

November 15, 2021



Milestone Scientific Reports 69% Increase in Revenue for Third Quarter of 2021

ROSELAND, N.J., Nov. 15, 2021 (GLOBE NEWSWIRE) -- [Milestone Scientific Inc. \(NYSE:MLSS\)](#), a leading developer of computerized drug delivery instruments that provide painless and precise injections, today provided a business update and announced financial results for the third quarter ended September 30, 2021.

[Arjan Haverhals](#), President and Chief Executive Officer of Milestone Scientific, commented, "We are pleased to report continued revenue growth, achieving a 69% increase in revenue to \$2.1 million for the three months ended September 30, 2021. This growth is a reflection of the solid performance of our dental division, as dental offices have been re-opening around the world. We are also starting to see the results of our sales and marketing initiatives within the Medical segment, as illustrated by our recent selection to supply our [CompuFlo® Epidural instrument](#) and [CathCheck™ Verification System](#) throughout Florida's Memorial Healthcare network. The first hospital within this health system, Memorial Regional Hospital, has begun using the CompuFlo Epidural instrument. We look forward to expanding our sales across the other hospitals within their network. We are in advanced discussions with a number of additional hospitals and large healthcare systems, which we look forward to announcing in the future. Additionally, we have expanded our global reach by adding three new international distributors in Canada, Slovenia and the United Arab Emirates. Each brings extensive relationships within key global markets and proven track records introducing medical devices within their territories. We remain committed to our goal of establishing CompuFlo Epidural instrument as the new standard of care in epidural anesthesia by providing patients with effective pain relief, while reducing the risk of complications."

"We have maintained a solid balance sheet with approximately \$14.5 million of cash and cash equivalents and approximately \$15.7 million of working capital, allowing us to continue to execute on our business growth strategy. Irrespective of our investments in sales and marketing around the CompuFlo Epidural instrument and CathCheck Verification System, we continue to carefully manage our expenses. Although cash used in operating activities for the third quarter of 2021 increased by approximately \$456,000, compared to the second quarter of 2021, \$356,000 of this amount was directly related to the development of a new instrument and disposables, which will be introduced in 2023. With our healthy sales pipeline, expanded sales force, and increased interest in adopting our products, we are encouraged by the outlook of the medical business."

For the three months ended September 30, 2021 and 2020, revenues were approximately \$2.1 million and \$1.2 million, respectively. Dental revenue increased approximately \$0.8 million for the three months ending September 30, 2021 as compared to the three months ended September 30, 2020, due to re-opening of dental offices throughout the country, and the rest of the world, including China. Gross profit for the third quarter ended September 30, 2021 was \$1.4 million versus \$0.8 million for third quarter ended September 30, 2020. Operating loss for the three months ended September 30, 2021 was approximately \$(2.0)

million versus approximately \$(1.5) million for the third quarter ended September 30, 2020. Net loss attributable to common shareholders was approximately \$(2.0) million, or \$(0.03) per share for the three months ended September 30, 2021, versus net loss of \$(1.5) million, or \$(0.02) per share, for the comparable period in 2020.

For the nine months ended September 30, 2021 and 2020, revenues were approximately \$7.4 million and \$3.2 million, respectively. Dental revenue increased approximately \$4.1 million for the nine months ended September 30, 2021 as compared to the nine months ended September 30, 2020, due to re-opening of dental offices throughout the country, and the rest of the world, including China. Gross profit for the nine months of 2021 was \$4.5 million versus \$2.2 million for the nine months of 2020. Operating loss for the first nine months of 2021 was approximately \$(5.8) million versus approximately \$(6.3) million for the first nine months of 2020. Net loss attributable to common shareholders for the first nine months of 2021 was \$(5.7) million, or \$(0.08) per share, versus net loss of \$(6.3) million, or \$(0.11) per share, for the comparable period in 2020.

Conference Call

Milestone Scientific's executive management team will host a conference call at 11:00 A.M. Eastern Time on Monday, November 15, 2021 to discuss the Company's financial results for the third quarter ended September 30, 2021, as well as the Company's corporate progress and other developments.

The conference call will be available via telephone by dialing toll free 888-506-0062 for U.S. callers or +1 973-528-0011 for international callers and by entering the access code: 628243. A webcast of the call may be accessed at www.webcaster4.com/Webcast/Page/2306/43637 or on the Investor Relations section of the Company's website at <https://www.milestonescientific.com/investors>.

An audio replay of the call will be available through November 29, 2021 and can be accessed by dialing 877-481-4010 for U.S. callers or +1 919-882-2331 for international callers and by entering the access code: 43637.

About Milestone Scientific Inc.

[Milestone Scientific Inc.](#) (MLSS), a technology focused medical research and development company that patents, designs and develops innovative injection technologies and instruments for medical, dental and cosmetic applications. Milestone Scientific's computer-controlled systems are designed to make injections precise, efficient and increase the overall patient comfort and safety. Milestone Scientific's proprietary DPS Dynamic Pressure Sensing Technology® instruments is the platform to advance the development of next-generation devices, regulating flow rate and monitoring pressure from the tip of the needle, through platform extensions of subcutaneous drug delivery, including local anesthetic. To learn more, view Milestone Scientific's [brand video](#) or visit milestonescientific.com.

Safe Harbor Statement

This press release contains forward-looking statements regarding the timing and financial impact of Milestone's ability to implement its business plan, expected revenues, timing of regulatory approvals and future success. These statements involve a number of risks and

uncertainties and are based on assumptions involving judgments with respect to future economic, competitive and market conditions, future business decisions and regulatory developments, all of which are difficult or impossible to predict accurately and many of which are beyond Milestone's control. Some of the important factors that could cause actual results to differ materially from those indicated by the forward-looking statements are general economic conditions, failure to achieve expected revenue growth, changes in our operating expenses, adverse patent rulings, FDA or legal developments, competitive pressures, changes in customer and market requirements and standards, and the risk factors detailed from time to time in Milestone's periodic filings with the Securities and Exchange Commission, including without limitation, Milestone's Annual Report for the year ended December 31, 2020. The forward-looking statements in this press release are based upon management's reasonable belief as of the date hereof. Milestone undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

CONDENSED CONSOLIDATED BALANCE SHEETS

(UNAUDITED)

	<u>September 30, 2021</u>	<u>December 31, 2020</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 14,490,745	\$ 14,223,917
Accounts receivable, net	968,107	1,080,656
Prepaid expenses and other current assets	514,417	415,915
Inventories, net	1,676,532	2,420,179
Advances on contracts	1,509,530	414,202
Total current assets	<u>19,159,331</u>	<u>18,554,869</u>
Furniture, fixtures and equipment, net	27,139	30,729
Intangibles, net	295,189	329,249
Right of use assets	571,678	632,453
Other assets	24,150	24,150
Total assets	<u>\$ 20,077,487</u>	<u>\$ 19,571,450</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 743,879	\$ 482,972
Accounts payable, related party	420,251	385,138
Accrued expenses and other payables	1,335,755	824,454
Accrued expenses, related party	535,481	586,734
Current portion of finance leases liabilities	8,351	7,796
Current portion of operating lease right-of-use liabilities	78,476	72,031
Deferred profit, related party	407,050	242,589
Note payable	-	276,180

Total current liabilities	3,529,243	2,877,894
Finance lease liabilities	22,273	28,607
Operating lease liabilities	497,932	557,981
Total liabilities	\$ 4,049,448	\$ 3,464,482

Commitments and contingencies

Stockholders' equity

Common stock, par value \$.001; authorized 100,000,000 shares; 67,610,864 shares issued and 67,577,531 shares outstanding as of September 30, 2021; 64,171,435 shares issued and 64,138,102 shares outstanding as of December 31, 2020;

	67,610	64,171
Additional paid in capital	123,590,412	117,934,696
Accumulated deficit	(106,582,501)	(100,885,957)
Treasury stock, at cost, 33,333 shares	(911,516)	(911,516)
Total Milestone Scientific Inc. stockholders' equity	16,164,005	16,201,394
Noncontrolling interest	(135,966)	(94,426)
Total stockholders' equity	16,028,039	16,106,968
Total liabilities and stockholders' equity	\$ 20,077,487	\$ 19,571,450

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
Product sales, net	\$ 2,108,233	\$ 1,246,110	\$ 7,458,678	\$ 3,225,170
Cost of products sold	747,997	409,621	2,926,794	1,024,947
Gross profit	1,360,236	836,489	4,531,884	2,200,223
Selling, general and administrative expenses	2,968,625	2,275,274	9,729,594	8,146,498
Research and development expenses	356,179	21,438	588,043	237,089
Depreciation and amortization expense	16,353	16,505	52,113	74,861
Total operating expenses	3,341,157	2,313,217	10,369,750	8,458,448
Loss from operations	(1,980,921)	(1,476,728)	(5,837,866)	(6,258,225)
Interest expense	(4,608)	(569)	(11,604)	(8,727)
Gain on debt extinguishment-PPP	-	-	276,180	-

Loss before provision for income taxes and net of equity investments	(1,985,529)	(1,477,297)	(5,573,290)	(6,266,952)
Provision for income taxes	-	(24,717)	(333)	(26,217)
Loss before equity in net earnings (losses) of equity investments	(1,985,529)	(1,502,014)	(5,573,623)	(6,293,169)
Loss from China Joint Venture	(69,905)	-	(164,461)	-
Net loss	(2,055,434)	(1,502,014)	(5,738,084)	(6,293,169)
Net loss attributable to noncontrolling interests	(12,227)	(11,025)	(41,540)	(35,501)
Net loss attributable to Milestone Scientific Inc.	\$ (2,043,207)	\$ (1,490,989)	\$ (5,696,544)	\$ (6,257,668)
Net loss per share applicable to common stockholders—				
Basic	(0.03)	(0.02)	(0.08)	(0.11)
Diluted	(0.03)	(0.02)	(0.08)	(0.11)
Weighted average shares outstanding and to be issued—				
Basic	69,573,795	65,817,132	68,609,143	56,478,151
Diluted	69,573,795	65,817,132	68,609,143	56,478,151

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