Vitro Biopharma First Quarter ended January 31st 2020 Financial Results of Operations

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GOLDEN, CO, USA, March 28, 2020 /EINPresswire.com/ -- Vitro Biopharma First Quarter ended January 31st 2020 Financial Results of Operations

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>
> *Dr. James Musick*

Golden, Colorado-March 26, 2020-Vitro Diagnostics, Inc. (OTCPK: VODG), dba Vitro Biopharma, announced its 1st quarter ended January 31st, 2020 financial results of operations.

Vitro Diagnostics Inc. ("Vitro Biopharma") is pleased to announce a record 1st comparative quarter in Total Revenues. Vitro Biopharma recorded 1st quarter revenues of $225,921 vs $192,895 an increase of 17% over the same comparative quarter last year. In addition, Stem Cell treatments accounted for 74% of the revenues up from 71% of the revenues in the prior comparative quarter last year. Current quarter stem cell revenues were $167,750 for the 1st quarter ended January 31, 2020 vs $137,123 for the first quarter ended January 31, 2019.

The company's gross profit margins improved to 75% up from 73% in the comparative prior year's quarter. Gross margin improvement is in line with the strategic direction of the company to expand the market of its flagship product AlloRx™ Stem Cells. The company's clean-room lab expansion last year and expanded Stem Cell manufacturing using its patent-pending cell line, has increased efficiencies and lowered production costs.

Overall operating expenses increased in the quarter to $193,385 from $147,398 in the prior year's comparative quarter. The increase in expenses reflects additional investment as the Company expands its capability to service its strategic direction of offshore Stem Cell treatments while also expanding into US markets. The company expended additional resources on external consultants supporting our regulatory status in maintaining ISO9001 & ISO13485 certifications, expanding our efforts to approach US markets through FDA filings and advancement of existing patent filings.

The company's first quarter is its most seasonal quarter as the period between Thanksgiving and the New Year is slow for all the company's revenue lines of Nutra Vivo™/STEMulize, AlloRx™ Stem Cells, private labeled InfiniVive MD™ Stem Cell Serum and our core research products.

During the quarter the company achieved and pursed the following company objectives

- Series A Convertible Preferred Stock Offering:

During the quarter the company commenced a Series A Convertible Preferred Stock offering to accredited investors under the SEC Regulation D exemption. The preferred Stock is priced at $25

per share which is convertible at $0.25 cents per share for a total of 100 shares. The minimum investment is $50,000 per unit. The company sold $450,000 of the Series A Convertible Preferred Stock during the quarter. The company has additional interest in the offering and subsequent to the quarter has sold an additional $50,000 unit for a total to date of $500,000. The company has additional interested parties for approximately $200,000. The offering is for a total of $1,000,000.

• Expansion of revenues & results from the clinical trials in the Cayman Islands:

Our partnership with DVCStem in the Cayman Islands continued to advance through treatment of new & previous patients. This IRB-approved protocol targets patients with inflammatory conditions including multiple sclerosis, systemic inflammation and new indications including Crohn's disease, Alzheimer's disease and COPD. To date we have treated 60 patients including repeat treatments. There have been no serious adverse events and we continue to gain evidence of efficacy. One of the initial MS patients has now received a second transplant of our AlloRx™ Stem Cells and he has reported significant therapeutic benefits of both the initial and subsequent therapy. He had received an earlier transplant of adipose-derived MSCs that was effective, but the improvement lasted 3 months while AlloRx™ Stem Cell therapy lasted 18 months. We had predicted such a clinical outcome based on significantly higher potency of umbilical cord MSCS compared to those derived from adipose tissue or bone marrow. The Crohn's disease patient showed significant improvement as did both the AD & COPD patients.

• Further Expansion into US Markets-FDA IND:

The strategic development of our stem cell therapies involves pursuit of both offshore and domestic markets. The partnership with DVC Stem, our IRB-approved trial in the Bahamas together with other strategic opportunities represent offshore operations & prospects. During Q1 2020, we initiated expansion into US therapeutic markets through development of an Investigational New Drug (IND) application for submission to FDA. Once approved, an IND allows the conduct of clinical trials for specific medical conditions in the US.

Given the current COVID-19 pandemic, our initial IND application is for use of AlloRx™ Stem Cells in treatment of Coronavirus infections. This is supported by clinical studies showing that 17 critically ill patients responded favorably to IV infusion of umbilical cord-derived MSCs. All patients were receiving assisted ventilation but 3 days following stem cell therapy, were removed from ventilators and subsequently discharged from the hospital. We are pursuing discussions with FDA to establish the appropriate regulatory pathway and expedited review options given the current emergency circumstances. (See Subsequent Events, below, for additional discussion of our COVID-19 response.) Once our initial IND is in place, we have plans for additional INDs for stem cell therapy of musculoskeletal conditions and Alzheimer's disease.

• PR Medica Opportunity:

We have received an initial order of AlloRx™ Stem Cells for testing purposes by PR Medica located in Cabo San Lucas. Given successful test results, we anticipate subsequent new revenue generation from this customer.

• InfiniVive MD™ Stem Cell Serum:

Vitro Biopharma's cosmetic topical stem cell serum is being distributed by InfiniVive MD™ into cosmetic clinics that are providing the topical treatment as a beautification product. To date the company's product is being offered in 10 cosmetic clinics.

Our partner, Dr Jack Zamora, MD was a keynote speaker at a master session at the American Academy of Cosmetic Surgery annual meeting in late February. The topic of his presentation was "Topical Stem Cells, Exosomes and Conditioned Media Serums in Aesthetics." This was the

official launch of the InfiniVive-MD platform including: Dailey Serum, Stem Cell Serum 2.0 & Exosomes within the product line. Vitro Biopharma will manufacture & private label these new products for distribution in the US. We anticipate InfiniVive MD growth, development and revenues to mirror the development of Apyx subdermal plasma skin tightening as a cosmetic treatment and technique that has gone global.

www.jackzamoramd.com www.infinivivemd.com

• Research and Development, Facility Expansion & Patent Prosecution

Our core research product sales continued to expand in Q1 2020. Our facility expansion continued with addition of manufacturing capacity and development of plans to add operational facility to increase outputs further by 100% or more. We were also in discussions with the USPTO regarding our pending patents for our novel stem cell therapy and stem cell activation technology. We continue to work closely with our examiner and have established communication channels to facilitate awards of these patents.

• SUBSEQUENT EVENTS: COVID-19 Opportunity and Risks

The COVD-19 pandemic is a significant obstacle for all business. However, Vitro Biopharma is uniquely positioned since we have a potential effective therapy. This is based on 3 independent reports showing efficacy of stem cell therapy in 17 COVID-19 patients. All were treated with IV umbilical cord MSCs comparable to AlloRx™ Stem Cells and all 17 required respiratory assistance but within 3-4 days of treatment, were able to breath without ventilators and were discharged within 14 days. https://www.scmp.com/news/china/society/article/3053080/coronavirus-critically-ill-chinese-patient-saved-stem-cell On the contrary, untreated patients on ventilators have death rates of 50% or more. We have received a formal request to supply AlloRx™ Stem Cells for compassionate use from a major university medical center and several other potential clinical partners have also expressed interest in using our cells to treat COVID-19 patients. We are presently working with the FDA to gain authority to begin clinical testing in the US. We are currently assessing the overall financial impact of the COVID-19 pandemic on our business, but this depends on overall control of the pandemic. There have been no staff layoffs and our workers are considered essential since we conduct essential research to the COVID-19 response.

Dr. Jim Musick, CEO of Vitro Biopharma, said, “We are very pleased with the increased revenue growth during our first quarter 2020 compared to the prior year However all our resources are currently focused on the emergency response to the COVID-19 pandemic and increasing our inventory of AlloRx to satisfy anticipated emergency demand to treat critically ill COVID-19 patients.” The Company is working to get expedited clinical trial approvals to sell our AlloRx Stem Cells to hospitals coping with the pandemic. Vitro is pleased to have recently been recognized by Bioinformant as "a Company Tracking the Coronavirus". https://bioinformant.com/product/coronavirus-covid-19-report/ We anticipate clinical progress in the effectiveness of our stem cell therapies while expecting to see a reduction in our offshore and cosmetic revenues for the next quarter or two. The company is in a good cash position to weather this storm and simultaneously advance its AlloRx stem cell therapies into clinical trials.

In summary, Vitro Biopharma is advancing as a key player in regenerative medicine with 10+years’ experience in the development and commercialization of stem cell products for research, recognized by a Best in Practice Technology Innovation Leadership award for Stem Cell Tools and Technology and a growing track record of successful translation to therapy. We are leveraging our proprietary technology platform to the establishment of international Stem Cell Centers of Excellence and regulatory approvals in the US and worldwide.

Sincerely yours,

James R. Musick, PhD.
President, CEO & Chairman of the Board
www.vitrobiopharma.com

Forward-Looking Statements

Statements herein regarding financial performance have not yet been reported to the SEC nor reviewed by the Company's auditors. Certain statements contained herein and subsequent statements made by and on behalf of the Company, whether oral or written may contain "forward-looking statements". Such forward looking statements are identified by words such as "intends," "anticipates," "believes," "expects" and "hopes" and include, without limitation, statements regarding the Company's plan of business operations, product research and development activities, potential contractual arrangements, receipt of working capital, anticipated revenues and related expenditures. Factors that could cause actual results to differ materially include, among others, acceptability of the Company's products in the market place, general economic conditions, receipt of additional working capital, the overall state of the biotechnology industry and other factors set forth in the Company's filings with the Securities and Exchange Commission. Most of these factors are outside the control of the Company. Investors are cautioned not to put undue reliance on forward-looking statements. Except as otherwise required by applicable securities statutes or regulations, the Company disclaims any intent or obligation to update publicly these forward-looking statements, whether as a result of new information, future events or otherwise.

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