on December 31, 2018 and 2017, respectively	65	-
Common stock, \$.01 par value; 100,000,000 shares authorized; and 1,684,182 and 1,342,858 shares issued and outstanding on December 31, 2018 and 2017 respectively	16,842	13,429
Warrants to acquire common stock	19,807,247	9,878,513
Additional paid-in capital	39,777,301	30,833,549
Accumulated other comprehensive loss		-
Accumulated deficit	(65,727,538)	(55,349,299)
Total stockholders' deficit	(6,125,071)	(14,622,796)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u>\$ 2,399,922</u>	<u>\$ 2,160,188</u>

**SOURCE:** Pressure BioSciences, Inc.