
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event Reported): April 2, 2018

Precision Therapeutics Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-36790
(Commission File Number)

33-1007393
(I.R.S. Employer Identification Number)

2915 Commers Drive, Suite 900, Eagan, Minnesota 55121
(Address of Principal Executive Offices) (Zip Code)

(651) 389-4800
(Registrant's telephone number, including area code)

Skyline Medical Inc.
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On April 2, 2018, Precision Therapeutics Inc. issued a press release announcing its fiscal year 2017 financial results. A copy of the press release is furnished as Exhibit 99.1 to this report.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description/Exhibit
<u>99.1</u>	Press Release of Precision Therapeutics Inc. dated April 2, 2018

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Precision Therapeutics Inc.

Date: April 2, 2018

By: /s/ Bob Myers
Bob Myers
Chief Financial Officer

Precision Therapeutics Reports Fiscal Year 2017 Financial Results

Company reports strengthening STREAMWAY® System sales and new strategic focus on the emerging precision medicine market

MINNEAPOLIS, April 02, 2018 (GLOBE NEWSWIRE) -- Precision Therapeutics Inc. (NASDAQ:AIPT) (“Precision” or “the Company”), formerly Skyline Medical, a company focused on applying artificial intelligence to personalized medicine and drug discovery, announced today financial results for the three and twelve months ended December 31, 2017 and provides a business update on its plans to transition its strategic focus to precision medicine and the Contract Research Organization (“CRO”) services sector.

Highlights of the fourth quarter of 2017 and recent weeks include:

- Announced new strategic focus on applying artificial intelligence to precision medicine and drug discovery
- Changed corporate name from Skyline Medical to Precision Therapeutics
- Changed its NASDAQ Capital Market ticker symbol from 'SKLN' to 'AIPT' to align the symbol with its new name
- Purchased 25% of Helomics, a precision diagnostic company and integrated clinical contract research organization
- Precision Therapeutics, Helomics Corporation and GLG Pharma formed a partnership to use their combined technologies to bring personalized medicines and testing to ovarian and breast cancer patients
- Formed TumorGenesis Inc. subsidiary to develop the next generation of patient derived (“PDx”) tumor models for precision cancer therapy and drug development
 - Secured license agreements with SyntArray LLC, 48Hour Discovery and CellBridge Incorporated to advance its strategy
- Raised \$2.5 million in net proceeds in a public offering, subsequent to the year end

Skyline Medical, a division of Precision Therapeutics, highlights of 2017 and recent weeks:

- Five STREAMWAY® Systems sold in Q4 2017; a total of ten STREAMWAY Systems sold in FY 2017
- Implemented international expansion strategy by partnering with independent distributors in Canada, Switzerland and Australia
- Opened new European headquarters in Belgium and appointed Jean-Paul Rasschaert as Vice President of International Sales
- Appointed Kevin Hungerford as Global Vice President of Sales and Marketing
- 16 STREAMWAY Systems sold in the first three months of 2018; 100 total STREAMWAY Systems projected to be sold in 2018

Management Commentary

“In late 2017 and early 2018 we made significant progress executing on our strategy to diversify our portfolio of products and solutions by entering the fast-growing precision medicine market,” commented Dr. Carl Schwartz, Chief Executive Officer of Precision Therapeutics. “The emergence of precision medicine is creating a paradigm shift away from generalized medical solutions that treat large numbers of patients with similar symptoms, toward therapies that take into account individual variability in genes, environment, and lifestyle for each person. Our new strategic focus is on applying artificial intelligence to personalized medicine and drug discovery. By working to provide solutions that improve precision medicine clinical trial outcomes, we are positioning the Company as a critical partner to the industry, thereby enabling its stakeholders to participate in the growth of this emerging field of healthcare.

“To advance our strategy, we formed our TumorGenesis subsidiary to develop next generation, *ex-vivo*, patient-derived tumor models. These tumor models will be designed to ‘fool’ the cancer cells into behaving as though they are still in the patient’s body, which is expected to lead to better testing of drugs for personalized therapy and in the development of new drugs, compared with traditional animal models. We have secured several medical technology licenses to advance the development of these tumor models. To fuel revenue generation, we plan to offer testing of the TumorGenesis PDx tumors, in conjunction with Helomics, to pharmaceutical companies for the development of precision therapies, and to use the data generated to continue the build out of the Helomics’s D-CHIP Artificial Intelligence (AI) database of tumor profiles.

“Helomics’ ‘big-data’ D-CHIP repository currently contains the drug response profiles of over 149,000 patient tumors and their molecular, genomic, biochemical and histopathology data coupled to de-identified patient demographics. The D-CHIP uses a proprietary AI-powered bioinformatics engine to provide actionable insights to aid in the development of precision therapies. This technology represents a one-of-a-kind value proposition. Big Data and Artificial Intelligence are the foundation of the development of targeted treatments and personalized therapies. Providing actionable insights based on the specific biomarkers and gene signatures that cause diseases, is invaluable to disease diagnosis, the development of new diagnostics and therapies, and clinical trials performance.

“We plan to monetize these technologies by partnering with pharmaceutical, diagnostic, and academic organizations to advance the emergence of ground-breaking personalized cancer treatments. This presents a major opportunity for the Company. The precision medicine market was valued at over \$43.6 billion in 2016 and is expected to witness more than 10.5% CAGR from 2017 to 2024 and we are excited at the opportunity to participate in its growth,” continued Dr. Schwartz.

“In the Skyline Medical division, we implemented an aggressive sales and marketing campaign in 2017, leading to an acceleration of STREAMWAY System sales in the fourth quarter. We believe this momentum will continue to drive higher sales and are encouraged by Skyline Medical’s outlook in 2018. We have already secured 16 sales this year, which exceeds our total 2017 sales, and with a March surge of selling 10 systems we expect an increased momentum toward selling a projected 100 STREAMWAY Systems in 2018. We are also expanding our international presence through independent distribution agreements and our recent hiring of key personnel to support the growth of our business, including a new Global Vice President of Sales and Marketing and an International Vice President of Sales and Marketing. We are confident in the future of the Skyline Medical division, and pleased with this continued progress,” concluded Dr. Schwartz.

Financial Results

Revenue for the three months ended December 31, 2017 was \$220,313, compared with \$139,563 for the three months ended December 31, 2016. Revenue was derived from the sales of five STREAMWAY Systems and the sale of STREAMWAY disposable products during the fourth quarter of 2017.

Gross profit for the three months ended December 31, 2017 was \$159,977 or 72.6% of revenue, compared with \$107,074 or 76.7% of revenue for the same period in 2016.

Total operating expenses for the three months ended December 31, 2017 were \$3.0 million, compared with \$0.8 million for the three months ended December 31, 2016.

Net loss available to common shareholders for the three months ended December 31, 2017 was \$2.9 million or \$0.43 per share. This compares with a net loss available to common shareholders for the three months ended December 31, 2016 of \$732,772 or \$0.16 per share.

Revenue for the twelve months ended December 31, 2017 was \$654,836, compared with \$456,495 for the twelve months ended December 31, 2016.

Total operating expenses for the twelve months ended December 31, 2017 were \$8.3 million compared with \$6.8 million for the twelve months ended December 31, 2016. The increase was primarily due to stock based compensation and investors stock compensation expenses, which increased by \$1,480,000 and \$903,000, respectively, and expenses related to warrants associated with Company raises in 2017. Sales and marketing expenses also increased to \$1.0 million compared with \$0.5 million in 2016, as a result of the Company’s focused sales and marketing campaign for the STREAMWAY System.

Net loss available to common shareholders for the twelve months ended December 31, 2017 was \$7.7 million or \$1.22 per share, compared with a net loss available to common shareholders for the twelve months ended December 31, 2016 of \$6.5 million, or \$2.31 per share.

The Company had cash, cash equivalents and marketable securities of \$766,189 million as of December 31, 2017, compared with \$2.0 million as of December 31, 2016. Subsequent to the quarter ended December 31, 2017, the Company raised \$2.5 million net proceeds in a public offering.

Conference Call and Webcast

Management will also hold a conference call at 4:30pm Eastern Time today, Monday, April 2nd, 2018 to discuss these results and provide a general business update. The conference call is scheduled to begin at 4:30 p.m. Eastern Time. A webcast of the event will be available on the Investors section of the Company’s website at www.skylinemedical.com

To access the conference call, U.S.-based listeners should dial (866) 548-4713 and international listeners should dial (323) 794-2093. All listeners should provide the following passcode: 2544311.

About Precision Therapeutics Inc.

Precision Therapeutics (NASDAQ:AIPT) operates in two business areas: first, applying artificial intelligence to personalized medicine and drug discovery to provide personalized medicine solutions for clients in the pharmaceutical, diagnostic, and biotech industries, and second, production of the FDA-approved STREAMWAY® System for automated, direct-to-drain medical fluid disposal.

Precision Therapeutics' CRO services business is committed to improving the effectiveness of cancer therapy using the power of artificial intelligence (AI) applied to rich data diseases databases. This business has launched with Precision Therapeutics' investment in Helomics Corporation, a precision diagnostic company and integrated clinical contract research organization whose mission is to improve patient care by partnering with pharmaceutical, diagnostic, and academic organizations to bring innovative clinical products and technologies to the marketplace. In addition to its proprietary precision diagnostics for oncology, Helomics offers boutique CRO services that leverage our patient-derived tumor models, coupled to a wide range of multi-omics assays (genomics, proteomics and biochemical), and a proprietary bioinformatics platform (D-CHIP) to provide a tailored solution to our client's specific needs. Helomics is 25% owned by Precision Therapeutics. Helomics® is headquartered in Pittsburgh, Pennsylvania where the company maintains state-of-the-art, CLIA-certified, clinical and research laboratories. For more information, please visit www.Helomics.com.

Precision Therapeutics has also announced the formation of a subsidiary, TumorGenesis, to pursue a new rapid approach to growing tumors in the laboratory, which essentially “fools” the cancer cells into thinking they are still growing inside the patient. Precision Therapeutics and Helomics have also announced a proposed joint venture with GLG Pharma focused on using their combined technologies to bring personalized medicines and testing to ovarian and breast cancer patients, especially those who present with ascites fluid (over one-third of patients). The growth strategy in this business includes securing new partnerships and considering acquisitions in the precision medicine space.

Sold through the Skyline Medical business of Precision Therapeutics, The STREAMWAY System virtually eliminates staff exposure to blood, irrigation fluid and other potentially infectious fluids found in the healthcare environment. Antiquated manual fluid handling methods that require hand carrying and emptying filled fluid canisters present an exposure risk and potential liability. Skyline Medical's STREAMWAY System fully automates the collection, measurement, and disposal of waste fluids and is designed to: 1) reduce overhead costs to hospitals and surgical centers; 2) improve compliance with OSHA and other regulatory agency safety guidelines; 3) improve efficiency in the operating room, and radiology and endoscopy departments, thereby leading to greater profitability; and 4) provide greater environmental stewardship by helping to eliminate the approximately 50 million potentially disease-infected canisters that go into landfills each year in the U.S. For additional information, please visit www.skylinemedical.com.

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For more efficient communication we would appreciate your participation in the conference call by simply sending your email address to Info@MoneyInfo-llc.com so that we can add you to our database. This is solely for our use and will not be sold or distributed in any way.

STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Year Ended December 31,	
	2017	2016
Revenue	\$ 654,836	\$ 456,495
Cost of goods sold	148,045	181,620
Gross margin	506,791	274,875
General and administrative expense	6,041,485	5,174,799
Operations expense	1,207,724	1,158,117
Sales and marketing expense	1,004,175	467,970
Interest expense	-	3
Total Expense	8,253,384	6,800,889
Net loss available to common shareholders	-7,746,593	-6,526,014
Other comprehensive income		
Unrealized gain (loss) from marketable securities	-	1,501
Comprehensive loss	\$ -7,746,593	\$ -6,524,513
Loss per common share - basic and diluted	\$ -1.22	\$ -2.31
Weighted average shares used in computation - basic and diluted	6,362,989	2,823,345

**FOR THE QUARTER ENDED,
December 31,**

	2017	2016
Revenue	\$ 220,313	\$ 139,563
Cost of goods sold	60,336	32,490
Gross margin	159,977	107,074
General and administrative expense	2,072,991	490,669
Operations expense	632,256	230,055
Sales and marketing expense	323,780	119,122
Interest expense	-	-
Total Expense	3,029,027	839,846
Net loss available to common shareholders	(2,869,052)	(732,772)
Other comprehensive gain		
Unrealized gain from marketable securities	-	-
Comprehensive (loss)	\$ (2,869,052)	\$ (732,772)
Loss per common share - basic and diluted	\$ (0.43)	\$ (0.16)
Weighted average shares used in computation - basic and diluted	6,598,663	4,529,978

BALANCE SHEETS

	December 31, 2017	December 31, 2016
ASSETS		
Current Assets:		
Cash & cash equivalents	\$ 766,189	\$ 1,764,090
Certificates of deposit	244,971	100,000
Marketable securities	-	284,329
Accounts Receivable	137,499	38,919
Notes Receivable	667,512	-
Inventories	265,045	272,208
Prepaid Expense and other assets	289,966	148,637
Total Current Assets	2,371,182	2,608,183
Notes Receivable	1,070,000	-
Fixed Assets, net	87,716	101,496
Intangibles, net	95,356	97,867
Total Assets	\$ 3,624,254	\$ 2,807,546
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts Payable	\$ 140,462	\$ 220,112
Accrued Expenses	785,215	1,346,105

Deferred Revenue	6,662	7,998
Total Current Liabilities	<u>932,340</u>	<u>1,574,215</u>
Accrued Expenses	-	309,649
Total Liabilities	<u>932,340</u>	<u>1,883,864</u>
Commitments and Contingencies	-	-
Stockholders' Equity:		
Series B Convertible Preferred Stock, \$.01 par value, 20,000,000 authorized, 79,246 and 79,246 outstanding	792	792
Series C Convertible Preferred Stock, \$.01 par value, 20,000,000 authorized, 647,819 and 0 outstanding	6,479	-
Common Stock, \$.01 par value, 50,000,000 authorized, 6,943,283 and 4,564,428 outstanding	69,432	45,644
Additional paid-in capital	57,380,256	47,894,196
Accumulated deficit	-54,765,045	-47,018,451
Accumulated Other Comprehensive Income	-	1,501
Total Stockholders' Equity	<u>2,691,914</u>	<u>923,682</u>
Total Liabilities and Stockholders' Equity	<u>\$ 3,624,254</u>	<u>\$ 2,807,546</u>