

November 14, 2017



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

**Record Total Revenue Reported, Led by Increases in Products & Services (+21%), Consumables (+158%), and Grant (+23%) Revenue (Y/Y); Investor Conference Call Scheduled for Tuesday, November 14, 2017 at 4:30 PM EDT**

SOUTH EASTON, MA -- (Marketwired) -- 11/14/17 -- Pressure BioSciences, Inc. (OTCQB: PBIO) ("PBI" or the "Company"), a leader in the development and sale of broadly enabling, pressure-based instruments and related consumables to the worldwide life sciences industry, today announced financial results for the third quarter of 2017, provided a business update, and offered limited guidance on its expected revenue for remainder of FY 2017.

Mr. Joseph L. Damasio, Jr., VP of Finance and CFO at PBI said: "We are pleased with the strong revenue growth demonstrated in the 2017 third quarter. This growth included a record for quarterly total revenue, propelled by a 158% increase in consumable sales (also a quarterly record). Product gross profit margin remained steady at about 47%."

Mr. Damasio continued: "We believe the revenue growth reported in the third quarter and year-to-date will not only continue in Q4 2017 and beyond, but will accelerate to an even greater rate as our new sales team begins to meet with existing and potential customers throughout the U.S. To that point, Q4 2017 Purchase Orders and Purchase Indications (90% estimated probability of closing) through early November have already exceeded products & services revenue for the full 2016 fourth quarter. We remain confident that we are on the path to future expansion, profitability and success."

## ***Q3 2017 Financial Highlights***

- Total Revenue increased 21%, from \$535,334 in Q3 2016 to \$646,061 (a new record for any quarter)
- Products & Services Revenue increased 21%, from \$500,949 in Q3 2016 to \$603,726 (new quarterly record)
- Consumable Sales increased 158%, from \$32,811 in Q3 2016 to \$84,594 (new quarterly record)
- Grant Revenue increased 23%, from \$34,385 in Q3 2016 to \$42,335

## ***Q3 2017 (plus October) Operational Highlights***

- Completed the staffing of our new 5-person field sales team and filled Director of Sales North America position
- Established our first Center of Excellence in Asia, expected to significantly impact PBI's expansion into China
- PBI & Phasex Corp announced a strategic collaboration in nanoemulsions technology to work towards the deliverance of unprecedented shelf-stable mixtures of normally immiscible materials that address large and diverse markets in food, nutraceuticals, pharmaceuticals, cosmetics, inks, paint, lubricants and other product areas
- Multiple scientific presentations throughout Europe expected to accelerate PBI's penetration in Europe
- Received first two issued patents on our widely-applicable, high pressure-based Ultra Shear Technology (UST)
- PBI's next-generation Barocycler 2320EXTREME named a FINALIST in the prestigious 2017 R&D 100 Awards

Mr. Richard T. Schumacher, President and CEO of PBI, said: "We have a new, multi-functional, CE Marked, award-winning Barocycler instrument that we believe can significantly expand our sales potential by filling multiple needs in the biopharma industry. We have a new six-person, experienced, and highly capable sales and marketing team that can be aggressive and proactive in its selling functions, compared to the one-person, reactive sales effort that was our capability just a few months ago. In addition, we are very excited about our new, widely-applicable patented Ultra Shear Technology ("UST") platform that we believe will allow us to quickly expand into large new markets, such as nutraceuticals, cosmetics, and clean-label food."

Mr. Schumacher continued: "Our goal for Q4 2017 and beyond is to continue to accelerate our sales growth and closely control expenses as we move firmly towards profitability and financial self-sufficiency. We have spent a lot of time and money over the past few years preparing for this opportunity. We believe we are ready and taking all necessary actions to grow our momentum and fully exploit the exciting growth and new markets potential that we have long envisioned."

### ***Financial Results: Q3 2017 vs. Q3 2016***

Total revenue for the 2017 third quarter was \$646,061 compared to \$535,334 during the same period in 2016, an increase of \$110,727 or 21%. This increase was primarily attributable to increases in both instrument and consumable sales. We believe total revenue will continue to increase on a year/year comparative basis for the remainder of 2017.

Products & Services revenue increased to \$603,726 in Q3 2017 compared to \$500,949 for the prior year same period, an increase of 21%. Comparing Q3 2017 to Q3 2016, instrument sales increased to \$410,906 from \$383,527, an increase of 7%, while consumable sales increased to a record \$84,594 from \$32,811, an increase of 158%. We believe products and services revenue will continue to increase on a year/year comparative basis for the remainder of 2017.

Grant revenue increased to \$42,335 in the third quarter 2017 from \$34,385 in the prior

year period, an increase of 23%. We believe grant revenue will continue to increase in the final quarter of 2017.

Operating loss increased to \$1,125,272 in Q3 2017 from \$451,807 for the same period in 2016, an increase of \$673,465. This increase was due primarily to a significant one-time credit of approximately \$400,000 received in Q3 2016 from a former professional service provider. The remaining increase in 2017 operating loss was mostly due to headcount increases in sales and marketing and significant charges related to the registration statement process for a proposed \$12.5 million financing and concomitant U.S. equities exchange up-list, which was withdrawn by the Company in August 2017.

Net loss per common share -- basic and diluted -- was \$(2.07) for the quarter ended September 30, 2017 compared to net loss per share -- basic and diluted of \$(0.96) for the same period in 2016. This increase in net loss per share was due to the significant increase in Q3 2017 operating loss, which as described above, was primarily related to one-time charges stemming from the August 2017 withdrawal of a registration statement, and a one-time credit of approximately \$400,000 received in Q3 2016 from a former service provider.

### ***Financial Results: First Nine Months 2017 vs. First Nine Months 2016***

Total revenue for the 2017 first nine months was \$1,737,790 compared to \$1,556,776 for the prior year same period, an increase of \$181,014 or 12%. This increase was primarily due to higher revenue from instrument and consumable sales, as described below.

Products & Services revenue increased to \$1,610,124 for the first nine months of 2017 compared to \$1,429,487 for the same period in 2016, an increase of 13%. Comparing the first nine months of 2017 to the same period in 2016, instrument sales increased to \$1,153,883 from \$1,026,888, an increase of 12%, while consumable sales increased to \$200,223 from \$149,819, an increase of 34%.

Grant revenue remained steady at \$127,666 in the first nine months of 2017 compared to \$127,289 in the prior year period.

Operating loss was \$3,328,664 for the first nine months of 2017 compared to a loss of \$2,558,448 for the same period in 2016, an increase of \$770,216. This increase was primarily due to the hiring of four field sales directors in 2017, costs stemming from the August 2017 withdrawal of a registration statement, the hire of a full-time CFO, and other expenses related to the growth of the business. Our Q1-Q3 2017 operating loss also increased due to the effect of approximately \$400,000 in credits received in the prior year period against charges incurred with a former professional service provider.

Net loss per common share -- basic and diluted -- was \$(7.28) for the nine months ended September 30, 2017 compared to a net loss per common share -- basic and diluted -- of \$(6.81) for the same period in 2016.

### ***Earnings Call***

The Company will hold an Earnings Conference Call at 4:30 PM EDT on Tuesday, November 14, 2017. To attend this teleconference via telephone, Dial-in: (877) 407-8031

(North America), (201) 689-8031 (International). Verbal Passcode: P BIO Third Quarter 2017 Financial Call. Replay Number (877) 481-4010; (919) 882-2331 (International). Replay ID Number: 22751. Teleconference Replay Available for 30 days.

### ***About Pressure BioSciences, Inc.***

Pressure BioSciences, Inc. ("PBI") (OTCQB: P BIO) 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. Our primary focus is in the development of PCT-based products for biomarker and target discovery, drug design and development, bio-therapeutics characterization, soil & plant biology, forensics, and counter-bioterror applications. Additionally, major new market opportunities are emerging in the use of our recently-patented, scalable, high-efficiency, pressure-based Ultra Shear Technology ("UST") to create stable nanoemulsions of otherwise immiscible fluids (such as oils and water, fluoropolymers and alcohol, etc.), and to 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 first nine months ended September 30, 2017 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 September 30,</i>		<i>For the Nine Months Ended September 30,</i>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenue:				
Products, services, other	\$ 603,726	\$ 500,949	\$ 1,610,124	\$ 1,429,487
Grant revenue	<u>42,335</u>	<u>34,385</u>	<u>127,666</u>	<u>127,289</u>
Total revenue	<u>646,061</u>	<u>535,334</u>	<u>1,737,790</u>	<u>1,556,776</u>
Costs and expenses:				
Cost of products and services	328,743	262,894	852,039	727,698
Research and development	239,326	268,317	744,565	925,015
Selling and marketing	301,676	224,380	814,796	609,501
General and administrative	<u>901,588</u>	<u>231,550</u>	<u>2,655,054</u>	<u>1,853,010</u>
Total operating costs and expenses	<u>1,771,333</u>	<u>987,141</u>	<u>5,066,454</u>	<u>4,115,224</u>
Operating loss	(1,125,272 )	(451,807 )	(3,328,664 )	(2,558,448 )
Other (expense) income:				
Interest expense, net	(1,554,379 )	(1,116,328 )	(4,431,950 )	(2,961,708 )
Other expense	-	(200 )	(1,039 )	(1,112 )
Impairment loss on investment	-	-	(6,069 )	-
Incentive warrants for warrant exercises	-	-	(186,802 )	-
Gain on extinguishment of debt	90,862	-	90,862	-
Change in fair value of derivative liabilities	<u>245,213</u>	<u>623,128</u>	<u>(26,014 )</u>	<u>(412,500 )</u>
Total other expense	<u>(1,218,304 )</u>	<u>(493,400 )</u>	<u>(4,561,012 )</u>	<u>(3,375,320 )</u>
Net loss	<u>(2,343,576 )</u>	<u>(945,207 )</u>	<u>(7,889,676 )</u>	<u>(5,933,768 )</u>
Net loss per share attributable to common stockholders - basic and diluted	\$ (2.07 )	\$ (0.96 )	\$ (7.28 )	\$ (6.81 )
Weighted average common stock shares				

outstanding used in the basic and diluted net loss per share calculation	1,133,791	980,846	1,084,370	871,325
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**PRESSURE BIOSCIENCES, INC. AND SUBSIDIARY**  
**CONSOLIDATED BALANCE SHEETS**  
**(UNAUDITED)**

	<u>September 30, 2017</u>	<u>December 31, 2016</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 18,723	\$ 138,363
Accounts receivable, net of \$28,169 reserve at September 30, 2017 and December 31, 2016	548,316	281,320
Inventories, net of \$20,000 reserve at September 30, 2017 and December 31, 2016	1,122,782	905,284
Prepaid income taxes	7,482	7,405
Prepaid expenses and other current assets	146,278	258,103
Total current assets	<u>1,843,581</u>	<u>1,590,475</u>
Investment in available-for-sale equity securities	25,986	25,865
Property and equipment, net	19,004	9,413
<b>TOTAL ASSETS</b>	<u><u>\$ 1,888,571</u></u>	<u><u>\$ 1,625,753</u></u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 853,173	\$ 407,249
Accrued employee compensation	298,675	249,596
Accrued professional fees and other	1,352,658	956,884
Deferred revenue	313,992	159,654
Revolving note payable, net of unamortized debt discounts of \$335,833 and \$637,030, respectively	3,164,167	612,970
Related party convertible debt, net of debt discount of \$65,240 and \$0, respectively	225,894	-
Convertible debt, net of unamortized debt discounts of \$355,375 and \$2,235,839, respectively	6,315,995	4,005,702
Other debt, net of unamortized discounts of \$80,747 and \$380, respectively	1,952,859	238,157
Warrant derivative liability	-	1,685,108
Conversion option liability	-	951,059
Total current liabilities	<u>14,477,413</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 \$0 and \$740,628, respectively	-	529,742
Deferred revenue	61,592	87,527
<b>TOTAL LIABILITIES</b>	<b>14,539,005</b>	<b>10,009,171</b>
<b>STOCKHOLDERS' DEFICIT</b>		
Series D Convertible Preferred Stock, \$.01 par value; 850 shares authorized; 300 shares issued and outstanding on September 30, 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; 80,570 shares issued and outstanding on September 30, 2017 and December 31, 2016, respectively	806	866
Series H Convertible Preferred Stock, \$.01 par value; 10,000 shares authorized; 10,000 shares issued and outstanding on September 30, 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 September 30, 2017 and December 31, 2016, respectively	-	-
Series J Convertible Preferred Stock, \$.01 par value; 6,250 shares authorized; 3,458 shares issued and outstanding on September 30, 2017 and December 31, 2016, respectively	34	35
Series K Convertible Preferred Stock, \$.01 par value; 15,000 shares authorized; 6,816 shares issued and outstanding on September 30, 2017 and December 31, 2016, respectively	68	68
Common stock, \$.01 par value; 100,000,000 shares authorized; 1,154,422 and 1,033,328 shares issued and outstanding on September 30, 2017 and December 31, 2016, respectively	11,544	10,333
Warrants to acquire common stock	9,721,627	6,325,102
Additional paid-in capital	29,976,405	27,544,265
Accumulated other comprehensive income	6,190	-
Accumulated deficit	(52,367,211)	(42,264,190)
Total stockholders' deficit	(12,650,434)	(8,383,418)
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 1,888,571</b>	<b>\$ 1,625,753</b>

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Source: Pressure BioSciences, Inc.