
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported)
November 6, 2019

Pulse Biosciences, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-37744
(Commission
File Number)

46-5696597
(IRS Employer
Identification No.)

3957 Point Eden Way
Hayward, California 94545
(Address of principal executive offices) (Zip Code)

(510) 906-4600
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

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, par value \$0.001 per share | PLSE | The Nasdaq Stock Market |

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 (see General Instruction A.2 below):

- 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.

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On November 7, 2019, Pulse Biosciences, Inc. (the “Company”) announced its financial results for the three- and nine-month periods ended September 30, 2019. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

This information, as well as Exhibit 99.1, is intended to be furnished under Item 2.02 of Form 8-K, “Results of Operations and Financial Condition” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

ITEM 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.

b), (c) and (e)

On November 7, 2019, the Company announced the appointment of Sandra Gardiner as Chief Financial Officer, Executive Vice President of Finance and Administration, Secretary and Treasurer of the Company, effective November 18, 2019 (the “Start Date”). Ms. Gardiner will also serve as the Company’s principal financial officer and accounting officer. A copy of the press release announcing Ms. Gardiner’s appointment is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Ms. Gardiner succeeds Brian B. Dow, who served as the Company’s Chief Financial Officer and principal financial and accounting officer from November 2015 until Ms. Gardiner’s appointment on the Start Date. Mr. Dow will continue with the Company in an advisory capacity to facilitate the transition through December 31, 2019 (the “Separation Date”). Mr. Dow’s departure is not the result of any material disagreement with the Company regarding its operations, policies or practices. In connection with Mr. Dow’s departure, the Company and Mr. Dow have entered into a Transition Agreement and Limited Release and will enter into a Separation Agreement and Release (together, the “Separation Agreement”). Pursuant to the terms of the Separation Agreement, as consideration for non-disparagement obligations to the Company and a release of claims related to Mr. Dow’s employment with the Company, Mr. Dow will be entitled to, among other things: (i) payment of salary through the Separation Date; (ii) severance payments of twelve semi-monthly equal installments, which amount represents the sum of six months of Mr. Dow’s annual base salary; (iii) an additional severance payment of \$100,800 as called for in Mr. Dow’s employment agreement; (iv) acceleration of vesting of the unvested portion of each equity award that would normally vest over twelve months from the Separation Date; and (v) continuation of health insurance benefits (COBRA). The foregoing description of the Separation Agreement does not purport to be complete and is qualified in its entirety by reference to the Separation Agreement, which will be filed as an exhibit to the Company’s Annual Report on Form 10-K for the year ending December 31, 2019.

Prior to joining the Company, Ms. Gardiner, age 54, served as Executive Vice President and Chief Financial Officer of Cutera, Inc., a global provider of laser, light, and other energy-based aesthetic systems, from July 2017 to November 2019. Previously, Ms. Gardiner served as Vice President, Finance and Chief Financial Officer of Tria Beauty, Inc., a medical device manufacturer of laser based aesthetic devices, from April 2015 until it was acquired in April 2017. Ms. Gardiner has also been Chief Financial Officer of Aptus Endosystems, Inc., Ventus Medical, Inc., Vermillion, Inc. and Lipid Sciences, Inc. Earlier in her career, Ms. Gardiner served in roles of increasing responsibility at Cardima, Inc., Comac, Inc. and Advanced Cardiovascular Systems, Inc. Ms. Gardiner holds a Bachelor of Arts degree in Management Economics from the University of California, Davis.

There are no arrangements or understandings between Ms. Gardiner and any other person pursuant to which she was appointed Chief Financial Officer. Ms. Gardiner does not have any family relationship with any director or other executive officer of the Company or any person nominated or chosen by the Company to become a director or executive officer. Ms. Gardiner has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K promulgated under the Exchange Act.

The Company has entered into an Employment Agreement (the “Employment Agreement”) with Ms. Gardiner, pursuant to which it agreed to provide Ms. Gardiner with the following compensation in connection with her service as Chief Financial Officer: (i) an initial annual base salary of \$400,000; (ii) a one-time signing bonus of \$40,000, which shall be repayable if Ms. Gardiner resigns other than for Good Reason (as such term is defined in the Employment Agreement) or if Ms. Gardiner’s employment is terminated for Cause (as such term is defined in the Employment Agreement) before the 12-month anniversary of the Start Date; (iii) an annual target bonus of up to 40% of her base salary; and (iv) an option under the 2017 Inducement Equity Incentive Plan to acquire 207,684 shares of common stock of the Company (the “Option Shares”). Fifty percent of the Option Shares will vest 25% on the first anniversary of Ms. Gardiner’s Start Date and thereafter in equal amounts on annual basis over the three-year period starting with the first anniversary of the Start Date. The other fifty percent of the Option Shares will vest based on the achievement of performance objectives, with vesting targets set at no less than 25% vesting per year upon achievement of said objectives, established by the Compensation Committee of the Company’s Board of Directors.

Under the Employment Agreement, upon an Involuntary Termination (as such term is defined in the Employment Agreement), as consideration for non-disparagement obligations to the Company and Ms. Gardiner entering into a release in favor of the Company, Ms. Gardiner will receive: (i) continuing payments of her base salary for twelve months; (ii) a pro-rated target bonus for the year of termination; and (iii) reimbursement for health insurance premiums for twelve months from the date of termination. If such Involuntary Termination is not in connection with a Change of Control (as such term is defined in the Employment Agreement), Ms. Gardiner will receive acceleration of vesting of her outstanding equity awards that would normally vest over the following twelve months from the date of termination and if such Involuntary Termination is in connection with a Change of Control, the unvested portion of her outstanding equity awards will immediately vest prior to her termination.

The foregoing description of the Offer Letter is qualified in its entirety by reference to the full text of the Offer Letter, a copy of which is as attached hereto as Exhibit 10.1 and is incorporated herein by reference.

In addition, Ms. Gardiner will enter into the Company's standard form of indemnification agreement for officers and directors, a copy of which was filed with the Securities and Exchange Commission on June 18, 2018 as Exhibit 10.1 to the Company's Form 8-K12B.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits.

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 10.1 | Employment Agreement between the Company and Sandra Gardiner, dated November 6, 2019. |
| 99.1 | Press release dated November 7, 2019, titled "Pulse Biosciences Quarterly Investor Conference Call" (furnished and not filed herewith solely pursuant to Item 2.02) |
| 99.2 | Press release dated November 7, 2019, titled "Pulse Biosciences Announces Transition of Chief Financial Officer". |

PULSE BIOSCIENCES, INC.

EMPLOYMENT AGREEMENT

This Employment Agreement (the “**Agreement**”) is made and entered into by and between **Sandra Gardiner** (“**Executive**”) and Pulse Biosciences, Inc. (the “**Company**”), as of November 6, 2019.

1. Duties and Scope of Employment.

(a) Position and Duties. As of November 18, 2019 (the “**Start Date**”), Executive will serve as the Company’s Chief Financial Officer, Executive Vice President of Finance and Administration, Secretary, and Treasurer operating from the Company’s offices located in Hayward, California. Executive will render such business and professional services in the performance of her duties, consistent with Executive’s position within the Company. Executive also will serve the Company in such other or alternative positions as may reasonably be assigned to her by the Company’s Chief Executive Officer (“**CEO**”) and Board of Directors (the “**Board**”), which positions may include director and additional or other officer positions of the Company and subsidiaries of the Company. The period of Executive’s rendering of employment services under this Agreement is referred to herein as the “**Employment Term.**”

(b) Obligations. During the Employment Term, Executive will perform her duties faithfully and to the best of her ability and will devote her full business efforts and time to the Company. For the duration of the Employment Term, Executive agrees not to actively engage in any other employment, occupation or consulting activity for any direct or indirect remuneration without previous notification to the Board of such activity. The Board has the option of refusing approval for such outside activity, should it determine that the activity may negatively impact Executive’s ability to perform under this Agreement.

(c) Automatic Resignation. At the end of the Employment Term, including upon any termination of employment for any reason, such ending or termination will be deemed to be an automatic resignation from all director and officer positions of the Company and any of its subsidiaries, unless the continuation of such appointments is specifically approved by a resolution of the Board of the respective corporation or its shareholders.

2. At-Will Employment. The parties agree that Executive’s employment with the Company will be “at-will” employment and may be terminated at any time with or without cause or notice. Executive understands and agrees that neither her job performance nor promotions, commendations, bonuses or the like from the Company give rise to or in any way serve as the basis for modification, amendment, or extension, by implication or otherwise, of her employment with the Company. However, as described in this Agreement, Executive may be entitled to severance benefits depending on the circumstances of Executive’s termination of employment with the Company.

3. Compensation.

(a) Base Salary. During the Employment Term, the Company will pay Executive an annual salary of **\$400,000** as compensation for Executive's services (the "**Base Salary**"). The Base Salary will be paid periodically (but not less frequently than bi-monthly) in accordance with the Company's normal payroll practices and be subject to the usual required withholdings. Executive's salary will be subject to review and adjustments will be made based upon the Company's normal performance review practices.

(b) Sign-On Bonus. Executive will receive a one-time signing bonus of **\$40,000** (the "**Signing Bonus**"), less applicable withholdings, which will be included with Executive's first regular paycheck following the Start Date. If Executive resigns other than for Good Reason, or if Executive's employment is terminated for Cause before the 12-month anniversary of the Start Date, Executive shall repay the entire Signing Bonus to the Company. Executive agrees to enter into an agreement upon Executive's termination to authorize the Company to immediately offset against and reduce any amounts otherwise due or owing post-termination for the repayment of the Signing Bonus, and will additionally enter into a repayment agreement with the Company outlining the terms for repayment of the balance of the Signing Bonus, as necessary.

(c) Annual Bonus. Executive will be eligible to receive an annual bonus of up to **40%** of her base salary (the "**Target Bonus**") less applicable withholdings, prorated for the year of hire, upon the attainment of annual designated corporate goals and milestones, in each case set and measured in the good faith discretion of the Board at a time consistent with the other executives of the Company. Executive's eligibility, and the terms and conditions, for the Target Bonus will be documented and issued to Executive if and when approved by the Board. If awarded, the Target Bonus will be paid prior to the later of (i) the fifteenth (15th) day of the third (3rd) month following the close of the Company's fiscal year in which the Target Bonus is earned or (ii) March 15 following the calendar year in which the Target Bonus is earned, provided that the Employment Term extends through the date of payment.

(d) Start Date Option. Subject to the approval of the Board, Executive will be granted an option (the "**Start Date Option**") under the 2017 Inducement Equity Incentive Plan ("**Plan**"), to acquire **207,684** shares of common stock of the Company. The stock options provided by the Start Date Option will have an exercise price per share equal to the closing price of a share of the Company's common stock at the date of grant. Subject to certain accelerated vesting provisions as described herein, the options provided by the Start Date Option will vest a) 50% of the option shares granted (103,842 option shares) will vest: 25% (25,960 option shares) on the first Anniversary on the Start Date and thereafter the remaining option shares (77,882 option shares) will vest in equal amounts on an annual basis over the three year period starting with the first anniversary of the Start Date and b) 50% of the option shares (103,842 option shares) will vest based upon the achievement of performance objectives, with vesting targets set no less than 25% (25,960 option shares) vesting per year upon achievement of said objectives, established in good faith by the Compensation Committee of the board of directors. All vesting subject to the Executive continuing to be a Service Provider (as defined in the Plan) through each applicable vesting date and vesting target achievement determination date.

4. Employee Benefits. During the Employment Term, Executive will be entitled to participate in the employee benefit plans currently and hereafter maintained by the Company of general applicability to other senior executives of the Company, subject to the eligibility requirements of such plans. The Company reserves the right to cancel or change the benefit plans and programs it offers to its employees at any time.

5. Vacation. During the Employment Term, Executive will be entitled to accrue paid vacation of not less than three (3) weeks per year, in accordance with the Company's vacation policy for senior executive officers, with the timing and duration of specific vacations mutually and reasonably agreed to by the parties hereto.

6. Expenses. The Company will reimburse Executive for reasonable travel, entertainment or other expenses incurred by Executive in the furtherance of or in connection with the performance of Executive's duties hereunder within 30 days of her submission of an expense report documenting said expenses, in accordance with the Company's expense reimbursement policy as in effect from time to time.

7. Severance.

(a) Termination other than for Cause, Death or Disability or Resignation for Good Reason. During the Employment Term, if (i) the Company (or any parent or subsidiary or successor of the Company) terminates Executive's employment for reasons other than Cause death, or Disability, or (ii) upon Executive's resignation from the Company (or any parent or subsidiary or successor of the Company) for Good Reason (each such termination, an "**Involuntary Termination**"), then, subject to the continued observance by Executive of Sections 8 (severance conditions), 11 (assignment), 12 (notices), 13 (confidential information agreement), 15 (litigation cooperation), and 17 (miscellaneous) below after the termination of the rendering of employment services, Executive will receive the following severance from the Company:

(i) Severance Payment. Upon an Involuntary Termination, Executive will receive continuing payments of the Executive's Base Salary (as in effect immediately prior to the Executive's termination) equal to twelve (12) months (the "**Severance Period**"). The Executive will also receive a Target Bonus (if applicable) for the year of termination, prorated for the portion of the year served assuming 100% achievement, payable with the first severance payment. If the Involuntary Termination occurs at a point in time when the prior year's Target Bonus has yet to be paid out, Executive will also receive payment for any earned portion of Executive's Target Bonus for that prior year. The payment of any severance pursuant to this Section 7(a)(i) will be paid in accordance with the Company's normal payroll practices and be subject to the usual required withholdings.

(ii) Accelerated Vesting.

(1) *Involuntary Termination not in connection with a Change of Control*. If the Involuntary Termination is not in connection with a Change of Control, the unvested portion of Executive's outstanding Equity Awards that would normally vest over the following twelve (12) months from the date of Executive's termination had Executive remained an employee through such period will immediately accelerate and fully vest prior to Executive's termination.

(2) *Involuntary Termination in connection with a Change of Control*. If the Involuntary Termination occurs within the twelve (12) month period following a Change of Control, then the unvested portion of Executive's then outstanding Equity Awards will immediately vest prior to Executive's termination.

(iii) COBRA. If Executive elects continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("**COBRA**") for Executive and

Executive's eligible dependents within the time period prescribed pursuant to COBRA, the Company will reimburse Executive for the monthly premiums under COBRA necessary to continue group health insurance benefits for Executive and Executive's eligible dependents (at the coverage levels in effect immediately prior to Executive's termination) until the earlier of (A) the date upon which Executive and/or Executive's eligible dependents becomes covered under similar plans or (B) the last day of the Severance Period (such reimbursements, the "**COBRA Premiums**"). However, if the Company determines in its sole discretion that it cannot pay the COBRA Premiums without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Company will in lieu thereof provide to Executive a taxable monthly payment payable on the last day of a given month (except as provided by the following sentence), in an amount equal to the monthly COBRA premium that Executive would be required to pay to continue Executive's group health coverage in effect on the date of Executive's termination of employment (which amount will be based on the premium for the first month of COBRA coverage), which payments will be made regardless of whether Executive elects COBRA continuation coverage and will commence on the month following Executive's termination of employment and will end on the earlier of (x) the date upon which Executive obtains other employment or (y) the last day of the Severance Period. For the avoidance of doubt, the taxable payments in lieu of COBRA Premiums may be used for any purpose, including, but not limited to continuation coverage under COBRA, and will be subject to all applicable tax withholdings. Notwithstanding anything to the contrary under this Agreement, if at any time the Company determines in its sole discretion that it cannot provide the payments contemplated by the preceding sentence without violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), Executive will not receive such payment or any further reimbursements for COBRA premiums. (Collectively, the Company's COBRA obligations in this paragraph are referred to as the "COBRA Payments").

(iv) Resignation without Good Reason; Termination for Cause; Disability. If Executive resigns (other than for Good Reason), or the Company terminates Executive's employment for Cause, or Executive's employment terminates upon Executive's Disability, then (i) Executive will no longer vest in any Equity Award held by Executive, (ii) all payments of compensation by the Company to Executive hereunder will terminate immediately (except as to amounts already earned), and (iii) Executive will not be entitled to any severance or other benefits except for those (if any) as may then be established under the Company's then existing written severance and benefits plans and practices or pursuant to other written agreements with the Company.

(b) Accrued Compensation. For the avoidance of any doubt, in the event of a termination of Executive's employment with the Company (or any parent or subsidiary or successor of the Company) for whatever reason, Executive will be entitled to receive all accrued but unpaid vacation, expense reimbursements, wages, and other benefits due to Executive under any Company-provided plans, policies, and arrangements.

(c) Exclusive Remedy. In the event of a termination of Executive's employment with the Company (or any parent or subsidiary or successor of the Company), the provisions of this Section 7 are intended to be and are exclusive and in lieu of any other rights or remedies to which Executive or the Company may otherwise be entitled, whether at law, tort or contract, in equity, or under this Agreement. Executive will be entitled to no severance or other benefits, compensation or other payments or rights upon termination of employment other than those benefits expressly set forth in this Section 7.

8. Conditions to Receipt of Severance; No Duty to Mitigate.

(a) Separation Agreement and Release of Claims. The receipt of any severance pursuant to Section 7(a) will be subject to Executive signing and not revoking a separation agreement and release of claims in a form reasonably satisfactory to the Company (the “**Release**”) (including a mutual nondisparagement provision (the Company’s obligations being limited to its then-current directors and officers and only for so long as each remains employed by the Company) (the “Release”) and provided that such Release becomes effective and irrevocable no later than sixty (60) days following the termination date (such deadline, the “**Release Deadline**”). If the Release does not become effective and irrevocable by the Release Deadline, Executive will forfeit any rights to severance or benefits under this Agreement. In no event will severance payments or benefits be paid or provided until the Release becomes effective and irrevocable. Except as required by Section 8(c), any installment payments that would have been made to Executive prior to the Release becoming effective and irrevocable but for the preceding sentence will be paid to Executive on the first regularly scheduled Company payroll date following the date the Release becomes effective and irrevocable, and the remaining payments will be made as provided in the Agreement.

(b) Confidential Information Agreement. Executive’s receipt of any payments or benefits under Section 7 will be subject to Executive continuing to comply with the terms of the At-Will Employment, Confidential Information, Invention Assignment, and Arbitration Agreement between the Executive and the Company.

(c) Section 409A.

(i) Notwithstanding anything to the contrary in this Agreement, no severance pay or benefits to be paid or provided to Executive, if any, pursuant to this Agreement that, when considered together with any other severance payments or separation benefits, are considered deferred compensation under Section 409A (together, the “**Deferred Payments**”) will be paid or otherwise provided until Executive has a “separation from service” within the meaning of Section 409A. Similarly, no severance payable to Executive, if any, pursuant to this Agreement that otherwise would be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(9) will be payable until Executive has a “separation from service” within the meaning of Section 409A.

(ii) Any severance payments or benefits under this Agreement that would be considered Deferred Payments will be paid on, or, in the case of installments, will not commence until, the sixtieth (60th) day following Executive’s separation from service, or, if later, such time as required by Section 8(c)(iii). Except as required by Section 8(c)(iii), any installment payments that would have been made to Executive during the sixty (60) day period immediately following Executive’s separation from service but for the preceding sentence will be paid to Executive on the sixtieth (60th) day following Executive’s separation from service and the remaining payments shall be made as provided in this Agreement. **In no event will Executive have discretion to determine the taxable year of payment for any Deferred Payments.**

(iii) Notwithstanding anything to the contrary in this Agreement, if Executive is a “specified employee” within the meaning of Section 409A at the time of Executive’s termination (other than due to death), then the Deferred Payments, if any, that are payable within the first six (6) months following Executive’s separation from service, will become payable on the first payroll date that occurs on or after the date six (6) months and one (1) day following the date of Executive’s separation from service. All subsequent Deferred Payments, if any, will be payable in accordance with the payment

schedule applicable to each payment or benefit. Notwithstanding anything herein to the contrary, if Executive dies following Executive's separation from service, but prior to the six (6) month anniversary of the separation from service, then any payments delayed in accordance with this paragraph will be payable in a lump sum as soon as administratively practicable after the date of Executive's death and all other Deferred Payments will be payable in accordance with the payment schedule applicable to each payment or benefit. Each payment, installment and benefit payable under this Agreement is intended to constitute a separate payment for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

(iv) Any amount paid under this Agreement that satisfies the requirements of the "short-term deferral" rule set forth in Section 1.409A-1(b)(4) of the Treasury Regulations will not constitute Deferred Payments for purposes of clause (i) above. It is the intent of this Agreement that all cash severance payments under Section 7(a)(i) will satisfy the requirements of the "short-term deferral" rule.

(v) Any amount paid under this Agreement that qualifies as a payment made as a result of an involuntary separation from service pursuant to Section 1.409A-1(b)(9)(iii) of the Treasury Regulations that does not exceed the Section 409A Limit (as defined below) will not constitute Deferred Payments for purposes of clause (i) above.

(vi) The foregoing provisions are intended to be exempt from or comply with the requirements of Section 409A so that none of the severance payments and benefits to be provided hereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be exempt or so comply. The Company and Executive agree to work together in good faith to consider amendments to this Agreement and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to Executive under Section 409A. In no event will the Company reimburse Executive for any taxes that may be imposed on Executive as a result of Section 409A.

(d) No Duty to Mitigate. Executive will not be required to mitigate the amount of any payment contemplated by this Agreement, nor will any earnings that Executive may receive from any other source reduce any such payment.

9. Limitation on Payments. In the event that the severance and other benefits provided for in this Agreement or otherwise payable to Executive (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) but for this Section 9, would be subject to the excise tax imposed by Section 4999 of the Code, then Executive's severance benefits will be either:

(a) delivered in full, or

(b) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to the excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by Executive on an after-tax basis, of the greatest amount of severance benefits, notwithstanding that all or some portion of such severance benefits may be taxable under Section 4999 of the Code. If a reduction in the severance and other benefits constituting "parachute payments" is necessary so that no portion of such severance benefits is subject to the excise tax under Section 4999 of the Code, the reduction shall occur in the

following order: (1) reduction of the severance payments under Sections 7(a)(i) or 7(a)(ii); (2) reduction of other cash payments, if any; (3) cancellation of accelerated vesting of equity awards; and (4) reduction of continued employee benefits. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting shall be cancelled in the reverse order of the date of grant of Executive's equity awards. If two or more equity awards are granted on the same date, each award will be reduced on a pro-rata basis. In no event shall the Executive have any discretion with respect to the ordering of payment reductions.

Unless the Company and Executive otherwise agree in writing, any determination required under this Section 9 will be made in writing by an independent firm immediately prior to a Change of Control (the "**Firm**"), whose determination will be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 9, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive will furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section 9. The Company will bear all costs the Firm may reasonably incur in connection with any calculations contemplated by this Section 9.

10. Definition of Terms. The following terms referred to in this Agreement will have the following meanings:

(a) Cause. For purposes of this Agreement, "**Cause**" is defined as (i) Executive's conviction of, or plea of nolo contendere to, a felony or any crime involving fraud, embezzlement or any other act of moral turpitude, (ii) Executive's gross misconduct, (iii) Executive's unauthorized use or disclosure of any proprietary information or trade secrets of the Company or any other party to whom Executive owes an obligation of nondisclosure as a result of Executive's relationship with the Company; (iv) Executive's willful breach of any obligations under any written agreement or covenant with the Company that is injurious to the Company; or (v) Executive's continued failure to perform Executive's employment duties after Executive has received a written demand for performance from the Company which specifically sets forth the factual basis for the Company's belief that Executive has not substantially performed Executive's duties and has failed to cure such non-performance to the Company's satisfaction within thirty (30) business days after receiving such notice.

(b) Change of Control. For purposes of this Agreement, "**Change of Control**" means the occurrence of any of the following events:

(i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing more than 50% of the total voting power represented by the Company's then outstanding voting securities, other than the acquisition of 50% of the total voting power represented by the outstanding voting securities when sold by the Company in a capital raising transaction; or

(ii) the date of the consummation of a merger or consolidation of the Company with any other corporation that has been approved by the stockholders of the Company, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting

power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation; or

(iii) the date of the consummation of the sale or disposition by the Company of all or substantially all the Company's assets in a transaction that has been approved by the stockholders of the Company.

Notwithstanding the foregoing provisions of this definition, a transaction will not be deemed a Change of Control unless the transaction qualifies as a "change in control event" within the meaning of Section 409A.

(c) Code. For purposes of this Agreement, "**Code**" means the Internal Revenue Code of 1986, as amended.

(d) Disability. For the purposes of this Agreement, "**Disability**" will mean that Executive has been unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six (6) months. Alternatively, Executive will be deemed disabled if determined to be totally disabled by the Social Security Administration. Termination resulting from Disability may only be effected after at least thirty (30) days' written notice by the Company of its intention to terminate Executive's employment. In the event that Executive resumes the performance of substantially all of Executive's duties hereunder before the termination of Executive's employment becomes effective, the notice of intent to terminate based on Disability will automatically be deemed to have been revoked.

(e) Equity Awards. For purposes of this Agreement, "**Equity Awards**" means Executive's outstanding Company stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance stock units and any other Company equity compensation awards.

(f) Good Reason. For the purposes of this Agreement, "**Good Reason**" means Executive's resignation within thirty (30) days following the expiration of any Company cure period (discussed below) following the occurrence of one or more of the following, without Executive's express written consent: (i) the assignment to Executive of any duties beyond the generally recognized scope of employment of a company Chief Financial Officer or the reduction of Executive's duties or the removal of Executive from Executive's position and responsibilities as Chief Financial Officer, either of which must result in a material diminution of Executive's authority, duties, or responsibilities with the Company in effect immediately prior to such assignment; provided, however, if the Executive is provided with an alternative executive type position within the Company or its subsidiaries at the same or better compensation as provided herein or that a reduction in duties, position or responsibilities solely by virtue of the Company being acquired and made part of a larger entity will not constitute "Good Reason"; (ii) a reduction in Executive's Base Salary (except where there is a reduction applicable to the management team generally of not more than 10% of Executive's Base Salary); or (iii) a material change in the geographic location of Executive's primary work facility or location; provided, that a relocation of less than fifty (50) miles from Executive's then present work location will not be considered a material change in geographic location. Executive will not resign for Good Reason without first providing the Company with written notice of the acts or omissions constituting the grounds for "Good Reason" within ninety (90) days of the initial existence of the grounds for "Good Reason" and providing a cure period of not less than thirty (30) days following the date of such notice and such grounds for "Good Reason" have not been cured during such cure period.

(g) Section 409A. For purposes of this Agreement, “**Section 409A**” means Code Section 409A, and the final regulations and any guidance promulgated thereunder or any state law equivalent.

(h) Section 409A Limit. For purposes of this Agreement, “**Section 409A Limit**” will mean two (2) times the lesser of: (i) Executive’s annualized compensation based upon the annual rate of pay paid to Executive during the Executive’s taxable year preceding the Executive’s taxable year of her or her separation from service, as determined under Treasury Regulation Section 1.409A-1(b)(9)(iii)(A)(1) and any Internal Revenue Service guidance issued with respect thereto; or (ii) the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Internal Revenue Code for the year in which Executive’s separation from service occurred.

11. Assignment. This Agreement will be binding upon and inure to the benefit of (a) the heirs, executors and legal representatives of Executive upon Executive’s death and (b) any successor of the Company. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, “successor” means any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company. None of the rights of Executive to receive any form of compensation payable pursuant to this Agreement may be assigned or transferred except by will or the laws of descent and distribution. Any other attempted assignment, transfer, conveyance or other disposition of Executive’s right to compensation or other benefits will be null and void.

12. Notice. All notices, requests, demands and other communications called for hereunder will be in writing and will be deemed given (i) on the date of delivery if delivered personally, (ii) one (1) day after being sent by a well-established commercial overnight service, or (iii) four (4) days after being mailed by registered or certified mail, return receipt requested, prepaid and addressed to the parties or their successors at the following addresses, or at such other addresses as the parties may later designate in writing.

If to the Company:

Pulse Biosciences, Inc.
3957 Point Eden Way
Hayward, CA 94545
Attn: Chief Executive Officer

If to Executive:

at the last residential address known by the Company.

13. Confidential Information. Executive agrees to enter into and comply with the Company’s standard At-Will Employment, Confidential Information, Invention Assignment, and Arbitration Agreement (the “Confidential Information Agreement”).

14. Business Opportunities. The Executive agrees, during the Employment Term, to offer or otherwise make known or available to it, as directed by the Chief Executive Officer or Board and without additional compensation or consideration, any business prospects, contracts or other business opportunities that Executive may discover, find, develop or otherwise have available to Executive in

the Company's Field of Interest, and further agrees that any such prospects, contacts or other business opportunities shall be the property of the Company.

15. Litigation and Regulatory Cooperation. During and after the Executive's employment with the Company, the Executive shall cooperate fully with the Company and its affiliates in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company and its affiliates which relate to events or occurrences that transpired while the Executive was employed by the Company. The Executive's full cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company and its affiliates at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company and its affiliates in connection with any such investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section. If assistance is required after Executive is no longer employed by the Company, the Company agrees to compensate Executive by paying Executive a mutually agreed upon hourly rate for all time spend beyond five (5) hours. The performance by the Executive under this Section after the termination of the Executive's employment with the Company shall be subject to Executive's other employment obligations.

16. Insurance. The Executive agrees that the Company or its affiliates may from time to time and for the Company's or the affiliates' own benefit apply for and take out life insurance covering the Executive, either independently or together with others, in any amount and form which the Company or an affiliate may deem to be in its best interests. The Company or the respective affiliate shall own all rights in such insurance and in the cash values and proceeds thereof, and the Executive shall not have any right, title or interest therein. The Executive agrees to assist the Company and its affiliates, at the Company's expense, in obtaining any such insurance by, among things, submitting to customary examinations and correctly preparing, signing and delivering such applications and other documents as reasonably may be required. Nothing contained in this Section shall be construed as a limitation on the Executive's right to procure any life insurance for Executive's own personal needs.

17. Miscellaneous Provisions.

(a) Amendment. No provision of this Agreement will be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by Executive and by an authorized officer of the Company (other than Executive) that is expressly designated as an amendment to this Agreement.

(b) Waiver. No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party will be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(c) Headings. All captions and section headings used in this Agreement are for convenient reference only and do not form a part of this Agreement.

(d) Entire Agreement. This Agreement, together with the Plan, Option Agreement, and the Confidential Information Agreement (and its exhibits) represents the entire agreement and

understanding between the parties as to the subject matter herein and supersedes all prior or contemporaneous agreements whether written or oral. With respect to stock options or other Equity Awards granted on or after the date of this Agreement, the acceleration of vesting provisions provided herein will apply to such stock options or other Equity Awards. This Agreement may be modified only by agreement of the parties by a written instrument executed by the parties that is designated as an amendment to this Agreement.

(e) Governing Law. This Agreement will be governed by the laws of the State of California (with the exception of its conflict of laws provisions).

(f) Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision hereof, which will remain in full force and effect.

(g) Withholding. All payments made pursuant to this Agreement will be subject to all applicable withholdings, including all applicable income and employment taxes, as determined in the Company's reasonable judgment.

(h) Acknowledgment. Executive acknowledges that Executive has had the opportunity to discuss this matter with and obtain advice from Executive's private attorney, has had sufficient time to, and has carefully read and fully understands all the provisions of this Agreement, and is knowingly and voluntarily entering into this Agreement.

(i) Counterparts. This Agreement may be executed in counterparts, and each counterpart will have the same force and effect as an original and will constitute an effective, binding agreement on the part of each of the undersigned.

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the day and year set forth below.

COMPANY

Pulse Biosciences, Inc.

By: /s/ Darrin R. Uecker
Darrin R. Uecker

Title: Chief Executive Officer

EXECUTIVE

By: /s/ Sandra Gardiner
Sandra Gardiner

[SIGNATURE PAGE TO EXECUTIVE EMPLOYMENT AGREEMENT]

PULSE BIOSCIENCES QUARTERLY INVESTOR CONFERENCE CALL

Conference call today at 1:30 p.m. PDT / 4:30 p.m. EDT

HAYWARD, Calif. - (BUSINESS WIRE) – Pulse Biosciences, Inc. (Nasdaq: PLSE) (the “Company”), a novel bioelectric medicine company bringing to market its proprietary CellFX™ System, today reported recent corporate developments and financial results for the three- and nine-month periods ended September 30, 2019.

Recent Corporate Developments

- The Company continues to work with the Food and Drug Administration (“FDA”) on its 510(k) submission for the CellFX System in dermatology. On September 23, 2019 the Company submitted its formal response to the FDA’s April 30, 2019 Additional Information (“AI”) Letter request. Upon review of the AI Letter responses, the FDA requested responses to two additional questions and the Company has provided the FDA with draft responses to these questions. Following this, the Company and the FDA mutually agreed to temporarily put the 510(k) submission review on hold to allow sufficient time for the FDA to properly review these remaining responses. The Company continues to work collaboratively with the FDA and believes the review process will be completed during the fourth quarter of 2019 and is continuing to prepare for a potential 510(k) clearance.
 - In a separate press release today, the Company announced the appointment of Sandra Gardiner as Executive Vice President and Chief Financial Officer effective November 18, 2019. Ms. Gardiner succeeds Brian Dow who has served as our CFO since November 2015.
 - The Company’s Nano-Pulse Stimulation™ (NPS™) technology was featured prominently during the American Society for Dermatologic Surgery (“ASDS”) annual meeting held October 24-27, in Chicago. The following presentations all took place on Thursday October 24:
 - Investigator Dr. Girish Munavalli presented the latest clinical investigational study data on Sebaceous Hyperplasia (SH) and Warts in two separate oral abstract presentations. The Sebaceous Hyperplasia presentation provided new longer-term data on our original SH clinical study showing durability of efficacy out to at least 12-months with continued high patient satisfaction. The presentation also provided insights into our second SH clinical study including data demonstrating the ability of the CellFX System to clear SH lesions with minimal residual skin effects in a dose dependent manner.
 - In a second presentation Dr. Munavalli presented data on our wart program, including clinical data and experience from our NPS Wart Feasibility Study followed by early data from our current Warts Pivotal Study. This Pivotal Study allows for multiple NPS treatments to clear the warts so the findings discussed represent an early look at the data.
 - Investigator Dr. Mark Nestor presented data on the first two patients enrolled in the feasibility acne study on severe back acne. Dr. Nestor reported reductions in acne lesion count of the NPS treated area when compared to control at 90-day follow-up in both patients with very good healing response.
-

- Dr. Tom Rohrer gave an invited presentation in the Emerging Therapies Plenary Session and presented an overview of NPS technology and the various NPS clinical programs to the ASDS audience.
- “Safety and Efficacy of Nanosecond Pulsed Electric Field Treatment of Sebaceous Gland Hyperplasia” with lead author Girish Munavalli, MD, MHS, FACMS, has been published online by the *Journal of Dermatologic Surgery*. This peer reviewed paper outlines the results, findings and observations from the Company’s clinical study evaluating the safety and efficacy of NPS for the treatment of Sebaceous Hyperplasia and can be found online at: https://journals.lww.com/dermatologicsurgery/Abstract/publishahead/Safety_and_Efficacy_of_Nanosecond_Pulsed_Electric.98114.aspx#pdf-link
- “Safety and Efficacy of Nanosecond Pulsed Electric Field Treatment of Seborrheic Keratoses” with lead author George J. Hruza, MD, MBA, FAAD, has been accepted for publication in an upcoming edition of the *Journal of Dermatologic Surgery* and outlines the results, findings and observations from our clinical study evaluating the safety and efficacy of NPS for the treatment of Seborrheic Keratosis.
- The Company has enrolled a total of 35 patients in its CellFX Warts Pivotal Study. The CellFX Warts Pivotal Study is a prospective, non-randomized, multicenter study evaluating the safety and effectiveness of the CellFX System in up to 60 patients with non-genital cutaneous warts. The Company expects to complete enrollment by the end of 2019.

Financial Highlights

Cash, cash equivalents, and investments totaled \$34.5 million at September 30, 2019, compared to \$59.6 million at December 31, 2018. Cash use totaled \$8.1 million for the third quarter of 2019 compared to cash use of \$10.2 million for the second quarter of 2019 and \$6.8 million for the first quarter of 2019.

Operating expenses for the three-month period ended September 30, 2019 totaled \$12.0 million, compared to \$10.9 million for the three-month period ended September 30, 2018. Operating expenses for the three-month period ended September 30, 2019 included non-cash stock-based compensation of \$2.7 million, compared to non-cash stock-based compensation of \$3.4 million for the three-month period ended September 30, 2018.

Operating expenses for the nine-month period ended September 30, 2019 totaled \$34.0 million, compared to \$28.9 million for the nine-month period ended September 30, 2018. Operating expenses for the nine-month period ended September 30, 2019 included non-cash stock-based compensation of \$7.7 million, compared to non-cash stock-based compensation of \$10.0 million for the nine-month period ended September 30, 2018.

Net loss for the three-month period ended September 30, 2019 totaled \$11.7 million compared to \$10.8 million for the three-month period ended September 30, 2018. Net loss for the nine-month period ended September 30, 2019 totaled \$33.2 million compared to \$28.6 million for the nine-month period ended September 30, 2018.

Conference Call Details

Pulse Biosciences will host an investor call today at 1:30 p.m. PDT / 4:30 p.m. EDT. The telephone dial-in number for the call is (844) 494-0190 (U.S. toll-free) or (508) 637-5580 (international) using Conference ID 7381116. Listeners will also be able to access the call via webcast available on the Investors section of the Company's website at www.PulseBiosciences.com.

About Pulse Biosciences

Pulse Biosciences is a novel bioelectric medicine company committed to health innovation that improves and potentially extends the lives of patients. The CellFX System is the first planned commercial product to harness the distinctive advantages of the Company's proprietary Nano-Pulse Stimulation™ (NPS™) technology to treat a variety of applications for which an optimal solution remains unfulfilled. NPS technology delivers nano-second pulses of electrical energy to non-thermally clear cells while sparing adjacent non-cellular tissue. The cell-specific effects of NPS technology have been validated in a series of ongoing clinical trials. The CellFX System is preparing to launch in 2019 as a multi-application platform designed to address a broad range of dermatologic conditions. As part of the customer experience, the Company is offering a utilization-based revenue model and easy-access customer portal offering a suite of services. CellFX procedures offer customer value across an expanding spectrum of clinical applications. The initial commercial use will be in the clearance of common and difficult-to-treat skin lesions that share high demand among patients and practitioners for improved and durable aesthetic outcomes that lead to greater overall satisfaction.

Forward-Looking Statements

This press release contains forward-looking statements, including statements regarding our CellFX System and the Company's commercialization of our CellFX System, including when and whether the Company will receive clearance from the FDA on its 510(k) submission, progress towards commercialization, and the timing of completion of enrollment in and the results of clinical study plans. These forward-looking statements are based on current expectations and estimates and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested or implied by the forward-looking statements. These forward-looking statements should, therefore, be considered in light of various important factors, including, but not limited to, the following: the ability of the Company to obtain sufficient funding; the loss of key management personnel and the ability to retain and recruit new personnel; the ability to adapt to rapidly changing technology; competition in the medical device industry and in the specific markets of aesthetics and dermatology in which the Company plans to operate; reliance on third parties; the ability to manage growth; the impact of governmental regulatory agencies, including the U.S. FDA, and regulatory approvals, clearances and restrictions or any dispute that may occur with any regulatory body; risks inherent to the planning, design, enrollment in and execution of clinical studies; domestic and regional economic conditions on aesthetic healthcare spending; the timing and success of product development and market acceptance of developed and approved products, including, but not limited to, the CellFX System; intellectual property positions and litigation; unanticipated manufacturing disruptions or the inability to meet demand for products; the results of legal proceedings to which the Company is or may become a party; product liability and other litigation claims; adverse publicity regarding the company and the safety of the

Company's products and adequacy of training; the impact of changes to tax legislation, guidance, and interpretations; and other risk factors under the heading "Risk Factors" in the Company's most recently filed quarterly report on Form 10-Q, as periodically updated by the Company's subsequent filings with the Securities and Exchange Commission. Statements using words such as "estimates," "projects," "believes," "anticipates," "plans," "expects," "intends," "may," "will," "could," "should," "would," "targeted" and similar words and expressions are intended to identify forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Pulse Biosciences, Inc. undertakes no obligation to publicly update or release any revisions to these forward-looking statements, except as required by law.

Caution: Pulse Biosciences' CellFX System and Nano-Pulse Stimulation (NPS) technology are for investigational use only.

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or

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PULSE BIOSCIENCES, INC.
Condensed Consolidated Balance Sheets
(Unaudited)

| <u>(in thousands)</u> | <u>September 30,</u> <u>2019</u> | <u>December 31,</u> <u>2018</u> |
|---|-------------------------------------|------------------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 9,570 | \$ 51,103 |
| Investments | 24,928 | 8,480 |
| Prepaid expenses and other current assets | 1,437 | 779 |
| Total current assets | 35,935 | 60,362 |
| Property and equipment, net | 2,428 | 2,173 |
| Intangible assets, net | 4,713 | 5,213 |
| Goodwill | 2,791 | 2,791 |
| Right-of-use assets | 1,190 | — |
| Other assets | 1,645 | 101 |
| Total assets | <u>\$ 48,702</u> | <u>\$ 70,640</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 1,816 | \$ 1,272 |
| Accrued expenses | 2,054 | 1,421 |
| Deferred rent, current | — | 415 |
| Lease liability, current | 177 | — |
| Total current liabilities | 4,047 | 3,108 |
| Deferred rent, net of current | — | 1,198 |
| Lease liability, net of current | 3,674 | — |
| Total liabilities | <u>7,721</u> | <u>4,306</u> |
| Stockholders' equity: | | |
| Common stock and additional paid-in capital | 149,874 | 142,053 |
| Accumulated other comprehensive loss | 8 | (1) |
| Accumulated deficit | (108,901) | (75,718) |
| Total stockholders' equity | 40,981 | 66,334 |
| Total liabilities and stockholders' equity | <u>\$ 48,702</u> | <u>\$ 70,640</u> |

PULSE BIOSCIENCES, INC.
Condensed Consolidated Statements of Operations
(Unaudited)

| (in thousands, except per share amounts) | Three-Month Periods Ended | |
|--|----------------------------------|-------------|
| | September 30, | |
| | 2019 | 2018 |
| Revenue | \$ — | \$ — |
| Operating expenses: | | |
| General and administrative | 5,606 | 5,675 |
| Research and development | 6,192 | 5,038 |
| Amortization of intangible assets | 166 | 166 |
| Total operating expenses | 11,964 | 10,879 |
| Other income: | | |
| Interest income | 218 | 118 |
| Total other income | 218 | 118 |
| Net loss | (11,746) | (10,761) |
| Net loss per share: | | |
| Basic and diluted net loss per share | \$ (0.57) | \$ (0.64) |
| Weighted average shares used to compute net loss per common share— basic and diluted | 20,774 | 16,927 |

PULSE BIOSCIENCES, INC.
Condensed Consolidated Statements of Operations
(Unaudited)

| (in thousands, except per share amounts) | Nine-Month Periods Ended | |
|--|--------------------------|-----------|
| | September 30, | |
| | 2019 | 2018 |
| Revenue | \$ — | \$ — |
| Operating expenses: | | |
| General and administrative | 15,153 | 16,230 |
| Research and development | 18,371 | 12,174 |
| Amortization of intangible assets | 500 | 499 |
| Total operating expenses | 34,024 | 28,903 |
| Other income: | | |
| Interest income | 841 | 311 |
| Total other income | 841 | 311 |
| Net loss | (33,183) | (28,592) |
| Net loss per share: | | |
| Basic and diluted net loss per share | \$ (1.60) | \$ (1.69) |
| Weighted average shares used to compute net loss per common share— basic and diluted | 20,728 | 16,883 |

PULSE BIOSCIENCES ANNOUNCES TRANSITION OF CHIEF FINANCIAL OFFICER

Company announces the appointment of Sandra Gardiner as Chief Financial Officer

HAYWARD, Calif. - (BUSINESS WIRE) -- November 7, 2019 -- Pulse Biosciences, Inc. (Nasdaq: PLSE) (the "Company"), a novel bioelectric medicine company bringing to market its proprietary CellFX™ System, announced today that Sandra ("Sandy") Gardiner will be joining as the Company's Executive Vice President and Chief Financial Officer effective November 18, 2019. Sandy will join Pulse Biosciences with 30 years of financial, operational and strategic leadership experience in the life sciences, including 20 years in medical devices. Brian Dow has elected to resign as Senior Vice President and Chief Financial Officer to pursue other interests, he will continue as CFO until November 18, 2019 and will continue with the Company in a transitional role until December 31, 2019.

"The Board of Directors and I are sincerely grateful to Brian for his contributions in helping to build Pulse Biosciences from a small private technology company to a public clinical stage company planning for commercialization of our proprietary and novel CellFX System. Brian has played an instrumental role during this early stage of the Company, helping to execute our successful IPO in 2016 and as a key team member as we have continued to build the company. I'm grateful that Brian will assist with a smooth transition and we wish him well in his next endeavor," said Darrin Uecker, President and Chief Executive Officer of Pulse Biosciences. "Sandy brings a wealth of experience to Pulse Biosciences that is ideal at this exciting point in our ongoing growth. She is a seasoned executive with a proven track record in medical devices, including in the global aesthetic device market, and I look forward to her joining our team as we drive our transition to a global commercial company."

"I've thoroughly enjoyed my time as part of the Pulse Biosciences team and am proud of the many contributions we made to launch and build the Company," said Brian Dow, Chief Financial Officer of Pulse Biosciences. "I look forward to working with Sandy during the transition period."

"Joining the Pulse Biosciences team as it prepares for commercialization of its proprietary and novel CellFX System and its potential to deliver a broad array of high value applications to the aesthetic dermatology procedure market is a unique and exciting opportunity for me," said Sandra Gardiner. "I look forward to working with the Pulse Biosciences team as it transitions to a viable global commercial company in the aesthetic procedure market."

Ms. Gardiner was most recently Executive Vice-President and Chief Financial Officer of Cutera, Inc., a global provider of laser, light, and other energy-based aesthetic systems. Prior to that, Ms. Gardiner served as Vice President and Chief Financial Officer of Tria Beauty, Inc., a medical device manufacturer of laser based aesthetic devices. Prior to these roles, Ms. Gardiner held a series of Vice President and Chief Financial Officer positions with both publicly traded and privately held companies. Ms. Gardiner earned her B.A. in Management Economics from the University of California, Davis.

About Pulse Biosciences

Pulse Biosciences is a novel bioelectric medicine company committed to health innovation that improves and potentially extends the lives of patients. The CellFX System is the first planned commercial product to harness the distinctive advantages of the Company's proprietary Nano-Pulse Stimulation™ (NPS™) technology to treat a variety of applications for which an optimal solution remains unfulfilled. NPS technology delivers nano-second pulses of electrical energy to non-thermally clear cells while sparing adjacent non-cellular tissue. The cell-specific effects of NPS technology have been validated in a series of ongoing clinical trials. The CellFX System is preparing to launch in 2019 as a multi-application platform designed to address a broad range of dermatologic conditions. As part of the customer experience, the Company is offering a utilization-based revenue model and easy-access customer portal offering a suite of services. CellFX procedures offer customer value across an expanding spectrum of clinical applications. The initial commercial use will be in the clearance of common and difficult-to-treat skin lesions that share high demand among patients and practitioners for improved and durable aesthetic outcomes that lead to greater overall satisfaction.

Forward-Looking Statements

This press release contains forward-looking statements, including statements regarding our CellFX System and the Company's commercialization of our CellFX System including the progress and timing of such commercialization and the results of clinical study plans. These forward-looking statements are based on current expectations and estimates and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested or implied by the forward-looking statements. These forward-looking statements should, therefore, be considered in light of various important factors, including, but not limited to, the following: the ability of the Company to obtain sufficient funding; the loss of key management personnel and the ability to retain and recruit new personnel; the ability to adapt to rapidly changing technology; competition in the medical device industry and in the specific markets of aesthetics and dermatology in which the Company plans to operate; reliance on third parties; the ability to manage growth; the impact of governmental regulatory agencies, including

the U.S. FDA, and regulatory approvals, clearances and restrictions or any dispute that may occur with any regulatory body; risks inherent to the planning, design and execution of clinical studies; domestic and regional economic conditions on aesthetic healthcare spending; the timing and success of product development and market acceptance of developed and approved products, including, but not limited to, the CellFX System; intellectual property positions and litigation; unanticipated manufacturing disruptions or the inability to meet demand for products; the results of legal proceedings to which the Company is or may become a party; product liability and other litigation claims; adverse publicity regarding the company and the safety of the Company's products and adequacy of training; the impact of changes to tax legislation, guidance, and interpretations; and other risk factors under the heading "Risk Factors" in the Company's most recently filed quarterly report on Form 10-Q and as periodically updated by the Company's subsequent filings with the Securities and Exchange Commission. Statements using words such as "estimates," "projects," "believes," "anticipates," "plans," "expects," "intends," "may," "will," "could," "should," "would," "targeted" and similar words and expressions are intended to identify forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Pulse Biosciences, Inc. undertakes no obligation to publicly update or release any revisions to these forward-looking statements, except as required by law.

Caution: Pulse Biosciences' CellFX System and Nano-Pulse Stimulation (NPS) technology are for investigational use only.

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