

Precision Therapeutics Inc. formed out of a joint venture between Skyline Medical and Helomics is harnessing the power of Artificial Intelligence for use in Tumor Testing to bring Precision Medicine to Cancer Diagnostics



Dr. Carl Schwartz
President, CEO and Director

Precision Therapeutics Inc. (NASDAQ: AIPT)
<http://www.precisiontherapeutics.com/>

Interview conducted by:
Bud Wayne, Editorial Executive
CEOCFO Magazine

CEOCFO: *Dr. Schwartz, you were appointed to Skyline Medical's board of directors in March 2016, and became interim president and CEO in May 2016. What attracted you to the company at that time?*

Dr. Schwartz: I had been a stockholder in Skyline (formerly Biodrain) for years. I loved the product and thought it had great potential as a medical device. I asked the former CEO to place me on the board. He did and subsequently decided to leave the company. I was then elected to be interim CEO followed by my permanent appointment.

CEOCFO: *Precision Therapeutics Inc. arose as a joint venture between Skyline Medical and Helomics. Would you tell us how that came about?*

Dr. Schwartz: We became interested in this area after being approached by another company in the general field, CytoBioscience. That deal failed to materialize but our interest was piqued. At an investor meeting held by Dawson James in Jupiter, Florida in 2017, we met the folks from Helomics and we were able to structure a deal. You are now seeing the results of that eventful meeting.

CEOCFO: *Will Skyline Medical and Helomics remain as functioning companies, as subsidiaries of Precision Therapeutics?*

Dr. Schwartz: Yes, both companies will remain as functioning subsidiaries and both will report to a senior staff.

CEOCFO: *First, Artificial Intelligence (AI) is the biggest thing today in technology and business. How is AI revolutionizing medical treatments and will that be the new focus of the combined companies?*

Dr. Schwartz: Yes it seems a day doesn't go by without an article about AI impacting some aspect of our lives from self-driving cars to healthcare. The key thing to remember is that AI demands data and lots of it. Healthcare, of course is full of data such as patient medical records, responses to drugs and now of course genomic data. The promise is that AI will help us to understand that data and make it actionable and impact patient outcomes, lower costs etc. With Helomics, we have a one-of-a-kind database of drug-response profiles obtained from testing over 150,000 patient tumors – this together with other data like genomic and clinical data is a highly valuable. Applying AI through Helomics' proprietary D-CHIP platform we are able to mine the genomic and drug-response profile data from those tumors to provide actionable data to provide a true precision medicine approach for cancer patients. Really AI is already a focus of our business and we intend to continue to invest in the power of AI coupled with Helomics rich data from testing tumors to power both the therapies of today and those of tomorrow. Of course we still see the Skyline division as holding an important place in our future and if it makes sense to apply AI approaches to improving the disposal of medical waste we'll certainly explore that.

CEOCFO: *Precision Therapeutics today is working with the pharmaceutical, diagnostic and biotech industries to develop more effective treatments for cancer. How are you applying AI at Precision Therapeutics?*

Dr. Schwartz: AI has been a core part of Helomics game plan for the last year or more and of course one of the reasons why we initially invested in them. As I mentioned before Helomics' D-CHIP AI platform and unique database, plus their

ability to test drugs on the patient's own tumor is unique in the industry and very attractive to Pharma, Biotech and diagnostic companies who want to develop new drugs or diagnostics. We are working with several biotech companies on several fronts and we should be announcing a number of joint ventures and licensing agreements in the near future.

CEOCFO: *Would you tell us about your TumorGenesis subsidiary and what they are working on?*

Dr. Schwartz: TumorGenesis is a wholly owned subsidiary of Precision Therapeutics. It was formed to develop an improved way to grow patient tumors in the lab in a manner that mimics the way the tumor grows in the body. The TumorGenesis approach, complements Helomics existing tumor testing approaches and will be faster, cheaper and more precise than the current method of growing patient tumors in mice or rats. As you might expect, these current methods yield very poor results which, in turn, fail to help the patient. In contrast we expect that the TumorGenesis technology coupled with Helomics will provide a better, precision medicine path for the patient that will yield much better outcomes

CEOCFO: *Would you tell us about the new business structure for the new company? Will each division have its own CEO or team under the Precision Therapeutics umbrella?*

Dr. Schwartz: Each division will have its own COO and staff with both operating under the Precision Therapeutics umbrella reporting to an overall CEO.

“Yes it seems a day doesn't go by without an article about AI impacting some aspect of our lives from self-driving cars to healthcare. The key thing to remember is that AI demands data and lots of it. Healthcare, of course is full of data such as patient medical records, responses to drugs and now of course genomic data. The promise is that AI will help us to understand that data and make it actionable and impact patient outcomes, lower costs etc. With Helomics, we have a one-of-a-kind database of drug-response profiles obtained from testing over 150,000 patient tumors – this together with other data like genomic and clinical data is a highly valuable. Applying AI through Helomics' proprietary D-CHIP platform we are able to mine the genomic and drug-response profile data from those tumors to provide actionable data to provide a true precision medicine approach for cancer patients. Really AI is already a focus of our business and we intend to continue to invest in the power of AI coupled with Helomics rich data from testing tumors to power both the therapies of today and those of tomorrow. Of course we still see the Skyline division as holding an important place in our future and if it makes sense to apply AI approaches to improving the disposal of medical waste we'll certainly explore that.”- Dr. Schwartz

CEOCFO: *What are you doing to get the word out about the company? Are you attending industry or investor conferences?*

Dr. Schwartz: All of the above - both industry and investor conferences. Jerry Vardzel and myself will be going on an investor 'road show' shortly. Also, we are utilizing industry publications and investor news outlets as well as social media to get our message out. Helomics will be presenting some initial data on our D-CHIP AI platform at two Cancer meetings in the fall organized by American Association for Cancer Research (AACR).

CEOCFO: *Are you funded to continue to grow your business? Will you be reaching out to investors or looking for partners?*

Dr. Schwartz: We may need to raise money. However, the merger has been structured to help fund the company through the exercise of warrants, but we will be reach out to investors(both institutional and private), if necessary, to fund our needs. There is no doubt that this area is “hot” right now, especially with Roche acquiring Foundation Medicine which is right in our space.

CEOCFO: *In closing, address our readers in the business, investment and healthcare communities. Why is Precision Therapeutics an important company?*

Dr. Schwartz: Precision Therapeutics is a unique entity, with we think a very bright future. We not only have a one of a kind and growing medical device product in the Streamway system on one side but a fabulous company in Helomics, a leader in AI and precision medicine on the other side. With over 15 years experience in precision cancer care, Helomics has unlimited potential with its unique one-of-a kind tumor database, a highly qualified staff, possession of truly actionable data and has a number of important agreements in the works.