UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A
(Amendment No. 2)

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 4, 2019**

Predictive Oncology Inc.
(f/k/a **Precision Therapeutics Inc.)**
(Exact name of registrant as specified in its charter)

Delaware	**001-36790**	**83-4360734**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

2915 Commers Drive, Suite 900
Eagan, Minnesota 55121
(Address of principal executive offices)

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

Not Applicable
(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 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. [ ]

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $0.01 par value	POAI	Nasdaq Capital Market

EXPLANATORY NOTE

This Amendment No. 2 amends the Current Report on Form 8-K that Predictive Oncology Inc. ("Predictive" or the "Company") filed with the Securities and Exchange Commission on April 10, 2019, as amended by Amendment No. 1 on Form 8-K/A filed on June 18, 2019, concerning the April 4, 2019 completion of the business combination of Helomics Holding Corporation ("Helomics") with Helomics Acquisition, Inc., a wholly-owned subsidiary of Predictive ("Merger Sub"), in accordance with the terms of the Amended and Restated Agreement and Plan of Merger, dated as of October 26, 2018 (as amended, the "Merger Agreement"), and a related exchange offer.

This Amendment No. 2 includes (1) audited financial statements of Helomics for the years ended December 31, 2018 and 2017 that have been restated from such financial statements previously filed with Amendment No. 1, (2) unaudited financial statement of Helomics for the periods ended March 31, 2019 and 2018, and (3) pro forma combined financial information for the period ended March 31, 2019 and restated pro forma combined financial information for the year ended December 31, 2018.

Item 9.01 Financial Statement and Exhibits

(a) Financial Statements of Businesses Acquired

The restated audited financial statements of Helomics as of and for the years ended December 31, 2018 and 2017 are attached hereto as Exhibit 99.1. The unaudited financial statements of Helomics as of and for the periods ended March 31, 2019 and 2018 are attached hereto as Exhibit 99.2.

(b) Pro Forma Financial Information

Certain pro forma combined financial information of the Company as of and for the period ended March 31, 2019 and the year ended December 31, 2018, giving effect to the merger of Helomics with and into Merger Sub pursuant to the Merger Agreement, is attached hereto as Exhibit 99.3.

(d) Exhibits

Exhibit No.	Description
23.1	Consent of Independent Registered Public Accounting Firm— Schneider Downs & Co., Inc.
99.1	Audited Financial Statements of Helomics Holding Corporation – Years ended December 31, 2018 and 2017
99.2	Unaudited Financial Statements of Helomics Holding Corporation – Period ended March 31, 2019
99.3	Pro Forma Combined Financial Information of Predictive Oncology Inc.

SIGNATURE

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

PREDICTIVE ONCOLOGY INC.

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

Date: September 26, 2019

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-169556, No. 333-175565, No. 333-186464, No. 333-188510, No. 333-198378, No. 333-213742 and No. 333-216711) and on Form S-3 (No. 333-213766, No. 333-228908 and No. 333-229664) of Precision Therapeutics, Inc. of our audit report dated May 13, 2019 (September 25, 2019, as to the effects of the restatement discussed in Notes 3, 4 and 8), relating to the consolidated financial statements of Helomics Holding Corporation and Subsidiaries as of and for the years ended December 31, 2018 and 2017, which appears in Exhibit 99.1 to this Form 8-K/A.

Schneider Downs & Co., Inc.

/s/ Schneider Downs & Co., Inc.

Pittsburgh, Pennsylvania
September 26, 2019

SCHNEIDER DOWNS
Big Thinking. Personal Focus.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of
Helomics Holding Corporation and Subsidiaries
Pittsburgh, Pennsylvania

Opinion on the Financial Statements
We have audited the accompanying consolidated balance sheets of Helomics Holding Corporation and Subsidiaries (Company) as of December 31, 2018 and 2017, and the related consolidated statements of operations, changes in stockholders' equity (deficit), and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion the financial statements present fairly in all material respects, the financial position of the Company as of December 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Substantial Doubt Regarding Going Concern
The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company's products are being developed and have not generated significant revenues. As a result, the Company has suffered recurring losses and its liabilities exceed its assets. This raises substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion
These financial statements are responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are required to be independent with respect to the Company in accordance with the relevant ethical requirements relating to our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States) and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Out audits included performing procedures to assess the risks of material misstatement of the financial statements, where due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

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An Association of Independent Accounting Firms

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Columbus, OH 43215
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As discussed in Note 3 to the consolidated financial statements, the consolidated financial statements have been restated.

We have served as the Company's auditor since 2018.

Schneider Downs & Co., Inc.

Pittsburgh, Pennsylvania
May 13, 2019 (September 25, 2019, as to the effects of the restatement discussed in Notes 3, 4 and 8)

Helomics Holding Corporation
Consolidated Balance Sheet

	December 31st	
	2018	2017
Current Assets:	**(As Restated)**	**(As Restated)**
Cash & cash equivalents	$ 30,802	$ 45,016
Accounts receivable - net	237,640	424,299
Inventories	17,508	40,279
Prepaid expenses	21,445	32,158
Total Current Assets	307,395	541,752
Fixed assets, net	1,203,572	2,398,844
Intangible, net	160,775	174,803
Equity investment	682,000	–
Total Assets	$ 2,353,742	$ 3,115,399
Current Liabilities:		
Accounts payable	$ 2,112,732	$ 2,251,751
Accrued expenses	1,515,947	682,170
Capital leases - short term	5,258	85,840
Notes payable - Predictive Oncology	1,165,012	667,512
Notes payable - senior promissory, net of discount	7,498,333	3,399,383
Common stock warrant liability	7,099,842	340,636
Derivative liability	–	1,153,998
		–
Total Current Liabilities	19,397,124	8,581,290
Capital leases - long term	–	5,258
Total Liabilities	19,397,124	8,586,548
Stockholders' Deficit		
Preferred stock, 5mm authorized, 2.5mm and 0 outstanding, respectively	2,500	–
Common stock, $.001 par value, 50mm authorized, 10.8mm and 10mm outstanding, respectively	10,833	10,000
Additional paid in capital	1,540,467	(1,200)
Accumulated Deficit	(18,234,182)	(5,479,949)
Accumulated other comprehensive loss	(363,000)	–
Total Stockholders' Deficit	(17,043,382)	(5,471,149)
Total Liabilities and Stockholders' Deficit	$ 2,353,742	$ 3,115,399

The accompanying notes are an integral part of these consolidated financial statements.

Helomics Holdings Corporation
Consolidated Statement of Operations and Other Comprehensive Loss
For the years ended December 31, 2018 and 2017

	2018 (As Restated)	2017 (As Restated)
Revenue, net	$ 400,778	$ 1,578,995
Cost of goods sold	229,354	323,742
Gross margin	171,424	1,255,253
General & adminstrative expense	3,419,292	3,839,633
Operations expense	2,000,688	3,400,832
Sales & marketing expense	253	8,500
Total expense	5,420,233	7,248,965
Net loss on Operations	(5,248,809)	(5,993,712)
Amortization of debt issuance costs and debt discount	(3,083,544)	(402,590)
Unrealized (loss) gain common stock warrant liability	(3,614,950)	151,567
Interest expense - notes payable and capital leases	(1,071,649)	(17,011)
Other income	269,052	–
Loss on convertible note	(4,333)	–
Gain on settlement of note	–	215,516
Unrealized loss on derivative liability	–	(1,153,998)
Net loss	(12,754,233)	(7,200,228)
Other comprehensive income		
Unrealized loss on equity investment	(363,000)	–
Comprehensive Loss	**$ (13,117,233)**	**$ (7,200,228)**

The accompanying notes are an integral part of these consolidated financial statements.

Helomics Holdings Corporation
Statement of Changes in Accumulated Deficit

	Preferred Stock Shares	Preferred Shares Amount	Common Stock Shares	Common Shares Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance @ 12/31/16 (as restated)	–	–	10,000,100	$ 10,000	$ (1,200)		$ 1,720,279	$ 1,729,079
Net Loss (As Restated)							(7,200,228)	(7,200,228)
Balance @ 12/31/17 (as restated)	–	–	10,000,100	10,000	(1,200)		(5,479,949)	(5,471,149)
Issuance of Preferred Stock, 2,500,000 shares, $.001 per share	2,500,000	$ 2,500			$ 1,042,500			1,045,000
Issuance of Common Stock, 833,333 shares, $.001 per share			833,333	833	499,167			500,000
Unrealized loss on equity investment						(363,000)		(363,000)
Net Loss (As Restated)							(12,754,233)	(12,754,233)
Balance at 12/31/18 (as Restated)	**2,500,000**	**$ 2,500**	**10,833,433**	**$ 10,833**	**$ 1,540,467**	**$ (363,000)**	**$ (18,234,182)**	**$ (17,043,382)**

The accompanying notes are an integral part of these consolidated financial statements.

Helomics Holding Corporation
Consolidated Statement of Cash Flows
For the years ended December 31, 2018 and 2017

		12/31/18 (As Restated)		12/31/17 (As Restated)
CASH FLOWS FROM OPERATING ACTIVITIES				
Net Loss	$	(12,754,233)	$	(7,200,228)
Adjustments to reconcile net loss to net cash used in operating activities:				
Amortization of debt issuance costs and debt discount		3,083,544		402,590
Unrealized loss (gain) on common stock warrant liability		3,614,950		(151,567)
Depreciation and amortization		1,212,995		1,620,676
Loss on Convertible Note		4,333		–
Unrealized loss on derivative liability		–		1,153,998
Changes in operating assets and liabilities:				
Receivables		186,659		(97,416)
Prepaid Expenses & Other Assets		(957)		282,360
Inventories		22,771		54,834
Accounts payable and accrued liabilities		694,758		505,915
Net Cash Used In Operating Activities		(3,935,180)		(3,428,838)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of Fixed Assets		(3,695)		(63,095)
Net Cash Used In Investing Activities		(3,695)		(63,095)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from senior promissory notes		3,013,000		2,563,995
Proceeds for notes payable - Predictive Oncology		997,500		667,512
Payments on capital leases		(85,839)		(89,026)
Net Cash Provided by Financing Activities		3,924,661		3,142,481
Net Decrease In Cash And Cash Equivalents		(14,214)		(349,452)
CASH AND CASH EQUIVALENTS				
Beginning of period		45,016		394,468
End of period	$	30,802	$	45,016
SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION				
Cash paid during the period for interest	$	7,538	$	14,787
SUPPLEMENTAL SCHEDULE OF NON-CASH FINANCING ACTIVITIES				
Conversion of debt to common stock	$	500,000	$	–
Issuance of preferred stock	$	1,045,000	$	–
Conversion of derivative liability to notes payable	$	1,153,998	$	–

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 - ORGANIZATION

A. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Helomics Holding Corporation (the “Company” or “Helomics”) was originally incorporated on November 15, 2016 in Delaware as Helomics Corporation. The Company commenced its operations on December 7, 2016, when Helomics Holding Corporation, through its wholly-owned subsidiary Helomics Intermediate Corporation, acquired all the outstanding shares of the Helomics Corporation. Helomics® is a personalized medicine company providing an actionable roadmap for patients and their oncologist to guide therapy and positively impact patient outcomes. The Company’s business model consists of three complementary pillars, all of which are currently revenue-generating and have growth strategies in place. The Company’s initial pillar is the Precision Oncology Insights business, which involves comprehensive tumor profiling, using the power of Artificial Intelligence and the Digital Clinical Health Insight Platform (D-CHIP), to provide a personalized oncology roadmap for patients and their oncologists. The Company’s second pillar offers boutique CRO (Contract Research Organization) services that leverage the Company’s TruTumor™, 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 the Company’s client’s specific needs. The Company’s third pillar, the D-CHIP bioinformatics, is a proprietary Artificial Intelligence-powered bioinformatics engine that provides actionable insights from the rich patient data Helomics collects as part of its diagnostic business. Pharma and diagnostics companies use the D-CHIP to aid disease diagnosis or drive patient selection for clinical trials.

Helomics is specifically attentive toward oncology insights for six specific cancers (ovarian, breast, pancreatic, colon, lung and brain cancer), and the Company is building a bioinformatics database of artificial intelligence for those six cancers, providing actionable data that can facilitate the development of precision therapies.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. The Company has suffered recurring losses from operations and was purchased by a new ownership group on December 7, 2016. The Company has experienced negative cash flows from operations since inception, and operations have been funded by debt and equity issuances. These factors raise substantial doubt about the Company’s ability to continue as a going concern. The financial statements do not contain any adjustments to reflect the possible future effects of the recoverability or classification of assets or the amounts and classifications of liabilities that may result.

For the year ended December 31, 2018, the Company has continued to realize recurring losses from operations and thus a negative cash flow from operations. The Company completed its merger with a public company on April 4, 2019 for purposes of raising additional capital to fund operations going forward (see Note 14).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies applied by management in the preparation of the accompanying financial statements follows:

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of Helomics Holding Corporation, and its subsidiaries, Helomics Intermediate Corporation, and Helomics Corporation. All intercompany accounts and transactions have been eliminated in consolidation.

B. ACCOUNTING POLICIES AND ESTIMATES

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial
statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. ADVERTISING

Advertising costs are expensed as incurred. Advertising expenses were $253 and $8,500 for the years ended December 31, 2018 and 2017, respectively.

D. RESEARCH AND DEVELOPMENT

Research and development costs are charged to operations as incurred. There were no research and development costs incurred for the years ended December 31, 2018 and 2017, respectively.

E. REVENUE RECOGNITION

The Company currently recognizes revenue in accordance with *ASC 605 - Revenue Recognition*. The Company recognizes revenue when the following criteria are met: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services rendered; (3) the fee is fixed and determinable; and (4) collectability is reasonably assured. The precision diagnostics are recognized at gross revenue at time of final test and an uncollectible amount equal to the Company's historical reimbursement average from Medicare and private payors insurance.

Effective January 1, 2019, the Company will adopt *ASC 606 - Revenue from Contracts with Customers*,
which amends the guidance for the recognition of revenue from contracts with customers for the transfer of goods and services, by using the modified-retrospective method applied to any contracts that were not completed as of January 1, 2019.

The results for the period beginning after January 1, 2019, will be presented in accordance with the new standard. Upon adoption, the Company will recognize revenue following the five-step model outlined in ASC 606. The Company's CRO and D-CHIP revenue will be contract based as well as subscription based for D-CHIP in which revenue would be recognized on a monthly basis, equivalent to the term of the contract. For the year ended December 31, 2018, no such contracts have been entered into and therefore no cumulative adjustment was recorded as of January 1, 2019.
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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. CASH EQUIVALENTS

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents are stated at cost, which approximate fair value. The Company at times maintains cash balances at financial institutions in excess of the amounts insured by the Federal Deposit Insurance Corporation. The Company believes it has placed its cash with high credit quality financial institutions and does not believe it is exposed to any significant credit risk.

G. FAIR VALUE MEASUREMENTS

Under generally accepted accounting principles as outlined in the Financial Accounting Standards Board (“FASB”), Accounting Standards Codification (“ASC”) 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The accounting standards ASC 820 establishes a three-level fair value hierarchy that prioritizes information used in developing assumptions when pricing an asset or liability as follows:

Level 1 - Observable inputs such as quoted prices in active markets for identical assets and liabilities,

Level 2 - Inputs other than quoted prices in active markets, that are observable either directly or indirectly for similar assets and liabilities; and

Level 3 - Unobservable inputs where there is little or no market data, which requires the reporting entity to develop its own assumptions.

The Company uses observable market data, when available, in making fair value measurements. Fair value measurements are classified according to the lowest level input that is significant to the valuation. The carrying amounts of the Company’s cash, accounts receivable, accounts payable and the equity investment in Predictive Oncology Inc. (“Predictive”) (formerly Precision Therapeutics Inc.) approximated fair value as of December 31, 2018 due to their short-term nature (Level 1). The Company has common stock warrants, issued with notes payable, that are considered Level 3 in nature. The liability related to the common stock warrants is measured at the time of issuance and at fair market value on a quarterly basis using a Black Scholes pricing model (see note 8).

H. EQUITY INVESTMENT

In 2018 the Company sold a 20% equity position to Predictive in exchange for 1,100,000 shares of Predictive common stock (see Note 13). The Company records this asset on the balance sheet and is classified as an Equity investment. Management evaluates the investment quarterly and records an adjustment to the investment value based on the closing stock price at the end of each quarter and the gain or loss is recognized as unrealized in the other comprehensive income section of the statements.

On an annual basis the Company performs an impairment test of the asset due to events and changes in circumstances that indicates an impairment might have occurred. There were no such impairment charges during 2018.

I. RECEIVABLES

Receivables are reported at the amount the Company expects to collect on balances outstanding.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company provides for probable uncollectible amounts through charges to earnings and credits to the valuation based on management's assessment of the current status of individual accounts, changes to the
valuation allowance has not been material to the financial statements. The allowance for doubtful accounts was $1,320,170 and $0 as of December 31, 2018 and 2017, respectively.

J. INVENTORIES

Inventories are stated at the lower of cost or net realizable value, with cost determined on a first-in, first-out basis. Inventory balance is as follows:

	December 31,	
	2018	2017
Lab Operating Supplies	$ 27,790	$ 72,022
Inventory Reserve	(10,282)	(31,743)
Total	$ 17,508	$ 40,279

K. PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the respective assets. Estimated useful asset life by classification is as follows:

	Years
Computer Equipment & Software	3
Leasehold Improvements	5
Laboratory Equipment	5-7
Furniture & Fixtures	3

The Company's investment in fixed assets consists of the following:

	December 31,	
	2018	2017
Computer Equipment & Software	$ 462,876	$ 459,181
Leasehold Improvements	56,154	56,154
Laboratory Equipment	3,432,523	3,432,523
Furniture & Fixtures	194,710	194,710
Total	4,146,263	4,142,568
Less: Accumulated Depreciation	(2,942,691)	(1,743,724)
Total Fixed Assets, net	$ 1,203,572	$ 2,398,844

Upon retirement or sale, the cost and related accumulated depreciation are removed from the balance sheet and the resulting gain or loss is reflected in operations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Maintenance and repairs are charged to operations as incurred. Depreciation expense was $1,198,967 and $1,606,648 for the years ended December 31, 2018 and 2017, respectively.

L. INTANGIBLE ASSETS

Intangible assets consist of trademarks and patent costs. Amortization expense was $14,028 for the years ended December 31, 2018 and 2017, respectively. The assets are amortized over eighteen years and are reviewed for impairment annually, and impairment losses, if any, are charged to operations when identified.

The remaining amortization expense for the intangible assets consists of the following:

Year Ended	Amount
2019	$ 14,028
2020	14,028
2021	14,028
2022	14,028
2023	14,028
Thereafter	90,635
Total	$ 160,775

The Company reviews identifiable intangible assets for impairment in accordance with ASC 350 - *Intangibles - Goodwill and Other*, whenever events or changes in circumstances indicate the carrying amount may not be recoverable. The Company's intangible assets are currently solely the costs of obtaining trademarks from the Company's acquisition of Helomics. Events or changes in circumstances that indicate the carrying amount may not be recoverable include, but are not limited to, a significant change in the medical device marketplace and a significant adverse change in the business climate in which the Company operates.

If such events or changes in circumstances are present, the undiscounted cash flows method is used to determine whether the intangible asset is impaired. Cash flows would include the estimated terminal value of the asset and exclude any interest charges. If the carrying value of the asset exceeds the undiscounted cash flows over the estimated remaining life of the asset, the asset is considered impaired, and the impairment is measured by reducing the carrying value of the asset to its fair value using the discounted cash flows method. The discount rate utilized is based on management's best estimate of the related risks and return at the time the impairment assessment is made. Based on the Company's evaluation, no impairment expense has been recognized for the years ended December 31, 2018 and 2017.

M. INCOME TAXES

The Company accounts for income taxes in accordance with ASC 740 - Income Taxes (ASC 740). Under ASC 740, deferred tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities and net operating loss and credit carryforwards using enacted tax rates in effect for the year in which the differences are expected to impact taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company reviews income tax positions expected to be taken in income tax returns to determine if there are any income tax uncertainties. The Company recognizes tax benefits from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by taxing authorities, based on technical merits of the positions. The Company has identified no income tax uncertainties.

Tax years 1999 through 2018 remain open to examination by federal and state tax authorities due to the carryforward of unutilized net operating losses (NOLs).

On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (Tax Reform Act) was signed into law, making significant changes to the Internal Revenue Code. Changes include a reduction in the corporate tax rates, changes to operating loss carry forwards and carrybacks, and a repeal of the corporate alternative minimum tax. The legislation reduces the U.S. corporate income tax rates from 34% to 21%. As a result of the enacted law, the Company was required to revalue its deferred tax assets and liabilities at the new enacted rate.

N. PATENTS AND INTELLECTUAL PROPERTY

All Patents and Intellectual Property of ChemoFx® in use by the Company are currently owned by Healthcare Royalty Partners (former owners) and are being used by the Company in accordance with the Merger Agreement between Helomics and HealthCare Royalty Partners. The Company agreed to a term sheet for a nonexclusive license agreement on the patented ChemoFx technology. Terms were for an 8% royalty on net sales of ChemoFx®. As of the date of this report, the license agreement has not been finalized, and no accrued royalty has been recognized.

O. RISKS AND UNCERTAINTIES

The Company is subject to risks common to companies in the clinical diagnostic and service industry, including, but not limited to, development by the Company or its competitors of new technological innovations, dependence on key personnel, protection of proprietary technology, and compliance with regulations of the FDA and other governmental agencies.

P. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* and created a new topic in the FASB ASC, Topic 606, and has since amended the standard with ASU 2015-14, *"Revenue from Contracts with Customers: Deferral of the Effective Date"* (ASU 2016-08), *"Revenue from Contracts with Customers: Principal versus Agent Considerations (Reporting Revenue Gross versus Net)"* (ASU 2016-10), *"Revenue from Contracts with Customers: Identifying Performance Obligations and Licensing"* (ASU 2016-12), *"Revenue from Contracts with Customers: Narrow-Scope Improvements and Practical Expedients"* (ASU 2017-13). These new standards provide a single comprehensive revenue recognition framework for all entities and supersedes nearly all existing U.S. GAAP revenue recognition guidance, including industry-specific guidance. The core principle of the revenue model is that an entity should recognize revenue in a manner that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard is designed to create greater comparability for financial statement users across industries and requires enhanced disclosures.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The amendments are effective for annual reporting periods beginning after December 15, 2018, including interim periods within that reporting period. Early application is permitted. The FASB will allow two adoption methods, the full retrospective and modified retrospective approaches. The Company will implement the modified retrospective method which will be effective for the Company for all contracts with customers' existing as of December 31, 2018. This standard will impact the Company's CRO and D-CHIP business units as revenue from these units are generally contract based, are executed over a period of time and in some cases have multiple phases and/or milestones. Implementation of the standard in January 2019, using the modified retrospective approach, is not expected to have a material effect on revenue, gross margin or operating income.

In January 2016, the FASB issued ASU No. 2016-01, *Financial Instruments-Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities* (ASU 2016-01).

The standard changes how entities measure certain equity investments and present changes in the fair value of financial liabilities measured under the fair value option that are attributable to their own credit. Under the new guidance, entities will be required to measure equity investments that do not result in consolidation and are not accounted for under the equity method at fair value and recognize any changes in fair value in net income unless the investments qualify for the new practicability exception. The standard is effective for fiscal years beginning after December 15, 2018 including interim periods within those fiscal years. The Company has adopted this guidance in January 2019 and earnings on the equity investment will be recognized in net loss and no longer be recorded in other comprehensive income.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842* (ASU 2016-02), which requires lessees to put most leases on their balance sheets but recognize the expenses on their income statements in a manner similar to current practice. The standard states that a lessee would recognize a lease liability for the obligation to make lease payments and a right-to-use asset for the right to use the underlying asset for the lease term. The standard is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2019. Early adoption is permitted. The Company is currently evaluating the timing of its adoption and the impact that the updated standard will have on its financial statements.

In August 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments,* to address diversity in how certain cash receipts and cash payments are presented and classified in the statements of cash flows. The amendments are effective for non-public business entities for fiscal years beginning after December 15, 2018. The amendments should be applied using a retrospective transition method to each period presented. If retrospective application is
impractical for some of the issues addressed by the update, the amendments for those issues would be applied prospectively as of the earliest date practicable. Early adoption is permitted, including adoption in an interim period. The Company has adopted ASU 2016-15 in January 2019 and it did not have a material impact on its financial statements.

Q. RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

In July 2017, FASB issued ASU 2017-11, *Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815): (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception*.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The amendments in this update are intended to simplify the accounting for certain equity-linked financial instruments and embedded features with down round features that result in the strike price being reduced on the basis of the pricing of future equity offerings. Under the new guidance, a down round feature will no longer need to be considered when determining whether certain financial instruments or embedded features should be classified as liabilities or equity instruments. That is, a down round feature will no longer preclude equity classification when assessing whether an instrument or embedded feature is indexed to an entity's own stock. In addition, the amendments clarify existing disclosure requirements for equity-classified instruments. These amendments are effective for fiscal years, and interim periods within those years, beginning after December 15, 2019, with early adoption permitted. The Company early adopted the applicable amendments in 2017 on a retrospective basis, which did not impact the Company’s financial statements.

The Company reviewed all other significant newly issued accounting pronouncements and determined they are either not applicable to its business or that no material effect is expected on its financial position and results of its operations.

R. IMPAIRMENT

As a result of continued operating losses and cash flow deficiencies, the Company completed certain tests for the recoverability of long-lived assets held and used at the asset group level. Assessing the recoverability of long-lived assets held and used requires significant judgments and estimates by management. The Company will be required to conduct additional testing for the recoverability of long-lived assets held and used to the extent that a triggering event requiring such testing is identified in a future period.

The Company reviews its long-lived assets and certain identifiable intangibles for impairment whenever changes in circumstances indicate that the carrying amount of an asset might not be fully recoverable. The analysis of the recoverability utilizes undiscounted future cash flows. The measurement of loss, if any, is calculated as the amount by which the carrying amount of the assets exceeds the estimated fair value as determined by comparable market transactions.

On an annual basis the Company performs an impairment test of certain long-lived assets due to events and changes in circumstances that indicates an impairment might have occurred. There were no such impairment charges during 2018 or 2017.

NOTE 3 – RESTATEMENT

Subsequent to the issuance of the consolidated financial statements for the years ended December 31, 2018 and 2017, the Company discovered an error related to the accounting for the common stock warrants issued with convertible and senior promissory notes. In addition, there were additional warrants issued upon conversion of the convertible notes (see Note 4) that were previously not accounted for at issuance.

As previously stated within the financial statements the warrants were recognized as an equity instrument and using a Black Scholes pricing model the value of the warrants was recorded in additional paid in capital along with a debt discount to the notes. After issuance of the financial statements the Company determined that the warrants carried a cash value option and with such the proper treatment should have been to record the warrants as a liability as opposed to equity. In addition, the warrants that were issued to the placement agent should have been recorded at fair value as an asset to prepaid debt issuance costs.

NOTE 3 – RESTATEMENT (Continued)

Additionally, there were 3,475,000 warrants that were issued upon auto conversion of the notes executed prior to 2018 that the Company had not previously recognized. The Company also adjusted the option value pricing on the Black Scholes model to reflect the value of the warrants on the day of issuance compared to previously being recorded at a value based on the month end.

The Company is required to record a fair value adjustment on the warrants and has done so using a Black Scholes pricing model. As a result of this change in treatment, the Company recognized additional assets and liabilities on the balance sheet as well as an adjustment to equity to correct the previously recognized treatment. On the statement of operations there was additional expense recorded in relation to the amortization of the debt issuance costs and debt discount as well as the fair value adjustments.

As a result of the restatement, the Company realized an increase in assets of $12,921 and $24,591 as of December 31, 2018, and 2017, respectively, due to the recording of debt issuance costs and the amortization of those costs. Current liabilities increased by $7,076,632 and $278,024 as of December 31, 2018 and 2017, respectively due to the recognition of the warrants as a liability compared to equity. Subsequently the additional paid in capital decreased by $3,714,295 and $2,410 as of December 31, 2018 and 2017, respectively due to the reclassification of the warrants from equity to liability. Amortization expense increased by $3,098,393 and $268,034 for the years ending December 31, 2018 and 2017, respectively.

Net loss also increased by $3,098,393 and $251,023 for the years ending December 31, 2018 and 2017, respectively and total stockholders' deficit increased by $7,063,711 and $253,433 as of December 31, 2018 and 2017, respectively.

The following sets forth the previously reported and restated amounts of selected items within the consolidated balance sheets as of December 31, 2018 and 2017, as well as the consolidated statements of operations for the years ended December 31, 2018 and 2017:

2018	As Previously Reported	As Restated	change
Prepaid expenses	$ 8,524	$ 21,445	$ 12,921
Current assets	294,474	307,395	12,921
Total assets	2,340,821	2,353,742	12,921
Notes payable - senior promissory, net of discount	7,521,543	7,498,333	(23,210)
Common stock warrant liability	-	7,099,842	7,099,842
Current liabilities	12,320,492	19,397,124	7,076,632
Total liabilities	12,320,492	19,397,124	7,076,632
Additional paid in capital	5,254,762	1,540,467	(3,714,295)
Accumulated deficit	14,884,766	18,234,182	3,349,416
Total stockholders deficit	9,979,671	17,043,382	7,063,711
Amortization of debt issuance and debt discount	3,600,102	3,083,544	(516,558)
Unrealized loss common stock warrant liability	-	3,614,950	3,614,950
Net loss	9,655,840	12,754,233	3,098,393

NOTE 3 – RESTATEMENT (Continued)

2017	As Previously Reported	As Restated	change
Prepaid expenses	$ 7,567	$ 32,158	$ 24,591
Current assets	517,161	541,752	24,591
Total sssets	3,090,808	3,115,399	24,591
Notes payable - senior promissory, net of discount	3,461,995	3,399,383	(62,612)
Common stock warrant liability	-	340,636	340,636
Current liabilities	8,303,266	8,581,290	278,024
Total liabilities	8,308,524	8,586,548	278,024
Additional paid in capital	1,210	(1,200)	(2,410)
Accumulated deficit	5,228,926	5,479,949	251,023
Total stockholders deficit	5,217,716	5,471,149	253,433
General & administrative expense	3,854,926	3,839,633	(15,293)
Operations expense	3,402,550	3,400,832	(1,718)
Amortization of debt issuance and debt discount	2,224	402,590	400,366
Unrealized gain common stock warrant liability	-	(151,567)	(151,567)
Net loss	6,949,205	7,200,228	251,023
Net Cash used in operating activities	3,431,061	3,428,838	(2,223)
Net Cash Provided by financing activities	3,081,609	3,142,480	60,871

NOTE 4 – SENIOR PROMISSORY NOTES

Commencing on December 7, 2016 and through September 19, 2017, the Company, through a series of transactions with various investors, raised $3,461,995 through the sale of convertible promissory notes with various maturity dates that could be extended by the Company with an automatic conversion feature in the
event of qualified financing. The Company issued warrants equal to 1% of the offering price to note holders to purchase shares of common stock at an exercise price of $1.00 per share.

In connection with the offering, the Company paid the placement agent a placement agent fee of 8% of the gross proceeds received in the offering, 5% net payout of which was paid to the placement agent's brokers in connection with the offering. Additionally, the Company issued placement agent warrants to purchase 20% of the aggregate number of common stock purchase warrants sold in the offering, with an exercise price of $0.01 per share.

The notes were subject to an automatic conversion feature whereby in the event of a qualified financing, the notes will be convertible at 75% of the aggregate purchase consideration paid by investors in the qualified financing. Due to the terms of the convertible notes payable, the Company determined the notes contained an embedded derivative which was required to be bifurcated and valued at the time of issuance.

The Company determined the derivative had no value at the time of issuance of the notes; however, as of December 31, 2017 the Company determined it was probable that a qualified financing event would occur, which resulted in recognition of a derivative liability of $1,153,998 as well as a loss on derivative instrument on the consolidated statement of operations for the year ended December 31, 2017. The conversion feature resulted in an increase in value of the notes from $3,461,995 to a total liability of $4,615,993, including the derivative liability of $1,153,998 at December 31, 2017.

NOTE 4 – SENIOR PROMISSORY NOTES (Continued)

The terms of the convertible promissory notes for the year ended December 31, 2017, prior to conversion, included maturity dates ranging from June 30, 2018 to September 20, 2018 and bore no interest. Upon conversion in 2018 the term of the notes changed to a maturity date of January 16, 2019 and the interest on the notes matched the 15% interest on the senior promissory notes issued in 2018.

In January 2018, the Company executed a Subscription Agreement to bring additional operating capital into the company in the form of 15% senior promissory notes. The private offering was up to $3,000,000 and 6,000,000 warrants to purchase shares of the Company's common stock. The warrants carry an exercise price of $1.00. Through a series of transactions with various investors from January through October 2018, the Company raised $3,013,000 through the sale of senior promissory notes. The issuance of these senior notes triggered a qualified financing event and thus the convertible promissory notes issued in 2016 and 2017 were converted into the senior promissory notes.

After the Company closed on the qualified financing, triggering the auto conversion of the 2016 and 2017 notes, the total liability on promissory notes totaled $7,633,326. In addition to the original 3,461,995 warrants issued with the convertible notes, the Company was required to issue an additional 9,279,672 common stock warrants. The majority of the noteholders have agreed to convert their notes into Predictive common stock upon close of the acquisition (see Note 14).

The Company recorded debt issuance costs of $122,927 and $140,787 for the years ending December 31, 2018 and 2017, respectively, as well as a debt discount of $3,021,329 and $349,007 for the same periods. The value of these warrants was determined using a Black Scholes pricing model and both amounts are amortized over the term of the notes. Amortization expense of debt issuance costs and debt discount totaled $3,083,544 and $402,590 for the years ended December 31, 2018 and 2017, respectively.

At December 31, 2018 and 2017 outstanding senior promissory notes consisted of:

	December 31,	
	2018	2017
Senior Promissory Notes	$ 7,633,326	$ 3,461,995
Debt Discounts - Warrants	(134,993)	(62,612)
	$ 7,498,333	$ 3,399,383

NOTE 5 - NOTES PAYABLE – PREDICTIVE ONCOLOGY

The Company has received cash advances from in Predictive totaling $1,665,012 which is collateralized by equipment owned by the Company in excess of $700,000. These secured promissory notes bear interest of 8% per annum. In January 2018, $500,000 of these notes were converted into common stock resulting in a total note payable of $1,165,012 as of December 31, 2018. Upon completion of the acquisition, (see note 14) all remaining balances on the notes were eliminated.

NOTE 6 - NOTES PAYABLE – HEALTHCARE ROYALTY PARTNERS

At December 31, 2016, the Company carried a note balance of $1,673,513 with Healthcare Royalty Partners from the acquisition transaction in 2016. On October 18, 2017, the Company agreed to assume accounts payables that originally were retained by Health Care Royalty Partners, in exchange for forgiveness of the remaining balance due. As a result, the Company recognized additional liabilities of $615,108, and recognized a gain of $215,516 for the difference in the additional amount assumed, and the open principal balance of the note.

NOTE 7 - EQUITY

On December 6, 2016, the Company amended its Certificate of Incorporation to increase the authorized shares of its common stock, $.001 par value, to 50,0000,000 shares from 1,000,000 shares and increase the authorized shares of its preferred stock, $.001 par value, to 5,000,000 shares from 100,000 shares.

Common Stock
At December 31, 2018 and 2017, the Company had issued and outstanding 10,833,433 and 10,000,100 shares of its common stock, respectively. See note 13 for issuance of additional common stock in connection with the conversion of $500,000 in notes payable to Predictive.

Preferred Stock
At December 31, 2018 and 2017, the Company had issued and outstanding 2,500,000 and 0 shares, respectively. See note 13 for issuance of preferred stock to Predictive in connection with the stock exchange agreement that was executed in January 2018. The terms of the preferred stock are described below:

Voting
The preferred stockholders are entitled to vote, together with the holders of common stock as one class, on all matters to which holders of common stock shall be entitled to vote, in the same manner and with the same effect as the common stockholders.

Dividends
The holders of the preferred stock shall be entitled to receive dividends, when, as, and if declared by the board of directors, ratably with any declaration or payment of any dividend on common stock. To date there have been no dividends declared or paid by the Company.

Liquidation
The holders of the preferred stock shall be entitled to receive, before and in preference to, any distribution of any assets of the Company to the holders of common stock, an amount equal to $0.001 per share, plus any declared but unpaid dividends.

NOTE 8 - STOCK WARRANTS

Common Stock warrants issued with the convertible and senior promissory notes carry a warrant liability feature which requires the Company to record a fair market value adjustment of the liability. The Company uses a Black Scholes Model for valuing the warrants.

At time of issuance, a liability was recorded for the common stock warrants with a corresponding increase to prepaid debt issuance costs as well as the debt discount. The debt issuance costs and debt discount are amortized over the term of the notes. On a quarterly basis, the fair market value of the warrants is calculated by the Company and any change in value is recorded accordingly.

NOTE 8 - STOCK WARRANTS (Continued)

A fair market value adjustment as of December 31, 2018 resulted in an additional liability of $3,614,950 compared to a reduction in liability of $151,567 as of December 31, 2017. The total liability for all common stock warrants issued by the Company were valued at $7,099,842 and $340,636 as of December 31, 2018 and 2017, respectively.

Stock warrant transactions for the years ended December 31, 2018 and 2017 were as follows:

	Warrants	Exercise Price
Warrants Outstanding & exercisable at December 31, 2016	1,077,600	$ .01-1.00
Granted during the period:		
Investor warrants	2,564,395	$ 1.00
Placement Agent warrants	512,800	0.01
Warrants Outstanding & exercisable at December 31, 2017	4,154,795	$ .01-1.00
Granted during the period:		
Investor warrants	15,279,272	$ 1.00
Placement Agent warrants	302,600	0.01
Warrants Outstanding & exercisable at December 31, 2018	19,736,667	

Exercise Price	# of Shares under Warrants
$0.01	995,000
$1.00	18,741,667
Total Warrants	19,736,667

The common stock warrants have an expiration date of five years from the issuance date and an exercise price of $1.00. The common stock warrants issued to the placement agent have an expiration date of five years from the issuance date and an exercise price of $0.01.

The fair market value of the Company's warrants is as follows:

Ending Balance at December 31, 2016	$ 120,725
Warrants issued during the period	371,478
Fair value adjustment	(151,567)
Ending Balance at December 31, 2017	340,636
Warrants issued during the period	3,144,256
Fair value adjustment	3,614,950
Ending Balance at December 31, 2018	$ 7,099,842

NOTE 9 - INCOME TAXES

The provision for income taxes consists of an amount for taxes currently payable and a provision for tax consequences deferred to future periods. Deferred income taxes are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Tax Reform Act was enacted December 22, 2017.

Effective January 1, 2018, the Tax Reform Act reduced corporate income tax rates from 34% to 21%. Other changes effect operating loss carryforwards and carrybacks, as well as a repeal of the corporate alternative minimum tax. As a result of the Tax Reform Act, deferred tax assets and liabilities were re-measured to account for the lower tax rates.

There was no income tax impact from the re-measurement due to the 100% valuation allowance on the Company’s deferred tax assets. There is no federal or state income tax provision in the accompanying statements of operations due to the cumulative operating losses incurred and 100% valuation allowance for the deferred tax assets.

During June 2013 and December 2016, the Company experienced an "ownership change" as defined in Section 382 of the Internal Revenue Code, which could potentially limit the amount of the Company’s net operating loss (NOLs) carryforwards that may be utilized on an annual basis to offset taxable income in future periods. In addition, the Company may have experienced additional ownership changes further limiting the NOL carry-forwards. Consequently, the limitations, if any, could result in the expiration of the Company’s loss carryforwards before they can be utilized.

The general limitation rules allow the Company to utilize its NOLs subject to an annual limitation that is determined by multiplying the federal long-term tax-exempt rate by the Company’s value immediately before the ownership change.

At December 31, 2018 and 2017, the Company had approximately $237,737,000 and $236,021,000 of gross NOLs to reduce future federal taxable income, subject to the Section 382 limitation described above. Approximately $2,556,000 of federal NOL expired at December 31, 2018. Additional federal NOL will expire annually if unused. The Company also has state NOLs which have begun to expire at December 31, 2018 and will continue to expire annually if unused.

The Company's net deferred tax assets, which include the NOLs, are subject to a full valuation allowance. At December 31, 2018 and 2017, the federal and state valuation allowances were $66,674,000 and $62,900,000, respectively. The valuation allowance has been recorded due to the uncertainty of realization of the benefits associated with the net operating losses. Future events and changes in circumstances could cause this valuation allowance to change.

Management evaluated the Company’s tax positions considering many factors, including past experience and complex judgments about future events and concluded that the Company had taken no uncertain tax positions at December 31, 2018 and 2017 that require adjustment to the financial statements. The Company does not anticipate significant changes in its uncertain tax positions over the next twelve months. It is the Company’s practice to recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense.

NOTE 10 - LEASE OBLIGATIONS

The Company's corporate offices are located at 91 43rd Street Pittsburgh, PA. On October 17, 2017, the Company signed a second amendment to its lease last amended on February 28, 2016. The lease, as amended, has a three-year term effective February 1, 2018, ending January 31, 2021.

The Company leases 17,417 square feet at this location, of which approximately 1,000 square feet are used for office space and 16,417 square feet is used for laboratory operations. The Company expects that this space will be adequate for its current office and laboratory needs. Rent expense was $414,261 and $588,445 for the years ended December 31, 2018 and 2017, respectively.

The Company's remaining rent obligation for the next three years is as follows:

Year Ended	Amount
2019	$ 393,450
2020	393,450
2021	32,788
	$ 819,688

NOTE 11 - CAPITAL LEASE OBLIGATIONS

In December 2017, the Company financed the purchase of equipment with a value of $126,190, through a capital lease arrangement of $63,095 and from a note from Predictive of $63,095.

The value of the equipment is included in the laboratory equipment within the fixed assets on the consolidated balance sheet.

Future minimum capital lease payments as of December 31, 2018 were comprised of the following:

2019	$ 5,488
Less: Amounts representing interest	(230)
	$ 5,258

NOTE 12 - RETIREMENT SAVINGS PLANS

The Company has a pre-tax salary reduction/profit-sharing plan under the provisions of Section 401(k) of the Internal Revenue Code, which covers employees meeting certain eligibility requirements. In 2018 and 2017, the Company matched 25%, of the employees' contribution up to 6.0% of their earnings. The employer contribution was $19,204 and $21,838 for the years ended December 31, 2018 and 2017, respectively. There were no discretionary contributions to the plan in 2018 and 2017.

NOTE 13 - SALE OF PREFERRED STOCK

On January 12, 2018, Helomics Holding Corporation issued 2,500,000 shares of its Series A Preferred Stock to Predictive in exchange for 1,100,000 shares of Predictive common stock, with a market value of $.95 per share. The shares of Helomics preferred stock are convertible into 20% of the outstanding capital stock of Helomics. The 1,100,000 shares of Predictive common stock are being held in escrow for Helomics pursuant to an escrow agreement under which the shares will be released following a determination that

NOTE 13 - SALE OF PREFERRED STOCK (Continued)

Helomics' revenues in any 12-month period have been equal to or greater than $8,000,000. Per the agreement there is no maturity date on the escrow agreement and the Company does not lose the right to the shares in escrow unless an agreement is reached to terminate the escrow agreement or the share exchange agreement.

The Company does not have the ability to trade these shares until the shares are released from escrow. The asset for this transaction is recorded on the balance sheet as equity investment. The Company recognized an unrealized loss in other comprehensive income on the securities of $363,000, reflective of the stock price of $0.62 at December 31, 2018. In addition, on February 27, 2018, Predictive converted a principal amount of $500,000 in secured notes into 833,333 shares of Helomics common stock.

The Helomics shares held by Predictive, in the aggregate, represent 25% of the outstanding capital stock of Helomics on an as-converted basis as of December 31, 2018.

NOTE 14 - ACQUISITION

On June 28, 2018, the Company entered into a definitive merger agreement with Predictive to acquire the remaining stock. Under the terms of the deal, upon completion of the merger, all outstanding shares of Helomics stock not already held by Predictive will be converted into the right to receive a proportionate share of 4,000,000 shares of newly issued Predictive common stock and 3,500,000 shares of newly issued Predictive preferred stock, in addition to the 1,100,000 Predictive shares already issued to Helomics for Predictive's initial 20% ownership in Helomics.

The merger is conditional on at least 75% of Helomics' $7,600,000 in outstanding promissory notes being exchanged for additional shares of Predictive common stock at $1.00 per share. In addition, the note holders were offered additional warrants in exchange for converting the debt at merger close. The note holders from the 2018 capital raise were offered an additional 5,000,000 warrants to convert their notes to Predictive stock at close of merger. If all note holders exercised the option to convert, the total outstanding investor warrants at the time of merger would total 23,741,772. These Helomics warrants will be exchanged for warrants to purchase Predictive common stock, at a ratio of 0.6 Predictive warrants for each Helomics warrant. The acquisition was completed on April 4, 2019 (see note 17).

NOTE 15 - COMMITMENTS AND CONTINGENCIES

The Company has several legal claims brought against it in 2017 and 2018 from vendors seeking payment on past due invoices totaling $134,811. All claims were either settled with agreed upon payment plans or settlements are being negotiated with the vendors whereby all outstanding amounts will be paid in full, all of which the liability is captured in accounts payable. The Company expects no litigation in these matters and therefore believes there is no additional financial exposure, other than amounts already recorded within accounts payable. The Company does not have any other commitments or contingencies as of December 31, 2018.

NOTE 16 – RELATED PARTY TRANSACTIONS

During the period ended December 31, 2018, the Company's officers advanced to the Company an amount of $42,253 by way of a loan, for purposes of processing payments to Company vendors. As of December 31, 2018, the Company was obligated to the officers, for an unsecured, non-interest-bearing demand loan with a balance of $42,253. This note is recorded within accounts payable liability on the balance sheet.

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 13, 2019 and September 25, 2019, the dates on which the consolidated financial statements were available to be issued and restated, respectively.

A. NOTES PAYABLE - PREDICTIVE ONCOLOGY

Between January and April 2019, the Company received advances totaling $975,000 in the form of promissory notes from Predictive. The promissory notes bear interest of 8% per annum. At the close of acquisition by Predictive on April 4, 2019 the notes and interest were eliminated.

B. ACQUISITION

On April 4, 2019, the acquisition of Helomics by Predictive was completed. (i) Upon completion of the acquisition Predictive acquired all outstanding shares of Helomics stock not already held and were converted into the right to receive a proportionate share of 4,000,000 shares of Predictive common stock and 3,500,000 shares of Series D Convertible Preferred Stock. The fair value of these shares on the date of issuance was $5,612,250; (ii) Predictive forgave notes and interest due from Helomics relating to previous cash advances equaling $2,210,381; (iii) Predictive eliminated debt of $7,633,326 owed by Helomics to noteholders by issuing 8,637,323 shares of common stock to the noteholders, the value of the shares was $6,463,309; (iv) At date of merger Helomics had 18,741,667 warrants issued to noteholders and agreed to issue an additional 5,000,000 warrants. Predictive issued 14,245,063 of Predictive warrants in exchange for warrants to purchase 23,741,772 shares of Helomics common stock to the Helomics noteholders agreeing to extinguish or extend their notes. An additional 597,000 warrants were exchanged for warrants held by other parties; the total consideration of all the exchanged warrants was valued by using the Black Scholes method and equaled $6,261,591; and, (v) Predictive's acquisition of Helomics was a business combination achieved in stages, the initial 25% purchase of Helomics in 2018 was required to be revalued at current fair value on the Acquisition Date.

Exhibit 99.2

Helomics Holding Corporation
Consolidated Balance Sheets

	03/31/19 (unaudited)	12/31/18 (from audited financials)
Current Assets:		
Cash & cash equivalents	$ 46,602	$ 30,802
Accounts receivable, net	208,282	237,640
Inventories, net	17,727	17,508
Prepaid expenses	14,736	21,445
Total Current Assets	287,347	307,395
Fixed assets, net	903,677	1,203,572
Intangible assets, net	157,269	160,775
Equity investment	825,000	682,000
Total Assets	$ 2,173,293	$ 2,353,742
Current Liabilities:		
Accounts payable	$ 2,298,734	$ 2,112,732
Accrued expenses	1,764,911	1,515,947
Capital leases - short term	-	5,258
Notes payable - Predictive Oncology	1,890,012	1,165,012
Notes payable - senior promissory, net of discount	7,625,236	7,498,333
Common stock warrant liability	7,846,362	7,099,842
Total Current Liabilities	21,425,255	19,397,124
Total Liabilities	21,425,255	19,397,124
Stockholders' Deficit		
Preferred stock, 5mm authorized, 2.5mm and 2.5mm outstanding, respectively	2,500	2,500
Common stock, $.001 par value, 50mm authorized, 10.8mm and 10.8mm outstanding, respectively	10,833	10,833
Additional paid in capital	1,540,467	1,540,467
Accumulated deficit	(20,805,762)	(18,234,182)
Accumulated other comprehensive income	-	(363,000)
Total Stockholders' Deficit	(19,251,962)	(17,043,382)
Total Liabilities and Stockholders' Deficit	$ 2,173,293	$ 2,353,742

The accompanying notes are an integral part of these consolidated financial statements.

Helomics Holding Corporation
Consolidated Statements of Operations and Other Comprehensive Loss
(unaudited)

	For the Three Months Ended	
	03/31/19	**03/31/18**
Revenue	$ 45,835	$ 91,259
Cost of goods sold	34,726	83,756
Gross margin	11,109	7,503
General & adminstrative expense	695,805	983,495
Operations expense	503,714	445,217
Sales & marketing expense	50	119
Total expense	1,199,569	1,428,831
Net loss on operations	(1,188,460)	(1,421,328)
Amortization of debt issuance costs and debt discount	(139,056)	(705,925)
Unrealized loss on common stock warrant liability	(746,519)	(2,550,244)
Interest expense - notes payable and capital leases	(313,323)	(63,423)
Other Income	178,778	3,022
Net Loss	(2,208,580)	(4,737,898)
Other comprehensive income (loss)		
Other comprehensive income (loss)	-	165,000
Comprehensive loss	**(2,208,580)**	**(4,572,898)**

The accompanying notes are an integral part of these consolidated financial statements.

Helomics Holding Corporation
Statement of Changes in Accumulated Deficit
(unaudited)

	Preferred Stock Shares	Preferred Shares Amount	Common Stock Shares	Common Shares Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Income	Retained Earnings (Accumulated Deficit)	Total
Balance at 12/31/17	**-**	**$ -**	**10,000,100**	**$ 10,000**	**$ (1,200)**	**$ -**	**$ (5,479,949)**	**$ (5,471,149)**
Issuance of Preferred Stock, 2,500,000 shares, $.001 per share	2,500,000	2,500			1,042,500			1,045,000
Issuance of Common Stock, 833,333 shares, $.001 per share			833,333	833	499,167			500,000
Unrealized gain on equity investment						165,000		165,000
Net Loss							(4,737,898)	(4,737,898)
Balance at 03/31/18	**2,500,000**	**$ 2,500**	**10,833,433**	**$ 10,833**	**$ 1,540,467**	**165,000**	**$ (10,217,847)**	**$ (8,499,047)**
Balance at 12/31/18	**2,500,000**	**$ 2,500**	**10,833,433**	**$ 10,833**	**$ 1,540,467**	**(363,000)**	**$ (18,234,182)**	**$ (17,043,382)**
Adoption of ASU 2016-01						363,000	(363,000)	-
Net Loss							(2,208,580)	(2,208,580)
Balance at 03/31/19	**2,500,000**	**$ 2,500**	**10,833,433**	**$ 10,833**	**$ 1,540,467**	**$ -**	**$ (20,805,762)**	**$ (19,251,962)**

The accompanying notes are an integral part of these consolidated financial statements.

Helomics Holding Corporation
Consolidated Statements of Cash Flows
(unaudited)

		03/31/19		03/31/18
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss	$	(2,208,580)	$	(4,737,898)
Adjustments to reconcile net loss to net cash used in operating activities:				
Change in value of equity investments		(143,000)		-
Amortization of debt issuance costs and debt discount		139,056		705,925
Unrealized loss on common stock warrants		746,519		2,550,244
Depreciation and amortization		303,402		303,095
Changes in operating assets and liabilities:				
Accounts receivable		29,358		222,127
Prepaid expenses & other assets		(5,443)		(90,782)
Inventories		(219)		24,262
Accounts payable and accrued expenses		434,966		(449,619)
Net Cash Used In Operating Activities		(703,941)		(1,472,646)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from senior promissory notes		-		2,935,000
Proceeds from notes payable, Predictive Oncology		725,000		-
Payments on capital leases		(5,259)		(32,418)
Net Cash Provided by Financing Activities		719,741		2,902,582
Net Increase In Cash And Cash Equivalents		15,800		1,429,936
CASH AND CASH EQUIVALENTS				
Beginning of period		30,802		45,016
End of period	$	46,602	$	1,474,952
SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION				
Cash paid during the period for interest	$	230	$	2,355
SUPPLEMENTAL SCHEDULE OF NON-CASH FINANCING ACTIVITIES				
Conversion of debt to common stock	$	-	$	500,000
Issuance of preferred stock	$	-	$	1,045,000
Conversion of derivative liability to notes payable	$	-	$	1,153,998

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 - ORGANIZATION

A. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Helomics Holding Corporation (the "Company" or "Helomics") was originally incorporated on November 15, 2016 in Delaware as Helomics Corporation. The Company commenced its operations on December 7, 2016, when Helomics Holding Corporation, through its wholly-owned subsidiary Helomics Intermediate Corporation, acquired all the outstanding shares of the Helomics Corporation. Helomics® is a personalized medicine company providing an actionable roadmap for patients and their oncologist to guide therapy and positively impact patient outcomes. The Company's business model consists of three complementary pillars, all of which have generated revenue and have growth strategies in place. The Company's initial pillar is the Precision Oncology Insights business, which involves comprehensive tumor profiling, using the power of Artificial Intelligence and the Digital Clinical Health Insight Platform (D-CHIP), to provide a personalized oncology roadmap for patients and their oncologists. The Company's second pillar offers boutique CRO (Contract Research Organization) services that leverage the Company's TruTumor™, 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 the Company's client's specific needs. The Company's third pillar, the D-CHIP bioinformatics, is a proprietary Artificial Intelligence-powered bioinformatics engine that provides actionable insights from the rich patient data Helomics collects as part of its diagnostic business. Pharma and diagnostics companies use the D-CHIP to aid disease diagnosis or drive patient selection for clinical trials.

Helomics is specifically attentive toward oncology insights for six specific cancers (ovarian, breast, pancreatic, colon, lung and brain cancer), and the Company is building a bioinformatics database of artificial intelligence for those six cancers, providing actionable data that can facilitate the development of precision therapies.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. The Company has suffered recurring losses from operations and was purchased by a new ownership group on December 7, 2016. The Company has experienced negative cash flows from operations since inception, and operations have been funded by debt and equity issuances. These factors raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not contain any adjustments to reflect the possible future effects of the recoverability or classification of assets or the amounts and classifications of liabilities that may result.

Through the three months ended March 31, 2019 the Company has continued to realize recurring losses from operations and thus a negative cash flow from operations. The Company completed its merger with a public company on April 4, 2019 for purposes of raising additional capital to fund operations going forward (see Note 12).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies applied by management in the preparation of the accompanying financial statements follows:

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. PRINCIPLES OF CONSOLIDATION

The accompanying condensed consolidated financial statements include the accounts of Helomics Holding Corporation, and its subsidiaries, Helomics Intermediate Corporation, and Helomics Corporation. All intercompany accounts and transactions have been eliminated in consolidation.

B. ACCOUNTING POLICIES AND ESTIMATES

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial
statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. ADVERTISING

Advertising costs are expensed as incurred. Advertising expenses were $50 and $119 for the three months ended March 31, 2019 and 2018, respectively.

D. RESEARCH AND DEVELOPMENT

Research and development costs are charged to operations as incurred. There were no research and development costs incurred for the three months ended March 31, 2019 and 2018, respectively.

E. REVENUE RECOGNITION

Effective January 1, 2019, the Company adopted *ASC 606 - Revenue from Contracts with Customers,*
which amends the guidance for the recognition of revenue from contracts with customers for the transfer of goods and services, by using the modified-retrospective method applied to any contracts that were not completed as of January 1, 2019. The Company had no open contracts at December 31, 2018. The Company recognizes revenue following the five-step model outlined in ASC 606.

The Company has three business lines that generate revenue which are recognized in two categories, clinical testing of patient samples and services contracts from both Contract or Clinical Research (CRO) and the Companies D-CHIP Bioinformatics database. The Company recognizes revenue when control of promised goods or services is transferred to its customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods and services.

Revenue from Clinical Testing of Patient Samples

The Precision Oncology Insights are clinic diagnostic testing comprised of the Company's ChemoFx and BioSpeciFx tests. The ChemoFx test determines how a tumor specimen reacts to a panel of various chemotherapy drugs, while the BioSepciFx test evaluates the expression of a particular gene related to a patients' tumor specimen.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

At the time of final test, revenue is recognized at a basis including an uncollectible amount equal to the Company's historical reimbursement average from Medicare and private payors insurance. This revenue is comprised of the Company's clinical diagnostics tests that are performed in the Company's CLIA (Clinical Laboratory Improvement Amendments) certified laboratory. These tests are requested from oncologists and the Company receives a tumor tissue specimen from the requesting physician which is tested accordingly, and once completed a final report is issued.

Clinical testing of patient samples consists of a single performance obligation that the Company satisfies at a point in time. The Company recognizes testing revenue when the following events have occurred: (a) the Company receives a specimen with a tissue transport requisition, (b) the Company assesses the quality and testability of the sample and once all testing parameters are met the Company sends an order form to the requesting physician, (c) upon receipt of order form testing proceeds and results are reported (final report) within 10-14 business days to the physician, and (d) the final report then prompts either a health insurance claim filed with the appropriate third party payor (Medicare, health insurance carrier, etc.) or a direct bill to a hospital. Payment terms vary by third-party payor but are generally between 30 and 180 days. The Company frequently experiences a denial of the initial claim which prompts an appeal process and subsequently will further delay any possible payment forthcoming.

The Company recognized revenues of $28,300 and $91,259 for the three months ending March 31, 2019 and 2018, respectively, from clinical testing of patient samples which is recognized at point in time.

Revenue from Service Contracts

The Contract or Clinical Research ("CRO") agreements are fee-for-service contracts for clinical research or a study that typically includes multiple performance obligations throughout the contract. The Company provides a significant integration service resulting in a combined output, which is clinical trial data that meets the relevant regulatory standards and can be used by the customer to progress to the next phase of a clinical trial or solicit approval of a treatment by the applicable regulatory body. The performance obligations are satisfied over time throughout the project and can range in duration from three to thirty-six months. Service contracts can consist of single or multiple performance obligations that the Company satisfies at a point in time.

For contracts with multiple performance obligations, the Company allocates the contract's transaction price to each performance obligation on the basis of the standalone selling price of each distinct good or service in the contract. The Company recognizes service revenue when the following events have occurred: (a) the Company executes an agreed upon scope of work with a client, (b) services are completed per the details of the contract and, (c) the Company delivers to the client the appropriate data or report based on their project scope. Payment terms for service contracts are generally 30 days from invoice date.

Contracts from CRO projects, in many cases, require a down payment, equal to a percentage of the total contracted price that is due at execution of the agreement. At time of receipt this payment is recorded as a current liability. Once a performance obligation is met, the down payment, and any additional revenue related to the performance obligation, is recognized evenly over the periods the performance obligation is met.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company's D-CHIP product delivers information and technology services that are applied to a bioinformatics database of tumor testing results. Service offerings, primarily under fixed-price contracts, typically include multiple performance obligations, including an ongoing subscription-based performance obligation for which revenue is recognized ratably as earned over the contract period, and/or a one-time performance obligation of data offerings for which revenue is recognized upon delivery.

The Company's D-CHIP agreements typically have terms ranging from one to three years and are generally non-cancelable and do not contain refund-type provisions. Technology service offerings may contain multiple performance obligations consisting of a mix of small and large-scale services and consulting projects as well as multi-year outsourcing contracts. These arrangements typically have terms ranging from several months to three years, with a majority having terms of one year or more. For arrangements that include multiple performance obligations, the transaction price is allocated to the identified performance obligations based on their relative standalone selling prices. For these contracts, the standalone selling prices are based on the Company's normal pricing practices when sold separately with consideration of market conditions and other factors. Revenues for services engagements where the transfer of control occurs ratably over time are recognized on a straight-line basis over the term of the arrangement.

For the three months ending March 31, 2019 the contract assets and contract liabilities are $0.

F. CASH EQUIVALENTS

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents are stated at cost, which approximate fair value. The Company at times maintains cash balances at financial institutions in excess of the amounts insured by the Federal Deposit Insurance Corporation. The Company believes it has placed its cash with high credit quality financial institutions and does not believe it is exposed to any significant credit risk.

G. FAIR VALUE MEASUREMENTS

Under generally accepted accounting principles as outlined in the Financial Accounting Standards Board ("FASB"), Accounting Standards Codification ("ASC") 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The accounting standards ASC 820 establishes a three-level fair value hierarchy that prioritizes information used in developing assumptions when pricing an asset or liability as follows:

Level 1 - Observable inputs such as quoted prices in active markets for identical assets and liabilities,

Level 2 - Inputs other than quoted prices in active markets, that are observable either directly or indirectly for similar assets and liabilities; and

Level 3 - Unobservable inputs where there is little or no market data, which requires the reporting entity to develop its own assumptions.

The Company uses observable market data, when available, in making fair value measurements. Fair value measurements are classified according to the lowest level input that is significant to the valuation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The carrying amounts of the Company's cash, accounts receivable, accounts payable and the equity investment in Predictive Oncology Inc. ("Predictive") (formerly Precision Therapeutics Inc.) approximated fair value as of March 31, 2019 due to their short-term nature (Level 1). The Company has common stock warrants, issued with notes payable, that are considered Level 3 in nature. The liability related to the common stock warrants is measured at fair value on a quarterly basis (see note 6).

H. EQUITY INVESTMENT

In 2018, the Company sold a 20% equity position to Predictive in exchange for 1,100,000 shares of Predictive common stock (see Note 11). The Company records this asset on the balance sheet and it is classified as an Equity investment. Management evaluates the investment quarterly and records an adjustment to the investment value based on the closing stock price at the end of each quarter and the gain or loss is recognized in other income for the three month period ending March 31, 2019 and other comprehensive income for the three month period ending March 31, 2018.

On an annual basis the Company performs an impairment test of the asset due to events and changes in circumstances that indicates an impairment might have occurred. There were no such impairment charges during the three months ended March 31, 2019 and 2018, respectively.

I. RECEIVABLES

Receivables are reported at the amount the Company expects to collect on balances outstanding. The Company provides for probable uncollectible amounts through charges to earnings and credits to the valuation based on management's assessment of the current status of individual accounts, changes to the valuation allowance has not been material to the financial statements.

J. INVENTORIES

Inventories are stated at the lower of cost or net realizable value, with cost determined on a first-in, first-out basis. Inventory balance is as follows:

	March 31, 2019	December 31, 2018
Lab Operating Supplies	$ 28,009	$ 27,790
Inventory Reserve	(10,282)	(10,282)
Total	$ 17,727	$ 17,508

K. PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the respective assets. Estimated useful asset life by classification is as follows:

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

	Years
Computer Equipment & Software	3
Leasehold Improvements	5
Laboratory Equipment	5-7
Furniture & Fixtures	3

The Company's investment in fixed assets consists of the following:

	March 31, 2019	December 31, 2018
Computer Equipment & Software	$ 462,876	$ 462,876
Leasehold Improvements	56,154	56,154
Laboratory Equipment	3,432,524	3,432,524
Furniture & Fixtures	194,710	194,710
Total	4,146,264	4,146,264
Less: Accumulated Depreciation	(3,242,587)	(2,942,692)
Total Fixed Assets, net	$ 903,677	$ 1,203,572

Upon retirement or sale, the cost and related accumulated depreciation are removed from the balance sheet and the resulting gain or loss is reflected in operations. Maintenance and repairs are charged to operations as incurred. Depreciation expense was $299,895 and $299,588 for the three months ended March 31, 2019 and 2018, respectively.

L. INTANGIBLE ASSETS

Intangible assets consist of trademarks and patent costs. Amortization expense was $3,507 for the three months ended March 31, 2019 and 2018, respectively. The assets are amortized over eighteen years and are reviewed for impairment annually, and impairment losses, if any, are charged to operations when identified.

The remaining amortization expense for the intangible assets consists of the following:

Year	Amount
2019	$ 10,521
2020	14,028
2021	14,028
2022	14,028
2023	14,028
Thereafter	90,636
Total	$ 157,269

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company reviews identifiable intangible assets for impairment in accordance with ASC 350 - *Intangibles - Goodwill and Other*, whenever events or changes in circumstances indicate the carrying amount may not be recoverable. The Company's intangible assets currently are the sole costs of obtaining trademarks when the Company was acquired in December 2016. Events or changes in circumstances that indicate the carrying amount may not be recoverable include, but are not limited to, a significant change in the medical device marketplace and a significant adverse change in the business climate in which the Company operates.

If such events or changes in circumstances are present, the undiscounted cash flows method is used to determine whether the intangible asset is impaired. Cash flows would include the estimated terminal value of the asset and exclude any interest charges. If the carrying value of the asset exceeds the undiscounted cash flows over the estimated remaining life of the asset, the asset is considered impaired, and the impairment is measured by reducing the carrying value of the asset to its fair value using the discounted cash flows method. The discount rate utilized is based on management's best estimate of the related risks and return at the time the impairment assessment is made. Based on the Company's evaluation, no impairment expense has been recognized for the three months ended March 31, 2019 and 2018, respectively.

M. INCOME TAXES

The Company accounts for income taxes in accordance with ASC 740 - Income Taxes (ASC 740). Under ASC 740, deferred tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities and net operating loss and credit carryforwards using enacted tax rates in effect for the year in which the differences are expected to impact taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized.

The Company reviews income tax positions expected to be taken in income tax returns to determine if there are any income tax uncertainties. The Company recognizes tax benefits from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by taxing authorities, based on technical merits of the positions. The Company has identified no income tax uncertainties.

Tax years 1999 through 2018 remain open to examination by federal and state tax authorities due to the carryforward of unutilized net operating losses (NOLs).

N. PATENTS AND INTELLECTUAL PROPERTY

All Patents and Intellectual Property of ChemoFx® in use by the Company are currently owned by Healthcare Royalty Partners (former owners) and are being used by the Company in accordance with the Merger Agreement between Helomics and HealthCare Royalty Partners. The Company agreed to a term sheet for a nonexclusive license agreement on the patented ChemoFx technology. Terms were for an 8% royalty on net sales of ChemoFx®. As of the date of this report, the license agreement has not been finalized, and no accrued royalty has been recognized.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. RISKS AND UNCERTAINTIES

The Company is subject to risks common to companies in the clinical diagnostic and service industry, including, but not limited to, development by the Company or its competitors of new technological innovations, dependence on key personnel, protection of proprietary technology, and compliance with regulations of the FDA and other governmental agencies.

P. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842* (ASU 2016-02), which requires lessees to put most leases on their balance sheets but recognize the expenses on their income statements in a manner similar to current practice.

The standard states that a lessee would recognize a lease liability for the obligation to make lease payments and a right-to-use asset for the right to use the underlying asset for the lease term. The standard is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2019. Early adoption is permitted.

As a result of the Company’s acquisition by Predictive, Helomics adopted *Topic 842* (ASU 2016-02 at the close of merger on April 4, 2019, to align with Predictive’s policy. Upon adoption, the Company will recognize $780,594 of lease right-of-use assets and liabilities, for operating leases on its condensed balance sheet, of which, $422,126 will be classified as current liabilities.

Q. RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* and created a new topic in the FASB ASC, Topic 606, and has since amended the standard with ASU 2015-14, *“Revenue from Contracts with Customers: Deferral of the Effective Date”* (ASU 2016-08), *“Revenue from Contracts with Customers: Principal versus Agent Considerations (Reporting Revenue Gross versus Net)”* (ASU 2016-10), *“Revenue from Contracts with Customers: Identifying Performance Obligations and Licensing”* (ASU 2016-12), *“Revenue from Contracts with Customers: Narrow-Scope Improvements and Practical Expedients”* (ASU 2017-13).

These new standards provide a single comprehensive revenue recognition framework for all entities and supersedes nearly all existing U.S. GAAP revenue recognition guidance, including industry-specific guidance. The core principle of the revenue model is that an entity should recognize revenue in a manner that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard is designed to create greater comparability for financial statement users across industries and requires enhanced disclosures.

The FASB will allow two adoption methods, the full retrospective and modified retrospective approaches. The Company implemented the modified retrospective method which was effective for the Company for all contracts with customers’ existing as of January 1, 2019. This standard will impact the Company’s CRO and D-CHIP business units as revenue from these units is contract based, can have multiple performance obligations and the performance obligations are completed over time. During the period ending March 31, 2019 the Company recognized one contract under this standard where the performance obligation was met within the period.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In January 2016, the FASB issued ASU No. 2016-01, *Financial Instruments-Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities* (ASU 2016-01).

The standard changes how entities measure certain equity investments and present changes in the fair value of financial liabilities measured under the fair value option that are attributable to their own credit. Under the new guidance, entities will be required to measure equity investments that do not result in consolidation and are not accounted for under the equity method at fair value and recognize any changes in fair value in net income unless the investments qualify for the new practicability exception. The standard is effective for fiscal years beginning after December 15, 2018 including interim periods within those fiscal years. The Company has adopted this guidance in January 2019 and earnings on the equity investment will be recognized in net loss and no longer be recorded in other comprehensive income.

In August 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*, to address diversity in how certain cash receipts and cash payments are presented and classified in the statements of cash flows.

The amendments are effective for non-public business entities for fiscal years beginning after December 15, 2018. The amendments are applied using a retrospective transition method to each period presented. If retrospective application is impractical for some of the issues addressed by the update, the amendments for those issues would be applied prospectively as of the earliest date practicable. Early adoption is permitted, including adoption in an interim period. The Company has adopted ASU 2016-15 in January 2019 and it did not have a material impact on its financial statements.

In July 2017, FASB issued ASU 2017-11, *Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815): (Part I) Accounting for Certain Financial Instruments with Down Round Features*, *(Part II) Replacement of the Indefinite Deferral for Mandatorily*
Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception.

The amendments in this update are intended to simplify the accounting for certain equity-linked financial instruments and embedded features with down round features that result in the strike price being reduced on the basis of the pricing of future equity offerings.

Under the new guidance, a down round feature will no longer need to be considered when determining whether certain financial instruments or embedded features should be classified as liabilities or equity instruments. That is, a down round feature will no longer preclude equity classification when assessing whether an instrument or embedded feature is indexed to an entity's own stock. In addition, the amendments clarify existing disclosure requirements for equity-classified instruments. These amendments are effective for fiscal years, and interim periods within those years, beginning after December 15, 2019, with early adoption permitted. The Company early adopted the applicable amendments in 2017 on a retrospective basis, which did not impact the Company's financial statements.

The Company reviewed all other significant newly issued accounting pronouncements and determined they are either not applicable to its business or that no material effect is expected on its financial position and results of its operations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. IMPAIRMENT

As a result of continued operating losses and cash flow deficiencies, the Company completed certain tests for the recoverability of long-lived assets held and used at the asset group level. Assessing the recoverability of long-lived assets held and used requires significant judgments and estimates by management. The Company will be required to conduct additional testing for the recoverability of long-lived assets held and used to the extent that a triggering event requiring such testing is identified in a future period.

The Company reviews its long-lived assets and certain identifiable intangibles for impairment whenever changes in circumstances indicate that the carrying amount of an asset might not be fully recoverable. The analysis of the recoverability utilizes undiscounted future cash flows. The measurement of loss, if any, is calculated as the amount by which the carrying amount of the assets exceeds the estimated fair value as determined by comparable market transactions.

On an annual basis the Company performs an impairment test of certain long-lived assets due to events and changes in circumstances that indicates an impairment might have occurred. There were no such impairment charges during the three months ended March 31, 2019 and 2018, respectively.

NOTE 3 – SENIOR PROMISSORY NOTES

Commencing on December 7, 2016 and through September 19, 2017, the Company, through a series of transactions with various investors, raised $3,461,995 through the sale of convertible promissory notes with various maturity dates that could be extended by the Company with an automatic conversion feature in the
event of qualified financing. The Company issued warrants equal to 1% of the offering price to note holders to purchase shares of common stock at an exercise price of $1.00 per share.

In connection with the offering, the Company paid the placement agent a placement agent fee of 8% of the gross proceeds received in the offering, 5% net payout of which was paid to the placement agent's brokers in connection with the offering. Additionally, the Company issued placement agent warrants to purchase 20% of the aggregate number of common stock purchase warrants sold in the offering, with an exercise price of $0.01 per share.

The notes were subject to an automatic conversion feature whereby in the event of a qualified financing, the notes will be convertible at 75% of the aggregate purchase consideration paid by investors in the qualified financing. Due to the terms of the convertible notes payable, the Company determined the notes contained an embedded derivative which was required to be bifurcated and valued at the time of issuance.

The Company determined the derivative had no value at the time of issuance of the notes; however, as of December 31, 2017 the Company determined it was probable that a qualified financing event would occur, which resulted in recognition of a derivative liability of $1,153,998 as well as a loss on derivative instrument on the condensed consolidated statement of operations for the year ended December 31, 2017. The conversion feature resulted in an increase in value of the notes from $3,461,995 to a total liability of $4,615,993, including the derivative liability of $1,153,998 at December 31, 2017.

In January 2018, the Company executed a Subscription Agreement to bring additional operating capital into the company in the form of 15% senior promissory notes. The private offering was up to $3,000,000 and 6,000,000 warrants to purchase shares of the Company’s common stock. The warrants carry an exercise price of $1.00.

NOTE 3 – SENIOR PROMISSORY NOTES (Continued)

Through a series of transactions with various investors from January through October 2018, the Company raised $3,013,000 through the sale of senior promissory notes. The issuance of these senior notes triggered a qualified financing event and thus the convertible promissory notes issued in 2016 and 2017 were converted into the senior promissory notes.

After the Company closed on the qualified financing, triggering the auto conversion of the 2016 and 2017 notes, the liability on promissory notes totaled $7,633,326. In addition to the original 3,461,995 warrants issued with the convertible notes, the Company was required to issue an additional 9,279,672 common stock warrants. The majority of the noteholders have agreed to convert their notes into Predictive common stock upon close of the acquisition (see Note 11).

The value of the warrants is determined by using a Black Scholes Model and warrants issued to the placement agent are recorded as debt issuance costs while the investor warrants are recorded as a debt discount and the amounts are amortization over the term of the notes.

The Company recorded debt issuance costs of $0 and $117,544 for the three months ended March 31, 2019 and 2018, respectively. The company recorded a debt discount of $0 and $2,963,207 for the three months ended March 31, 2019 and 2018, respectively. Amortization of debt issuance costs and debt discount related to the issuance of warrants totaled $139,056 and $705,925 for the three months ended March 31, 2019 and 2018, respectively.

At March 31, 2019 outstanding senior promissory notes consisted of:

	March 31, 2019	December 31, 2018
Senior Promissory Notes	$ 7,633,326	$ 7,633,326
Debt Discounts - Warrants	(8,090)	(134,993)
	$ 7,625,236	$ 7,498,333

NOTE 4 - NOTES PAYABLE – PREDICTIVE ONCOLOGY

The Company has received cash advances from Predictive totaling $2,390,012, which is collateralized by equipment owned by the Company in excess of $700,000. These secured promissory notes bear interest of 8% per annum. In January 2018, $500,000 of these notes were converted into common stock resulting in a total note payable of $1,890,012 as of March 31, 2019. Upon completion of the acquisition (see note 12) all remaining balances on the notes were eliminated.

NOTE 5 - EQUITY

On December 6, 2016, the Company amended its Certificate of Incorporation to increase the authorized shares of its common stock, $.001 par value, to 50,0000,000 shares from 1,000,000 shares and increase the authorized shares of its preferred stock, $.001 par value, to 5,000,000 shares from 100,000 shares.

NOTE 5 – EQUITY (Continued)

Common Stock
At March 31, 2019 and December 31, 2018, the Company had issued and outstanding 10,833,433 and 10,833,433 shares of its common stock, respectively. See note 10 for issuance of additional common stock in connection with the conversion of $500,000 in notes payable to Predictive.

Preferred Stock
At March 31, 2019 and December 31, 2018, the Company had issued and outstanding 2,500,000 and 2,500,000 shares, respectively. See note 10 for issuance of preferred stock to Predictive in connection with the stock exchange agreement that was executed in January 2018. The terms of the preferred stock are described below:

Voting
The preferred stockholders are entitled to vote, together with the holders of common stock as one class, on all matters to which holders of common stock shall be entitled to vote, in the same manner and with the same effect as the common stockholders.

Dividends
The holders of the preferred stock shall be entitled to receive dividends, when, as, and if declared by the board of directors, ratably with any declaration or payment of any dividend on common stock. To date there have been no dividends declared or paid by the Company.

Liquidation
The holders of the preferred stock shall be entitled to receive, before and in preference to, any distribution of any assets of the Company to the holders of common stock, an amount equal to $0.001 per share, plus any declared but unpaid dividends.

NOTE 6 - STOCK WARRANTS

Common Stock warrants issued with the convertible and senior promissory notes carry a warrant liability feature which requires the Company to record a fair market value adjustment of the liability. The Company uses a Black Scholes Model for valuing the warrants.

The warrant liability is recorded on the balance sheet at time of issuance and the debt issuance costs and debt discount are amortized over the term of the notes. On a quarterly basis, the fair market value of the warrants is calculated by the Company and any change in value is recorded accordingly.

A fair market value adjustment of $746,519 and $2,550,244 was recorded at March 31, 2019 and 2018, respectively. The total liability for all common stock warrants issued by the Company is valued at $7,846,362 and $7,099,842 as of March 31, 2019 and December 31, 2018, respectively.

Stock warrant transactions for the period December 31,2018 through March 31, 2019 were as follows:

NOTE 6 - STOCK WARRANTS (Continued)

	Warrants	Exercise Price
Warrants Outstanding & exercisable at December 31, 2018	19,736,667	$ .01-1.00
Warrants Outstanding & exercisable at March 31, 2019	19,736,667	$ .01-1.00

Exercise Price	# of Shares under Warrants
$0.01	995,000
$1.00	18,741,667
Total Warrants	19,736,667

The common stock warrants have an expiration date of five years from the issuance date and an exercise price of $1.00. The common stock warrants issued to the placement agent have an expiration date of five years from the issuance date and an exercise price of $0.01.

The fair market value of the Company's warrants is as follows:

Ending Balance at December 31, 2017	$ 340,636
Warrants issued during the period	3,144,256
Fair value adjustment	3,614,950
Ending Balance at December 31, 2018	7,099,842
Warrants issued during the period	-
Fair value adjustment	746,519
Ending Balance at March 31, 2019	7,846,361

NOTE 7 - LEASE OBLIGATIONS

The Company's corporate offices are located at 91 43rd Street Pittsburgh, PA. On October 17, 2017, the Company signed a second amendment to its lease last amended on February 28, 2016. The lease, as amended, has a three-year term effective February 1, 2018, ending January 31, 2021.

The Company leases 17,417 square feet at this location, of which approximately 1,000 square feet are used for office space and 16,417 square feet is used for laboratory operations. The Company expects that this space will be adequate for its current office and laboratory needs. Rent expense was $109,575 and $113,922 for the three months ended March 31, 2019 and 2018, respectively.

NOTE 7 - LEASE OBLIGATIONS (Continued)

The Company's remaining rent obligation as of March 31, 2019 is as follows:

Year Ended	Amount
2019	$ 295,088
2020	393,450
2021	65,575
	$ 754,113

NOTE 8 - CAPITAL LEASE OBLIGATIONS

In December 2017, the Company financed the purchase of equipment with a value of $126,190, through a capital lease arrangement of $63,095 and from a note from Predictive of $63,095.

The value of the equipment is included in the laboratory equipment within the fixed assets on the condensed consolidated balance sheet. The Company satisfied the final payment on the lease in February 2019.

NOTE 9 - RETIREMENT SAVINGS PLANS

The Company has a pre-tax salary reduction/profit-sharing plan under the provisions of Section 401(k) of the Internal Revenue Code, which covers employees meeting certain eligibility requirements. In 2019 and 2018, the Company matched 25%, of the employees' contribution up to 6.0% of their earnings. The employer contribution was $3,559 and $5,208 for the three months ended March 31, 2019 and 2018, respectively. There were no discretionary contributions to the plan in 2019 and 2018.

NOTE 10 - SALE OF PREFERRED STOCK

On January 12, 2018, Helomics issued 2,500,000 shares of its Series A Preferred Stock to Predictive. in exchange for 1,100,000 shares of Predictive common stock, with a market value of $.95 per share. The shares of Helomics preferred stock are convertible into 20% of the outstanding capital stock of Helomics. The 1,100,000 shares of Predictive common stock are being held in escrow for Helomics pursuant to an escrow agreement under which the shares will be released following a determination that Helomics' revenues in any 12-month period have been equal to or greater than $8,000,000. Per the agreement there is no maturity date on the escrow agreement and the Company does not lose the right to the shares in escrow unless an agreement is reached to terminate the escrow agreement or the share exchange agreement.

The Company does not have the ability to trade these shares until the shares are released from escrow. The asset for this transaction is recorded on the balance sheet as equity investment. The Company recognized an unrealized gain of $143,000 in other income, reflective of the stock price of $0.75 at March 31, 2019. In addition, on February 27, 2018, Predictive converted a principal amount of $500,000 in secured notes into 833,333 shares of Helomics common stock. The Helomics shares held by Predictive, in the aggregate, represent 25% of the outstanding capital stock of Helomics on an as-converted basis as of March 31, 2019.

NOTE 11 - ACQUISITION

On June 28, 2018, the Company entered into a definitive merger agreement with Predictive to acquire the remaining outstanding stock. Under the terms of the deal, upon completion of the merger, all outstanding shares of Helomics stock not already held by Predictive would be converted into the right to receive 7,500,000 shares of newly issued Predictive stock, in addition to the 1,100,000 Predictive shares already issued to Helomics for Predictive's initial 20% ownership in Helomics. The acquisition was completed on April 4, 2019 (see note 13).

NOTE 12 - COMMITMENTS AND CONTINGENCIES

The Company has several legal claims brought against it in 2017 and 2018 from vendors seeking payment on past due invoices totaling $134,811. All claims were either settled with agreed upon payment plans or settlements are being negotiated with the vendors whereby all outstanding amounts will be paid in full, all of which the liability is captured in accounts payable. The Company expects no litigation in these matters and therefore believes there is no additional financial exposure, other than amounts already recorded within accounts payable. The Company does not have any other commitments or contingencies as of March 31, 2019.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 25, 2019, the dates on which the condensed consolidated financial statements were available to be issued.

A. NOTES PAYABLE – PREDICTIVE ONCOLOGY

On April 3, 2019, the Company received an advance of $250,000 in the form of a promissory note from Predictive. The promissory notes bear interest of 8% per annum. On April 4, 2019, at the close of acquisition by Predictive these notes and interest were eliminated.

B. ACQUISITION

On April 4, 2019, the acquisition of Helomics by Predictive was completed. (i) Upon completion of the acquisition Predictive acquired all outstanding shares of Helomics stock not already held and were converted into the right to receive a proportionate share of 4,000,000 shares of Predictive common stock and 3,500,000 shares of Series D Convertible Preferred Stock. The fair value of these shares on the date of issuance was $5,612,250; (ii) Predictive forgave notes and interest due from Helomics relating to previous cash advances equaling $2,210,381; (iii) Predictive eliminated debt of $7,633,326 owed by Helomics to noteholders by issuing 8,637,323 shares of common stock to the noteholders, the value of the shares was $6,463,309; (iv) At date of merger Helomics had 18,741,667 warrants issued to noteholders and agreed to issue an additional 5,000,000 warrants. Predictive issued 14,245,063 of Predictive warrants in exchange for warrants to purchase 23,741,772 shares of Helomics common stock to the Helomics noteholders agreeing to extinguish or extend their notes. An additional 597,000 warrants were exchanged for warrants held by other parties; the total consideration of all the exchanged warrants was valued by using the Black Scholes method and equaled $6,261,591; and, (v) Predictive's acquisition of Helomics was a business combination achieved in stages, the initial 25% purchase of Helomics in 2018 was required to be revalued at current fair value on the Acquisition Date.

Pro Forma Condensed Combined Balance Sheet as of March 31, 2019

	Predictive Oncology[1]	Helomics Holding Corporation[2]	Pro Forma Adjustments	Note 3	Pro Forma Combined Totals
ASSETS					
Current Assets:					
Cash and Cash Equivalents	$ 1,124,730	$ 46,602	$ -		$ 1,171,332
Accounts Receivable	173,443	208,282	-		381,725
Notes Receivable	1,801,479	-	(738,138)	(b)	1,063,341
Inventories	289,023	17,727	-		306,750
Prepaid Expense and Other Assets	265,584	14,736	(12,921)	(p)	267,399
Total Current Assets	3,654,259	287,347	(751,059)		3,190,547
Equity Investment	-	825,000	(825,000)	(c)	-
Fixed Assets, net	148,709	903,677	845,403	(q)	1,897,789
Intangibles, net	950,049	157,269	3,567,731	(l)	4,675,049
Goodwill	-	-	24,266,263	(d)	24,266,263
Lease Right of Use Assets	333,944	-	873,895	(r)	1,207,839
Total Assets	$ 5,086,961	$ 2,173,293	$ 27,977,233		$ 35,237,487
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current Liabilities:					
Accounts Payable	$ 432,198	$ 2,298,734	$ -		$ 2,730,932
Notes Payable - Bridge Loan Net of Discount	1,812,037	-	-		1,812,037
Notes Payable - Net of Discount	1,267,039	-	-		1,267,039
Accrued Expenses	797,599	1,764,911	(1,064,000)	(k)	1,498,510
Derivative Liability	353,210	-	-		353,210
Notes Payable	-	1,890,012	(1,890,012)	(b)	-
Notes Payable - Senior Promissory Notes, net of discount	-	7,625,236	(7,321,903)	(f)	303,333
Common Stock Warrant Liability	-	7,846,362	(7,846,362)	(m)	-
Deferred Revenue	20,929	-	-		20,929
Current Lease Liability	78,819	-	422,126	(r)	500,945
Total Current Liabilities	4,761,831	21,425,255	(17,700,151)		8,486,935
Long-Term Liabilities:					
Lease Liability	255,125	-	451,769	(r)	706,894
Total Liabilities	5,016,956	21,425,255	(17,248,382)		9,193,829
Stockholders' Equity					
Series B Convertible Preferred Stock, $.01 par value, 20,000,000 authorized, 79,246 outstanding	792	2,500	(2,500)	(g)	792
Common Helomics	-	10,833	(10,833)	(g)	-
Common Stock, $.01 par value, 100,000,000 authorized, 29,997,400 outstanding	173,601	-	126,373	(h)	299,974
Preferred Series D Stock, $0.01 par value, 20,000,000 authorized, 3,500,000 shares outstanding	-	-	35,000	(h)	35,000
Additional paid-in capital	66,296,741	1,540,467	16,885,309	(i)	84,722,517
Accumulated Deficit	(66,401,129)	(20,805,762)	28,192,266	(j)	(59,014,625)
Accumulated Other Comprehensive income	-	-	-		-
Total Stockholders' Equity	70,005	(19,251,962)	45,225,615		26,043,658
Total Liabilities and Stockholders' Equity	$ 5,086,961	$ 2,173,293	$ 27,977,233		$ 35,237,487

[1] Derived from the Predictive Oncology Inc. unaudited balance sheet as of March 31, 2019.

[2] Derived from the Helomics Holding Corporation unaudited balance sheet as of March 31, 2019.

Pro Forma Condensed Combined Statement of Operations - Quarter Ended March 31, 2019

	Predictive Oncology[1]	Helomics Holding Corporation[2]	Pro Forma Adjustments	Note 3	Pro Forma Combined Totals
Revenue	$ 255,241	$ 45,835	-		$ 301,076
Cost of goods sold	73,717	34,726	-		108,443
Gross margin	181,524	11,109	-		192,633
Expenses					
General and administrative expenses	1,497,945	695,805	(57,059)	(n)	2,136,691
Operations expenses	466,566	503,714	-		970,280
Sales and marketing expenses	554,216	50	-		554,266
Total expense	2,518,727	1,199,569	(57,059)		3,661,237
Loss from operations	(2,337,203)	(1,188,460)	57,059		(3,468,604)
Amortization of debt issuance costs and debt discount	-	(139,056)	139,056	(o)	-
Unrealized loss on common stock warrant liability	-	(746,519)	746,519	(o)	-
Interest expense - notes payable and capital leases	-	(313,323)	313,323	(o)	-
Other expense	569,776	-	-		569,776
Other income	53,432	178,778	-		232,210
Loss on equity method investment	(439,637)	-	439,637	(e)	-
Net loss available to common shareholders	(3,293,184)	(2,208,580)	1,695,594		(3,806,170)
Loss per common share - basic and diluted	(0.21)				(0.14)
Weighted average shares used in computation - basic and diluted	15,731,517			(a)	27,330,696

(1) Derived from Predictive Oncology Inc. unaudited statement of operations for the quarter ended March 31, 2019

(2) Derived from Helomics Holding Corporation unaudited statement of operations for the quarter ended March 31, 2019

Pro Forma Condensed Combined Statement of Operations - Year Ended December 31, 2018

	Precision Oncology[1]	Helomics Holding Corporation Restated[2]	Pro Forma Adjustments	Note 3	Pro Forma Combined Totals
Revenue	$ 1,411,655	$ 400,778			$ 1,812,433
Cost of goods sold	415,764	229,354			645,118
Gross margin	995,891	171,424	-	-	1,167,315
Expenses					
General and administrative expenses	4,626,997	3,419,292	(357,564)	(n)	7,688,725
Operations expenses	1,861,121	2,000,688			3,861,809
Sales and marketing expenses	2,369,152	253			2,369,405
Total expense	8,857,270	5,420,233	(357,564)		13,919,939
Loss from operations	(7,861,379)	(5,248,809)	357,564		(12,752,624)
Amortization of debt issuance costs and debt discount	-	(3,083,544)	3,083,544	(o)	-
Unrealized loss common stock warrant liability	-	(3,614,950)	3,614,950	(o)	-
Interest expense - notes payable and capital leases	-	(1,071,649)	1,071,649	(o)	-
Other expense	441,772	-			441,772
Other income	510,254	269,052			779,306
Loss on equity method investment	(2,293,580)	-	2,293,580	(e)	-
Loss on derivative instrument	-	(4,333)			(4,333)
Net loss available to common shareholders	(10,086,477)	(12,754,233)	10,421,287		(12,419,423)
Loss per common share - basic and diluted	(0.79)				(0.51)
Weighted average shares used in computation - basic and diluted	12,816,289			(a)	24,457,747

(1) Derived from Predictive Oncology Inc. audited statement of operations for the year ended December 31, 2018

(2) Derived from Helomics Holding Corporation Restated audited statement of operations for the year ended December 31, 2018

FOOTNOTES TO PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

Note 1 – Description of Transaction and Basis of Presentation

The unaudited pro forma condensed combined financial information was prepared in accordance with GAAP and pursuant to the rules and regulations of SEC Regulation S-X and present the pro forma financial position and results of operations of the combined companies based upon the historical data of Predictive Oncology Inc. (the "Company" or "Predictive") and Helomics Holding Corporation ("Helomics"). On June 10, 2019, the Company filed with the Secretary of State of the State of Delaware changing the corporate name from Precision Therapeutics Inc. to Predictive Oncology Inc.

For the purposes of the unaudited pro forma combined financial information, the accounting policies of the Company and Helomics are aligned with no significant differences other than for ASU No. 2016-02, *"Leases (topic 842)"*, which requires lessees to put most leases on their balance sheet but recognize the expenses on their income statements in a manner similar to current practice. The Company adopted the standard on January 1, 2019, but Helomics did not adopt the standard at that time. The pro forma adjustments include an entry recognizing the adoption of the standard for Helomics in the March 31, 2019 condensed combined financial statements there was no material impact.

ASU No. 2014-09, *"Revenue from Contracts with Customers (topic 606)"*, was adopted by the Company effective 1/1/2018, however Helomics did not adopt topic 606 until 1/1/2019. Based on management's assessment of ASC 606 no material changes for Helomics and thus no pro forma adjustment was deemed necessary for 2018 period.

Description of Transaction

On June 28, 2018, the Company entered into an agreement and Plan of Merger (the "Merger Agreement") with Helomics Acquisition, Inc., a wholly-owned subsidiary of the Company ("Merger Sub"), and Helomics. The Merger Agreement contemplated a forward triangular merger with Merger Sub surviving the merger with Helomics and becoming a wholly-owned operating subsidiary of the Company (the "Merger"). The Merger was intended to qualify for federal income tax purposes as a tax-free reorganization under the provision of Section 368(a) of the Code. The Merger was completed on April 4, 2019.

At the time of the merger, all outstanding shares of Helomics stock not already held by the Company were converted into the right to receive a proportionate share of 4.0 million shares of common stock of the Company and 3.5 million shares of Series D Convertible Preferred Stock of the Company, ("Merger Shares"), in addition to the 1.1 million shares of the Company's common stock already issued to Helomics for the Company's initial 20% ownership in Helomics. The Company acquired 5% of Helomics in 2018 for $500,000 in debt forgiveness, bringing the total ownership to 25% prior to the April 4, 2019 acquisition. Also, 860,000 shares of the Merger consideration are held in escrow for 18 months to satisfy indemnification claims. Helomics' management team has remained in their respective leadership positions at Helomics and are to manage the existing TumorGenesis operations.

The Company agreed to pay off existing Helomics notes and issued 8.6 million shares of common stock, at $1.00 per share, converting the promissory notes. Three noteholders did not convert their shares and the Company has issued those noteholders new notes, $303,333 in principal, due 90 days from the Merger close date. The Company also agreed to issue warrants to purchase 14.2 million shares of the Company common stock at an exercise price of $1.00 per share to all of the investors in the notes replacing 23.7 million warrant shares held by the noteholders in Helomics. The common stock issuable upon exercise of the Company warrants was registered in connection with the Merger.

In addition, Helomics had 995,000 warrants held by other parties at an exercise price of $0.01 per share of Helomics common stock. The warrants were exchanged at the time of the closing of the Merger for warrants to purchase 597,000 shares of Company common stock at $0.01 per share.

The Merger Agreement also obligated the Company to approve, prior to the closing of the Merger, the grant of stock options exercisable for an aggregate of 900,000 shares of common stock in the Company under the Company's existing equity plan to the employees and consultants of Helomics designated by Helomics, according to the allocation determined by Helomics in good faith consultation with the Company. The options were approved by the Company Board of Directors at the March 22, 2019 board meeting and ultimately issued effective on the Merger closing date of April 4, 2019.

Basis of Presentation

Management concluded that the transaction represented a business combination pursuant to Financial Accounting Standards Board Accounting Standards Codification Topic 805, *Business Combinations.* Management has completed an external valuation analysis of the fair market value of Helomics assets to be acquired and liabilities to be assumed.

Note 2 – Preliminary Purchase Price Allocations

The preliminary purchase price to acquire Helomics is based on the estimated fair value of the consideration transferred as of the Merger closing date of April 4, 2019. The preliminary purchase price was allocated among the assets acquired and liabilities assumed using Helomics balance sheet as of March 31, 2019 as follows:

Fair value of the consideration	$	26,711,791	(2)
Assets acquired:			
Cash & cash equivalents		46,602	
Accounts receivable		208,282	
Inventory		17,727	
Prepaid expenses		1,815	
Fix assets, net		1,749,080	
Intangible assets		3,725,000	
Lease right of use assets		873,895	
Liabilities assumed:			
Accounts payable		(2,298,734)	
Note Payable		(303,333)	
Accrued expenses		(700,911)	
Current lease liability		(422,126)	
Lease liability		(451,769)	
Goodwill	$	24,266,263	(1)

(1) To reflect the goodwill recognized as a result of the transaction.

(2) The fair value of the consideration transferred in the acquisition has five components totaling $26,711,791:

(i) Upon the acquisition, all outstanding shares of Helomics stock not already held by the Company were converted into the right to receive a proportionate share of 4,000,000 shares of common stock and 3,500,000 shares of Series D Convertible Preferred Stock of the Company. The fair value of these shares on the date of issuance was $5,612,250;

(ii) (ii) the Company forgave notes and interest due from Helomics relating to previous cash advances equaling $2,210,381;

(iii) (iii) the Company eliminated debt owed by Helomics to noteholders by issuing 8,637,323 shares of common stock to the noteholders, the value of the shares was $6,463,309;

(iv) (iv) the Company issued 14,245,063 warrants in exchange for warrants to purchase 23,741,772 shares of Helomics common stock to the Helomics noteholders agreeing to extinguish or extend their notes. An additional 597,000 warrants were exchanged for warrants held by other parties; the total consideration of all the exchanged warrants was valued by using the Black Scholes method and equaled $6,261,591; and,

(v) (v) as the Company's acquisition of Helomics was a business combination achieved in stages, the initial 25% purchase of Helomics in 2018 was required to be revalued at current fair value on the Acquisition Date. Immediately prior to the Acquisition Date the recorded value of the equity method investment was zero. On the Acquisition Date the Company determined the fair value of the previous equity method investment was $6,164,260 and recorded a gain for the same amount in order to recognize the investment at its fair value. The gain was calculated as the difference between the implied fair value of the Company's previous equity method investment in Helomics and the recorded book value immediately prior to the acquisition date. The implied fair value was calculated based on the purchase consideration exchanged to acquire the remaining 75% of Helomics and factoring a 10% discount for lack of control.

Note 3 – Pro Forma Adjustments

a. Represents the weighted average shares of common stock for the March 31, 2019 and December 31, 2018 condensed combined statement of operations calculated by (a) taking the actual weighted average common stock basic and diluted as of that date divided by the actual common stock outstanding as of that date; then, (b) the newly acquired shares of common stock are added to the existing common shares outstanding for the pro forma combined total of outstanding common shares. The sum of the new shares in (b) is multiplied by the ratio determined from the original calculation in (a) for estimated weighted average shares in the pro forma.
b. Assumes the elimination of the note receivable due from Helomics to the Company as of March 31, 2019.
c. Represents the elimination of Helomics' previously held interest in the Company.
d. Represents the calculation of goodwill (Refer to Note 2 for discussion of Goodwill). Goodwill represents the portion of the purchase price consideration in excess of net assets acquired.

e. Represents the elimination of the equity method investment loss in 2019 since the Merger is considered completed as of January 1, 2018 for pro forma purposes.
f. Reflects the portion of Helomics Notes Payable settled by the Company as purchase consideration in the acquisition.
g. Reflects elimination of historical Helomics equity balances.
h. As part of the purchase consideration the Company issued 4 million shares of Predictive common stock and 3.5 million shares of Predictive Series D preferred stock to Helomics common stockholders, as well as issuing 8.6 million shares of Predictive common stock to holders of Helomics convertible notes.
i. Purchase adjustments: represents elimination of historical Helomics paid-in capital, offset by the purchase consideration by issuance of Predictive common and preferred shares, as well as stock options issued to Helomics employees concurrent with the purchase transaction. Additionally, represents issuance of Predictive common stock to holders of Helomics' convertible notes, concurrent with the purchase and the value of the warrants issued to holders of Helomics' convertible notes.
j. Purchase adjustments: represents elimination of historical Helomics accumulated deficit, offset by compensation expense for stock options issued to Helomics employees concurrent with the merger transaction and inclusive of the gain on revaluation of the previous investment. The gain on reevaluation of the previous investment was determined by dividing the purchase consideration by 75% to ascertain the implied value of Helomics, and then subtracting the original consideration for the 75% purchased, which represents the gain.
k. Represents elimination of accrued interest expense for both the Helomics convertible notes and the Helomics eliminated notes due to the Company.
l. To remeasure the existing Helomics intangibles and to recognize the fair value of intangible assets acquired in the transaction. Such intangibles are inclusive of trademarks, customer relationships, and developed technology/know how.

3/31/2019

	Fair Value	Estimated Life	Annual Amortization
Trademarks	$ 398,000	Ongoing	$ -
Customer Relationships	445,000	3 years	148,333
Developed Technology/Know How	2,882,000	20 years	144,100
	$ 3,725,000		$ 292,433

m. Represents elimination of the Helomics common stock warrant liability.
n. Represents adjustment for amortization of intangibles and depreciation to exemplify the net difference between the historical amounts recognized by Helomics and what would have been recognized under the Company's new policy after the assets were fair valued.
o. Represents the elimination of: the amortization of debt issuance costs and debt discount; the unrealized loss of the common stock warrant liability; and, interest expense for notes payable.
p. Elimination of debt issuance costs that Helomics' recognized for issuing warrants to placement agents.
q. To remeasure the existing Helomics fixed assets and to recognize the fair value of fixed assets acquired in the transaction.

3/31/2019

	Historical Cost	Fair Value	Estimated Life	Annual Depreciation
Computer Equipment	$ 213,739	$ 9,650	4 years	$ 2,413
Laboratory Equipment	5,225,016	1,362,710	4 years	$ 340,678
Software	752,079	39,050	4 years	$ 9,763
Furniture & Fixtures	432,176	232,800	4 years	$ 58,200
Leasehold Improvements	59,266	47,900	2 years	$ 23,950
Computer Peripheral Equipment	74,713	6,700	4 years	$ 1,675
Servers	62,700	6,870	4 years	$ 1,718
Telecommunication Equipment	27,802	4,900	4 years	$ 1,225
Storage Tanks	58,414	38,500	4 years	$ 9,625
	$ 6,905,905	$ 1,749,080		$ 449,245

r. As Helomics had not adopted ASU No 2016-02, *“Leases (topic 842)”* as of January 1, 2019, the adjustment is made to align Helomics’ accounting policy regarding operating leases to that of the Company’s.