

August 16, 2021



# Milestone Scientific Reports Fourteen-Fold Increase in Revenue for Second Quarter of 2021

ROSELAND, N.J., Aug. 16, 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 second quarter ended June 30, 2021.

Arjan Haverhals, President and Chief Executive Officer of Milestone Scientific, commented, "We achieved a fourteen-fold increase in revenue to \$2.4 million versus \$168,000 for the same period last year, reflecting the strong recovery in our dental business, as well as the initial impact of our new sales and marketing initiatives. Importantly, our dental segment remains cash flow positive on a standalone basis with continued growth opportunities. In terms of our CompuFlo® Epidural and CathCheck™ Systems, we are beginning to see the positive effect of our commercial efforts and are encouraged by the traction we are gaining with healthcare institutions. We have significantly expanded our direct sales force with the addition of 9 new sales executives this year, as well as a new Vice President of Sales for our Medical segment. These initiatives are taking hold and our sales pipeline is robust. We are in late stage discussions with a number of hospitals, and the feedback from both anesthesiologists and the healthcare institutions has been positive, given the safety and economic benefits of our instruments. We are also in the process of adding new international distributors to build upon the traction we are gaining in the domestic market. We continue to maintain a strong balance sheet with approximately \$16.0 million in cash and cash equivalents as we drive forward our commercial initiatives, while continuing to carefully manage our expenses. Although we faced challenges during the pandemic, we are back on a strong growth trajectory and I am encouraged by the outlook for the balance of 2021 and beyond."

For the three months ended June 30, 2021 and 2020, revenues were approximately \$2.4 million and \$168,000, respectively. Dental revenues increased approximately \$2.3 million, due in part to the re-opening of dental offices throughout the country and the rest of the world. Gross profit for the second quarter ended June 30, 2021 was \$1.4 million versus \$112,000 for second quarter ended June 30, 2020. Operating loss for the three months ended June 30, 2021 was approximately \$(2.9) million versus approximately \$(3.2) million for the second quarter ended June 30, 2020. Net loss was approximately \$(2.7) million, or \$(0.04) per share for the three months ended June 30, 2021, versus net loss of \$(3.2) million, or \$(0.06) per share, for the comparable period in 2020.

For the six months ended June 30, 2021 and 2020, revenues were approximately \$5.3 million and \$2.0 million, respectively. Dental revenues increased by approximately \$3.4 million due in part to the re-opening of dental offices throughout the country and the rest of the world. Gross profit for the first six months of 2021 was \$3.2 million versus \$1.4 million for

the first six months of 2020. Operating loss for the first six months of 2021 was approximately \$(3.9) million versus approximately \$(4.7) million for the first six months of 2020. Net loss for the first six months of 2021 was \$(3.7) million, or \$(0.05) per share, versus net loss of \$(4.8) million, or \$(0.09) 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, August 16, 2021 to discuss the Company's financial results for the second quarter ended June 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 1- 844-369-8770 for U.S. callers or 862-298-0840 for international callers. A webcast of the call may be accessed at <https://www.webcaster4.com/Webcast/Page/2306/42492> or on the Company's website at <https://www.milestonescientific.com/investors/news-events>.

An audio replay of the call will be available through August 30, 2021 and can be accessed by dialing 877-481-4010 for U.S callers or 919-882-2331 for international callers and by entering the access code: 42492.

## **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](https://www.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.

MILESTONE SCIENTIFIC AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(UNAUDITED)

	<u>June 30, 2021</u>	<u>December 31, 2020</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 15,977,330	\$ 14,223,917
Accounts receivable, net	812,341	1,080,656
Accounts receivable, related party net	-	-
Prepaid expenses and other current assets	442,295	415,915
Inventories, net	1,479,391	2,420,179
Advances on contracts	1,393,817	414,202
Total current assets	<u>20,105,174</u>	<u>18,554,869</u>
Furniture, fixtures and equipment, net	30,749	30,729
Intangibles, net	306,544	329,249
Right of use assets	593,049	632,453
Other assets	24,150	24,150
Total assets	<u>\$ 21,059,666</u>	<u>\$ 19,571,450</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 582,684	\$ 482,972
Accounts payable, related party	201,887	385,138
Accrued expenses and other payables	1,390,560	824,454
Accrued expenses, related party	352,209	586,734
Current portion of finance leases liabilities	8,162	7,796
Current portion of operating lease right-of-use liabilities	76,008	72,031
Deferred profit, related party	337,145	242,589
Note payable	-	276,180
Total current liabilities	<u>2,948,655</u>	<u>2,877,894</u>
Finance lease liabilities	24,433	28,607
Operating lease liabilities	518,408	557,981
Total liabilities	<u>\$ 3,491,496</u>	<u>\$ 3,464,482</u>
Commitments and contingencies		
Stockholders' equity		

Common stock, par value \$.001; authorized 100,000,000 shares; 67,055,869 shares issued and 67,022,536 shares outstanding as of June 30, 2021; 64,171,435 shares issued and 64,138,102 shares outstanding as of December 31, 2020;

	67,055	64,171
Additional paid in capital	123,075,664	117,934,696
Accumulated deficit	(104,539,294)	(100,885,957)
Treasury stock, at cost, 33,333 shares	(911,516)	(911,516)
Total Milestone Scientific Inc. stockholders' equity	<u>17,691,909</u>	<u>16,201,394</u>
Noncontrolling interest	(123,739)	(94,426)
Total stockholders' equity	<u>17,568,170</u>	<u>16,106,968</u>
Total liabilities and stockholders' equity	<u>\$ 21,059,666</u>	<u>\$ 19,571,450</u>

**MILESTONE SCIENTIFIC AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(UNAUDITED)

	<b>For the Three Months Ended June 30,</b>		<b>For the Six Months Ended June 30,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Product sales, net	\$ 2,425,738	\$ 167,674	\$ 5,350,445	\$ 1,979,060
Cost of products sold	<u>1,056,384</u>	<u>55,626</u>	<u>2,178,797</u>	<u>615,326</u>
Gross profit	1,369,354	112,048	3,171,648	1,363,734
Selling, general and administrative expenses	4,011,672	3,155,630	6,760,968	5,875,123
Research and development expenses	14,834	108,170	35,760	215,650
Depreciation and amortization expense	<u>215,420</u>	<u>21,138</u>	<u>231,864</u>	<u>54,457</u>
Total operating expenses	4,241,926	3,284,938	7,028,592	6,145,230
Loss from operations	<u>(2,872,572)</u>	<u>(3,172,890)</u>	<u>(3,856,944)</u>	<u>(4,781,496)</u>
Interest expense	(4,461)	(4,062)	(6,996)	(8,159)
Gain on debt extinguishment-PPP	<u>276,180</u>	<u>-</u>	<u>276,180</u>	<u>-</u>
Loss before provision for income taxes and net of equity investments	(2,600,853)	(3,176,952)	(3,587,760)	(4,789,655)
Provision for income taxes	<u>(83)</u>	<u>(1,250)</u>	<u>(333)</u>	<u>(1,500)</u>
Loss before equity in net earnings (losses) of equity investments	(2,600,936)	(3,178,202)	(3,588,093)	(4,791,155)
Loss from China Joint Venture	<u>(95,857)</u>	<u>-</u>	<u>(94,556)</u>	<u>-</u>
Net loss	<u>(2,696,793)</u>	<u>(3,178,202)</u>	<u>(3,682,649)</u>	<u>(4,791,155)</u>

Net loss attributable to noncontrolling interests	<u>(16,325)</u>	<u>(11,738)</u>	<u>(29,313)</u>	<u>(24,476)</u>
Net loss attributable to Milestone Scientific Inc.	\$ (2,680,468)	\$ (3,166,464)	\$ (3,653,336)	\$ (4,766,679)

Net loss per share applicable to common stockholders—

Basic	(0.04)	(0.06)	(0.05)	(0.09)
Diluted	(0.04)	(0.06)	(0.05)	(0.09)

Weighted average shares outstanding and to be issued—

Basic	69,220,795	56,694,793	68,286,033	51,728,806
Diluted	69,220,795	56,694,793	68,286,033	51,728,806

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