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PositiveID Reports 2017 Results; Fourth Quarter Revenues Increase 47% Year Over Year

DELRAY BEACH, Fla., April 03, 2018 (GLOBE NEWSWIRE) -- PositiveID Corporation ("PositiveID" or "Company") (OTC:PSID), a life sciences company focused on detection and diagnostics, announced today its financial results for the quarter and year ended December 31, 2017. The Company's Form 10-K can be found in the [Investor Relations](#) section of its website.

Fourth Quarter Financial Highlights

- Revenue for the quarter ended December 31, 2017 increased 47% to \$1.4 million from revenue of \$1.0 million for the quarter ended December 31, 2016.
- Operating loss for the quarter ended December 31, 2017, when excluding a non-cash intangible impairment charge of \$0.3 million, improved by 20% from the quarter ended December 31, 2016.
- Net loss for the quarter ended December 31, 2017 improved by 25% from the quarter ended December 31, 2016.

Full Year 2017 Financial Highlights

- Revenue for the year ended December 31, 2017 decreased 4% to \$5.4 million from revenue of \$5.6 million for the year ended December 31, 2016.
- Operating loss for the year ended December 31, 2017 improved by 32% from the year ended December 31, 2016.
- Net loss for the year ended December 31, 2017 improved by 33% from the year ended December 31, 2016.

For the quarter ended December 31, 2017, revenues were \$1.4 million, compared to \$1.0 million for the quarter ended December 31, 2016. The majority of the Company's revenues for the quarter ended December 31, 2017 came from its Mobile Labs segment, consisting of its E-N-G Mobile Systems subsidiary ("ENG"), which generated \$1.4 million of revenue. Cost of revenue was \$1.0 million and \$0.7 million for the quarter ended December 31, 2017 and 2016, respectively, due to a change in revenue mix.

Revenues for the year ended December 31, 2017 were \$5.4 million, compared to \$5.6 million for the year ended December 31, 2016. The decreased revenue for 2017 compared to the prior year period was driven primarily by the timing of delivery of projects in the Mobile Labs segment, which had a large backlog of business at the time the Company acquired ENG in December 2015. Operating loss for the year ended December

31, 2017 improved by 32% to \$4.8 million, compared to \$7.1 million for the year ended December 31, 2016. Net loss for the year ended December 31, 2017 improved by 33% to \$8.7 million, compared to \$13.1 million for the year ended December 31, 2016.

ExcitePCR/Molecular Diagnostics 2017 Highlights

- Formed ExcitePCR subsidiary to better position FireflyDX for the global, point-of-care diagnostics market and provide a platform for strategic partnership and financing opportunities
- Announced a new product under development, the FireflyDX-Portable, a lightweight, real-time pathogen detection system with commercial availability slated for 2019
- Detected Ebola virus on its lab-based FireflyDX prototype system in a collaborated effort with its assay partner, GenArraytion Inc.
- Continued testing and evaluation of FireflyDX for applications ranging from food safety to infectious disease detection

ENG Mobile Systems/Mobile Labs 2017 Highlights

- Closed strategic investment of \$1.5 million in ENG
- Received a \$1.2 million purchase order for mobile labs from a single customer, the largest single order received since PositiveID acquired ENG
- Total vehicle bookings (new contracts and purchase orders signed) up 100% over prior year
- Expanded service business to offer mobile maintenance and repair to help customers minimize vehicle downtime

Thermomedics/Caregiver Medical Device 2017 Highlights

- Completed development and commenced production of a Bluetooth-enabled version of the Caregiver® thermometer, followed by an early-2018 delivery of 500 new units to a global healthcare company
- Expanded distribution for Caregiver with National Distribution & Contracting, Inc., and MedPro Associates
- Exhibited at industry conferences to increase exposure and awareness for Caregiver and generate qualified leads for its national network of distributors

“Our businesses continued to execute in 2017, generating consistent revenues and operational improvements year over year,” said William J. Caragol, Chairman and CEO of PositiveID. “We are working diligently to ensure that our core businesses stay focused on building their top line growth with their leading-edge technologies. With the launch of our new Bluetooth-enabled Caregiver® thermometer and our continued efforts to identify and negotiate with the best strategic partner(s) for the FireflyDX product line, we remain highly focused on capitalizing on these valuable assets in 2018 and beyond.”

PositiveID operated in three segments in 2017 and 2016: Mobile Labs, comprised of its ENG subsidiary, a specialty vehicle manufacturer; Medical Devices, comprised of its Thermomedics subsidiary, which markets the Caregiver® non-contact thermometer; and Molecular Diagnostics, consisting of its FireflyDX family of products for real-time pathogen detection at the point-of-need/point-of-care.

PositiveID holds a significant equity interest in ENG (the Company currently owns 24% of the capital stock of ENG). On June 12, 2017, PositiveID sold 49% of its ownership in ENG, bringing its ownership to 51%. On January 30, 2018, ENG sold shares of its preferred stock, which reduced the Company's ownership to 24% which will result in the deconsolidation of ENG effective January 30, 2018, at which time the Company will prospectively deconsolidate the balance sheet, results of operations, and cash flows of ENG in its consolidated financial statements. The terms of the transactions were disclosed in Forms 8-K filed by the Company with the Securities and Exchange Commission.

About PositiveID Corporation

PositiveID Corporation is a life sciences tools and diagnostics company with an extensive patent portfolio. PositiveID develops biological detection and diagnostics systems, specializing in the development of microfluidic systems for the automated preparation of and performance of biological assays. PositiveID is also a leader in the mobile technology vehicle market, with a focus on the laboratory market and homeland security. For more information on PositiveID, please visit <http://www.psidcorp.com>, or connect with PositiveID on [Twitter](#), [Facebook](#) or [LinkedIn](#).

On August 24, 2017, PositiveID Corporation and its wholly-owned subsidiary PositiveID Diagnostics, Inc. (collectively, the "Seller"), entered into an Asset Purchase Agreement ("APA") with ExcitePCR Corporation. Pursuant to the APA, at closing, the Seller will sell and deliver to ExcitePCR all assets used in connection with the operation of the FireflyDX technology. For more information on the APA, please read PositiveID's Form 8-K filed on August 28, 2017, which can be found [here](#).

Statements about PositiveID's future expectations, including the likelihood that forming the ExcitePCR subsidiary better positions FireflyDX for the global, point-of-care diagnostics market and provides a platform for strategic partnership and financing opportunities; the likelihood that the FireflyDX-Portable will be commercially available in 2019; the likelihood that the Company will capitalize on its Caregiver and FireflyDX assets in 2018 and beyond; constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and as that term is defined in the Private Litigation Reform Act of 1995. Such forward-looking statements involve risks and uncertainties and are subject to change at any time, and PositiveID's actual results could differ materially from expected results. These risks and uncertainties include, without limitation, the Company's ability to attract new customers and retain existing customers; the Company's ability to target the professional healthcare market; the Company's ability to raise capital; the Company's ability to complete the testing and development of FireflyDX; the likelihood that the Company and ExcitePCR will close the APA; as well as other risks. Additional information about these and other factors that could affect the Company's business is set forth in the Company's various filings with the Securities and Exchange Commission, including those set forth in the Company's 10-K filed on April 2, 2018, and 10-Qs filed on November 13, 2017, August 14, 2017, and May 15, 2017, under the caption "Risk Factors." The Company undertakes no obligation to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this statement or to reflect the occurrence of unanticipated events, except as required by law.

Contact:
PositiveID Corporation
Allison Tomek
(561) 805-8044
atomek@psidcorp.com



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