MILESTONE SCIENTIFIC INC.

FORM 10-Q
(Quarterly Report)

Filed 05/15/25 for the Period Ending 03/31/25

Address	220 SOUTH ORANGE AVENUE LIVINGSTON, NJ, 07039
Telephone	(973) 535-2717
CIK	0000855683
Symbol	MLSS
SIC Code	3842 - Orthopedic, Prosthetic, and Surgical Appliances and Supplies
Industry	Advanced Medical Equipment & Technology
Sector	Healthcare
Fiscal Year	12/31

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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarter ended March 31, 2025

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to

Commission file number 001-14053

Milestone Scientific Inc.

(Exact name of registrant as specified in its charter)

Delaware	**13-3545623**
State or other jurisdiction of Incorporation or organization	**(I.R.S. Employer Identification No.)**

425 Eagle Rock Avenue Suite 403, Roseland, NJ 07068

(Address of principal executive offices)

Registrant's telephone number, including area code: 973-535-2717.

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

Title of each class	Name of each exchange on which registered
Common Stock, par value $.001 per share	NYSE American

Securities registered pursuant to section 12(g) of the Act: **NONE.**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☑ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☑ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☑ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☑ Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment of this Form 10-K. ☑

Indicate by check mark whether the registrant is a large, accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large, accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large, accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☑	Smaller reporting company	☑
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. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

As of May 14, 2025, the registrant has a total of 78,477,320 shares of Common Stock, $0.001 par value outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None

true

MILESTONE SCIENTIFIC INC.
Form 10-Q
TABLE OF CONTENTS

FORWARD-LOOKING STATEMENTS

When used in this Quarterly Report on Form 10-Q, the words “may”, “will”, “should”, “expect”, “believe”, “anticipate”, “continue”, “estimate”, “project”, “intend” and similar expressions are intended to identify forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) regarding events, conditions and financial trends that may affect Milestone Scientific’s future plans of operations, business strategy, results of operations and financial condition. Milestone Scientific wishes to ensure that such statements are accompanied by meaningful cautionary statements pursuant to the safe harbor established in the Private Securities Litigation Reform Act of 1995. The forward-looking statements included herein are based on current expectations that involve numerous risks and uncertainties. Milestone Scientific’s plans and objectives are based, in part, on assumptions involving the continued expansion of its business. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of Milestone Scientific. Although Milestone Scientific believes that its assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. Considering the significant uncertainties inherent in the forward-looking statements included herein, our history of operating losses that are expected to continue, requiring additional funding which we may be unable to raise capital when needed (which may force us to delay, curtail or eliminate commercialization efforts of our CompuFlo Epidural Computer Controlled Anesthesia System), the early stage operations of and relative lack of acceptance of our medical products, relying exclusively on two third parties to manufacture our products, changes to our distribution arrangements exposes us to risks of interruption of marketing efforts and building new marketing channels, changes in our informal manufacturing arrangements made by the manufacturer of our products and disruptions at the manufacturing facility of our manufacturers, including shortages of or delays in obtaining chips and other components, exposes us to risks that may harm our business, raising additional funds by issuing securities or through licensing or lending arrangements may cause dilution to our existing stockholders, restrict our operations or require us to relinquish proprietary rights, if physicians do not accept or use our CompuFlo Epidural Computer Controlled Anesthesia System, our ability to generate revenue from sales will be materially impaired, exposure to the risks inherent in international sales and operations, including China, the changing tariff and trade policies of the United States and China, and developments by competitors may render our products or technologies obsolete or non-competitive, the inclusion of such information should not be regarded as a representation by Milestone Scientific or any other person that the objectives and plans of Milestone Scientific will be achieved. Prospective investors are cautioned that any forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties and the actual results may differ materially from those included within the forward-looking statements because of various factors. Except as required by the federal securities laws, Milestone Scientific undertakes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, to reflect events or circumstances occurring after the date of this Annual Report on Form 10-K. Milestone Scientific is the owner of the following registered U.S. trademarks: CompuDent®; CompuMed®; CompuFlo®; DPS Dynamic Pressure Sensing technology®; Milestone Scientific ®; CathCheck®; the Milestone logo ®; SafetyWand®; STA Single Tooth Anesthesia Device®; and The Wand ®.

Part I- Financial Information

Item 1. Financial Statements

MILESTONE SCIENTIFIC AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,246,387	$ 3,258,058
Accounts receivable, net of allowance for credit losses of $10,000, respectively	518,547	475,376
Accounts receivable, related party net	6,423	-
Prepaid expenses and other current assets	750,333	564,645
Inventories	4,159,496	3,713,215
Advances on contracts	943,740	1,275,260
Total current assets	8,624,926	9,286,554
Furniture, fixtures and equipment, net	12,240	12,921
Intangibles, net	130,949	148,404
Right of use assets finance lease	63,784	67,201
Right of use assets operating lease	231,967	257,842
Other assets	24,150	24,150
Total assets	$ 9,088,016	$ 9,797,072
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,918,301	$ 1,021,393
Accounts payable, related party	760,888	493,313
Accrued expenses and other payables	1,315,937	1,796,319
Accrued expenses, related party	311,741	304,293
Current portion of finance lease liabilities	17,086	12,530
Current portion of operating lease liabilities	119,680	116,279
Total current liabilities	4,443,633	3,744,127
Non-current portion of finance lease liabilities	47,838	54,672
Non-current portion of operating lease liabilities	134,093	165,573
Total liabilities	$ 4,625,564	$ 3,964,372
Commitments and contingencies		
Stockholders' equity		
Common stock, par value $0.001; authorized 100,000,000 shares; 78,230,382 shares issued and 78,197,049 shares outstanding as of March 31, 2025; 78,047,798 shares issued and 78,014,465 shares outstanding as of December 31, 2024;	78,230	78,048
Additional paid in capital	135,343,430	134,719,274
Accumulated deficit	(130,047,692)	(128,053,106)
Treasury stock, at cost, 33,333 shares	(911,516)	(911,516)
Total Milestone Scientific, Inc. stockholders' equity	4,462,452	5,832,700
Total liabilities and stockholders' equity	$ 9,088,016	$ 9,797,072

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

MILESTONE SCIENTIFIC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	March 31, 2025	March 31, 2024
Product sales, net	$ 2,232,420	$ 2,248,845
Cost of products sold	584,985	572,742
Gross profit	1,647,435	1,676,103
Selling, general and administrative expenses	3,256,728	3,035,276
Research and development expenses	369,120	94,211
Depreciation and amortization expense	19,440	11,684
Total operating expenses	3,645,288	3,141,171
Loss from operations	(1,997,853)	(1,465,068)
Interest income	3,267	24,539
Loss before provision for income taxes	(1,994,586)	(1,440,529)
Net loss	(1,994,586)	(1,440,529)
Net loss per share applicable to common stockholders—		
Basic and Diluted	(0.02)	(0.02)
Weighted average shares outstanding and to be issued—		
Basic and diluted	81,854,512	79,738,551

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

MILESTONE SCIENTIFIC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THREE MONTHS ENDED MARCH 31, 2025 AND 2024
(UNAUDITED)

	Common Stock Shares	Common Stock Amount	Additional Paid in Capital	Accumulated Deficit	Treasury Stock	Total Stockholder Equity
Balance as of January 1, 2025	78,047,798	$ 78,048	$ 134,719,274	$ (128,053,106)	$ (911,516)	$ 5,832,700
Stock based compensation	-		330,787	-	-	330,787
Common stock to be issued to employees for bonuses	-		293,551	-	-	293,551
Common stock issued to board of directors for services	182,584	182	(182)	-	-	-
Net loss	-	-	-	(1,994,586)	-	(1,994,586)
Balance at March 31, 2025	78,230,382	$ 78,230	$ 135,343,430	$ (130,047,692)	$ (911,516)	$ 4,462,452

	Common Stock Shares	Common Stock Amount	Additional Paid in Capital	Accumulated Deficit	Treasury Stock	Total Stockholder Equity
Balance at January 1, 2024	75,881,840	$ 75,881	$ 132,187,656	$ (123,339,509)	$ (911,516)	$ 8,012,512
Stock based compensation			313,505	-	-	313,505
Common stock issued in public offering net of issuance cost of $42,273	372,110	372	191,784	-	-	192,156
Common Stock issued exercised warrants	103,500	104	51,647	-	-	51,751
Common stock issued for payment of consulting services	90,170	90	65,971	-	-	66,061
Common stock to be issued to employees for bonuses	30,165	31	264,922	-	-	264,953
Common stock issued to board of directors for services	154,494	154	(154)	-	-	-
Net loss	-	-	-	(1,440,529)	-	(1,440,529)
Balance at March 31, 2024	76,632,279	$ 76,632	$ 133,075,331	$ (124,780,038)	$ (911,516)	$ 7,460,409

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

MILESTONE SCIENTIFIC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THREE MONTHS ENDED
(UNAUDITED)

	March 31, 2025	March 31, 2024
Cash flows from operating activities:		
Net loss	$ (1,994,586)	$ (1,440,529)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	1,985	2,001
Amortization of intangibles	17,455	9,681
Stock based compensation	330,787	313,505
Employees paid in stock	293,551	264,953
Expense paid in stock	-	66,061
Unrealized gain on marketable securities	-	(27,890)
Amortization of right-of-use asset	25,875	24,466
Changes in operating assets and liabilities:		
Increase in accounts receivable	(43,171)	(349,173)
Increase in accounts receivable, related parties	(6,423)	
Increase in inventories	(446,281)	(221,843)
Decrease (increase) in advances on contracts	331,520	(49,571)
Increase in prepaid expenses and other current assets	(185,688)	(345,804)
Increase in accounts payable	896,908	415,974
Increase in accounts payable, related party	267,575	378,807
Decrease in accrued expenses	(480,382)	(270,310)
Increase in accrued expenses, related party	7,448	33,532
Decrease operating right of use lease asset	(24,662)	(21,988)
Net cash used in operating activities	$ (1,008,089)	$ (1,218,128)
Cash flows from investing activities:		
Purchase of furniture, fixtures, and equipment	(1,304)	
Sale of marketable securities	-	2,004,463
Net cash (used in) provided by investing activities	$ (1,304)	$ 2,004,463
Cash flows from financing activities:		
Net proceeds from public placement offering	-	192,156
Net Proceeds exercise of warrants	-	51,751
Payments finance lease obligations	(2,278)	(2,478)
Net cash (used in) provided by financing activities	$ (2,278)	$ 241,429
Net (decrease) increase in cash and cash equivalents	(1,011,671)	1,027,764
Cash and cash equivalents at beginning of period	3,258,058	2,977,713
Cash and cash equivalents at end of period	$ 2,246,387	$ 4,005,477

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

MILESTONE SCIENTIFIC, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 — ORGANIZATION AND BUSINESS

All references in this report to "Milestone Scientific," "us," "our," "we," the "Company" or "Milestone" refer to Milestone Scientific Inc., and its consolidated subsidiaries, Wand Dental, Inc., and Milestone Innovations Inc. and Milestone Education LLC (all described below), unless the context otherwise indicates. Milestone Scientific is the owner of the following registered U.S. trademarks: C*ompuDent®; CompuMed®; CompuFlo®; DPS Dynamic Pressure Sensing technology®; Milestone Scientific ®; the Milestone logo ®; SafetyWand®; STA Single Tooth Anesthesia System®; and The Wand ®.*

Milestone Scientific was incorporated in the State of Delaware in August 1989. Milestone Scientific has developed a proprietary, computer-controlled anesthetic delivery device, using *The Wand*®, a single use disposable handpiece. The device is marketed in dentistry under the trademarks *CompuDent*® and *STA Single Tooth Anesthesia System*®, and in medicine under the trademark *CompuMed®. CompuDent*® is suitable for all dental procedures that require local anesthetic. *CompuMed*® is suitable for many medical procedures regularly performed in plastic surgery, hair restoration surgery, podiatry, colorectal surgery, dermatology, orthopedics, and many other disciplines. The dental devices are sold in the United States, Canada and in 41 other countries. Certain medical devices have obtained CE mark approval and can be marketed and sold in most European countries. In *June 2017,* Milestone Scientific received *510*(k) marketing clearance from the U.S. Food and Drug Administration (FDA) on the *CompuFlo*® Epidural Computer Controlled Anesthesia System ("Epidural").

NOTE 2--GOING CONCERN AND LIQUIDITY

Our financial statements have been prepared in conformity with generally accepted accounting principles which contemplate continuation of the Company on a going concern basis. The going concern basis assumes that assets are realized, and liabilities are extinguished in the ordinary course of business at amounts disclosed in the financial statements.

The Company has incurred total losses since inception of $130.0 million. The Company's operating losses were approximately $2.0 million and $1.5 million, for the three months ended March 31 2025 and 2024, respectively. On March 31, 2025, Milestone Scientific had cash and cash equivalents of approximately $2.2 million and working capital of approximately $4.2 million. For the three months ended March 31, 2025 and 2024, we had cash flows used in operating activities of approximately $1.0 million and $1.2 million, respectively. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

Management has developed and is implementing plans to increase revenues and decrease professional and consulting fees over the next twelve months. The Company has also decided to delay all research and development on the Single Tooth Anesthesia System next generation instrument. The Company believes that the existing cash and cash equivalents along with management plans, and the $800,000 in related party note financing received in April 2025 (See Note 11 and 13) will be sufficient to enable the Company to fund operations for the twelve months from the issuance of these financial statements and alleviates substantial doubt about the Company's ability to continue as a going concern.

The Company is actively pursuing the generation of positive cash flows from operating activities through an increase in revenue from its dental business worldwide, the generation of revenue from its medical devices and disposables business in the United States and worldwide, and a reduction in operating expenses. However, the Company's continued operations will depend on its ability to raise additional capital through various potential sources until it achieves profitability, if ever.

NOTE 3 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Principles of Consolidation

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and the applicable rules and regulations of the Securities and Exchange Commission (SEC) include the accounts of Milestone Scientific and its wholly owned and majority owned subsidiaries, including, Wand Dental (wholly owned), and Milestone Innovations Inc. (wholly owned). All significant, intra-entity transactions and balances have been eliminated in the consolidation. Losses attributed to noncontrolling interests are reported separately in our unaudited consolidated statements of operations.

2. Basis of Presentation

The unaudited consolidated financial statements of Milestone Scientific have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information with the instructions for Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all the information and footnotes required by GAAP for complete annual financial statements. In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments (consisting of normal recurring entries) necessary to fairly present such interim results. Interim results are not necessarily indicative of the results of operations which may be expected for a full year or any subsequent period. These unaudited consolidated financial statements should be read in conjunction with the unaudited consolidated financial statements and notes thereto for the year ended December 31, 2024, included in Milestone Scientific's Annual Report on Form 10-K.

3. Reclassifications

Certain reclassification has been made to the 2024 unaudited condensed consolidated financial statements to conform to the 2025 unaudited condensed consolidated financial statement presentation. In presenting interest income and expense on the unaudited consolidated statement of operations interest income is offset by the interest expense. These reclassifications had no effect on net loss or cash flows as previously reported.

4. Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions in determining the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. The most significant estimates relate to the inventory valuation, and cash flow assumptions regarding evaluations of going concern considerations. The Company bases its estimates on historical experience, known trends and other market-specific or relevant factors that it believes to be reasonable under the circumstances. On an ongoing basis, management evaluates its estimates as there are changes in circumstances, facts and experience. Changes in estimates are recorded in the period in which they become known. Actual results could differ from those estimates.

5. Revenue Recognition

The Company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. To perform revenue recognition, the Company performs the following five steps:

i. identification of the promised goods or services in the contract;
ii. determination of whether the promised goods or services are performance obligations including whether they are distinct in the context of the contract;
iii. measurement of the transaction price, including the constraint on variable consideration;
iv. allocation of the transaction price to the performance obligations based on estimated selling prices; and
v. recognition of revenue when (or as) the Company satisfies each performance obligation. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in ASC 606.

The Company derives its revenues from the sale of its products, primarily dental and medical instruments, handpieces, and other related products. The Company sells its products directly to consumers in the United States and through a global distribution network that includes both exclusive and non-exclusive distribution agreements international.

Revenue is recognized at the point of shipment for all sales. The Company has no obligation to product sales for any installation, set-up, or maintenance, these being the responsibility of the buyer. Milestone Scientific's only obligation after sale is the normal commercial warranty against manufacturing defects if the alleged defective unit is returned within the warranty period.

E-Commerce

The Company sells its STA Single Tooth Anesthesia Systems® (STA) and handpieces directly to dental offices and dental groups within the United States via an online portal. The Company's E-Commerce portal accepts online payments via credit and debit cards. The cost of delivery is charged to the customer along with appropriate sales tax. The Company recognizes revenue from product sales at the time the product ships to a customer via a third party carrier.

Sales Returns

The Company records allowances for product returns as a reduction of revenue at the time product sales are recorded. Several factors are considered in determining whether an allowance for product returns is required, including the customers' return rights and the Company's historical experience with returns and the amount of product in the distribution channel not consumed by end users and subject to return. The Company relies on historical return rates to estimate returns.

Financing and Payment

The Company's payment terms differ by geography and customer, but payments from distributors are required within 90 days or less from the date of shipment. The E-Commerce portal sells directly to end users and accepts online payments via credit and debit cards via a third-party. These payments from the third party are typically settled within two business days.

Disaggregation of Revenue

The Company operates in two operating segments: Dental, and Medical. The Company evaluates each of two segments based on performance, using segment financial information compiled utilizing the accounting policies listed in Note 9 of this Form 10-Q.

The profitability of the segment helps the Company evaluate staffing levels, assess available cash for allocation to projects and resources, and make informed decisions on whether the segment's activities should be modified to align with the Company's overall near- and long-term strategies. See Note 9 for revenues by geographical market, based on the customer's location, and product category for the three months ended March 31, 2025, and 2024 respectively.

6. Cash and Cash Equivalents

Milestone Scientific considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. As of March 31, 2025 and December 31, 2024, Milestone Scientific has approximately $2.2 million and $3.3 million, respectively of cash and cash equivalents. As of March 31, 2025, Milestone Scientific had cash, and cash equivalents in accounts that exceeded the Federal Deposit Insurance Corporation insurance limit of $250,000.

7. Accounts Receivable

The E-commerce portal sells directly to end users and accepts online payments via credit and debit cards via a third-party credit card processor. These payments are settled within 2 business days of the transactions. Sales to distributors are on credit terms. The Company estimates losses from the ability or inability of its distributor to make payments on amounts billed.

Distributors credit sales are due 90 days or less from the date of invoicing. As of March 31, 2025 and December 31, 2024, accounts receivable was recorded, net of allowance for credit losses of $10,000, respectively.

8. Inventories

Inventories principally consist of finished goods and component parts stated at the lower cost (first-in, first-out method) or net realizable value. Inventory quantities on hand are reviewed on a quarterly basis and a provision for excess, slow moving, defective, and obsolete inventory is recorded if required based on past and expected future sales, potential technological obsolescence, and product expiration requirements.

The valuation allowance creates a new cost basis for the inventory, and it is not subsequently marked up through a reduction in the valuation allowance based on any changes in the underlying facts and circumstances. When the valuation allowance is initially recorded, the increase to the allowance is recognized as an increase in cost of sales. The valuation allowance is only reduced if or when the underlying inventory is sold or destroyed, at which time cost of sales recognized would include the previous adjusted cost basis.

9. Basic and Diluted Net Loss Per Common Share

Milestone Scientific presents "basic" earnings (loss) per common share applicable to common stockholders and, if applicable, "diluted" earnings (loss) per common share applicable to common stockholders pursuant to the provisions of ASC 260, "Earnings per Share". Basic earnings (loss) per common share is calculated by dividing net income or loss applicable to common stockholders by the weighted average number of common shares outstanding and to be issued common shares as follows: 81,854,512 and 79,738,551 for the three months ended March 31, 2025 and 2024, respectively. The calculation of diluted earnings per common share is like that of basic earnings per common share, except that the denominator is increased to include the number of additional common shares that would have been outstanding if all potentially dilutive common shares, such as those issuable upon the exercise of stock options and warrants, were issued during the period. Since Milestone Scientific had net losses in the three months ended March 31, 2025 and 2024, the assumed effects of the exercise of potentially dilutive outstanding stock options, unissued restricted stock awards ("RSA") and warrants, were not included in the calculation as their effect would have been anti-dilutive. Such outstanding options, RSA's and warrants totaled 3,242,906 and 3,296,480 for the three months ended March 31, 2025 and 2024, respectively.

10. Recent Accounting Pronouncements

Recently Issued Accounting Pronouncement

In November 2024, the Financial Accounting Standards Board, "FASB", issued Accounting Standards Update "ASU" 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*, to improve the disaggregation of expenses within the consolidated statement of operations. The amendments in ASU 2024-03 require disclosures, in the notes to the consolidated financial statements, specified information about certain costs and expenses. The amendments require that at each interim and annual reporting period an entity disclose (a) employee compensation, (b) depreciation, and (c) intangible asset amortization included in each relevant expense caption; include certain amounts that are already required to be disclosed under current generally accepted accounting principles (GAAP) in the same disclosure as the other disaggregation requirements; and disclose a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. The amendments in ASU 2024-03 are effective January 1, 2027, and effective for interim periods beginning January 1, 2028. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. The Company will evaluate the impact of ASU 2024-03 on its financial statements.

In December 2023, FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, to enhance the transparency and decision usefulness of income tax disclosures. The amendments in ASU 2023-09 provide improvements primarily related to the rate reconciliation and income taxes paid information included in income tax disclosures. The Company would be required to disclose additional information regarding reconciling items equal to or greater than five percent of the amount computed by multiplying pretax income (loss) by the applicable statutory tax rate. Similarly, the Company would be required to disclose income taxes paid (net of refunds received) equal to or greater than five percent of total income taxes paid (net of refunds received). Additionally, the Company would be required to disclose income (loss) from continuing operations before income tax expense disaggregated by foreign and domestic jurisdictions, as well as income tax expense disaggregated by federal, state, and foreign jurisdictions. The amendments in ASU 2023-09 are effective January 1, 2025, including interim periods. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is evaluating the impact of the adoption of the ASU 2023-09 on our financial statements.

Recently Adopted Accounting Pronouncement

In November 2023, FASB issued ASU 2023-07, *Segment Reporting (Topic 280), Improvements to Reportable Segment Disclosures*, which provides improvements to reportable segment disclosure requirements, primarily through enhanced disclosures around segment expenses. ASU 2023-07 requires us to disclose significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss. ASU 2023-07 also requires that the Company disclose an amount for other segment items by reportable segment, a description of their composition and provide all annual disclosures about a reportable segment's profit or loss and assets pursuant to Topic 280 during interim periods. The Company must also disclose the CODM's title and position, as well as certain information around the measures used by the CODM and an explanation of how the CODM uses the reported measures in assessing segment performance and deciding how to allocate resources. For public entities with a single reportable segment, the entity must provide all the disclosures required pursuant to ASU 2023-07 and all existing segment disclosures under Topic 280. The amendments of ASU 2023-07 are effective for us for annual periods beginning January 1, 2024, and effective for interim periods beginning January 1, 2025. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. As of January 1, 2024, the Company adopted ASU 2023-07 on within consolidated financial statements. See Note 9 for more information.

NOTE 4 — INVENTORIES

Inventories consist of the following:

	March 31, 2025	December 31, 2024
Dental finished goods	$ 4,053,755	$ 3,640,391
Component parts and other materials	105,741	72,824
Total inventories	$ 4,159,496	$ 3,713,215

The Company had an allowance on slow moving Medical finished goods due to the slow adoption of the epidural instruments and handpieces for approximately $1.1 million as of March 31, 2025, and December 31, 2024, respectively.

NOTE 5 — ADVANCES ON CONTRACTS

The advances on contracts represent funding of future STA devices, epidural instruments, and epidural replacements parts. The balance of the advances as of March 31, 2025 and December 31, 2024 is approximately $1.0 million and $1.3 million, respectively. The advance is classified as current based on the estimated annual usage of the underlying inventory.

NOTE 6— STOCKHOLDERS' EQUITY

PUBLIC OFFERING

On January 12, 2024 the underwriter exercised its over-allotment option as to 372,110 shares of common stock for net proceeds after discounts and commission of $192,156.

WARRANTS

As of March 31, 2025, the Company had no outstanding warrants.

SHARES TO BE ISSUED

As of March 31, 2025 and 2024, there were 3,076,871 and 2,979,994, respectively, shares to be issued whose issuance has been deferred under the terms of employment and consulting agreements with officers and directors and other employees of Milestone Scientific. Such shares will be issued to each party upon termination of their employment or other relationship with the Company.

As of March 31, 2025 and 2024, there were 631,792 and 527,624, respectively, shares to be issued to non-employees, that will be issued to non-employees for services rendered. The number of shares was fixed by contract prior to the date of grant, subject to performance, and were fully earned upon the grant date.

The following table summarizes information about shares to be issued for the three month periods ending March 31, 2025 and 2024.

	March 31, 2025	March 31, 2024
Shares-to-be-issued, outstanding January 1, 2025 and 2024, respectively	3,393,017	3,098,917
Granted in current period	315,646	438,868
Issued in current period	-	(30,167)
Shares-to be issued outstanding March 31, 2025 and 2024, respectively	3,708,663	3,507,618

NOTE 7 — STOCK OPTION PLANS

The Milestone Scientific Inc., Amended and Restated 2020 Equity Incentive Plan, provides for awards of restricted common, stock restricted stock units, options to purchase and other awards. On June 28, 2023 the plan was amended and restated (the "2020 Plan") to increase the maximum shares that can be issued thereunder to 11,500,000 shares of common stock. The plan expires in June 2031. Options may be granted to employees, directors, and consultants of Milestone Scientific for the purchase of shares of common stock at a price not less than the fair market value of common stock on the date of grant. Generally, options become exercisable over a three-year period from the grant date and expire five years after the date of grant.

Milestone Scientific recognizes compensation expenses over the requisite service period and in the case of performance-based options over the period of the expected performance. For the three months ended March 31, 2025, and 2024, Milestone Scientific recognized approximately $171,000 and $175,000 of total employee compensation cost, respectively, recorded in general and administrative expenses on the statement of operations.

As of March 31, 2025, there was $0.7 million of total unrecognized compensation cost related to non-vested options. Milestone Scientific expects to recognize these costs over a weighted average period of 1.0 years.

There were no options granted to employees during the three months ended March 31, 2025 is presented below:

	Number of Options	Weighted Averaged Exercise Price $	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Options Value $
Options outstanding at January 1, 2025	2,951,989	2.29	4.54	-
Granted during 2025	-	-		-
Exercised during 2025	-	-	-	-
Forfeited or expired during 2025	-	-	-	-
Options outstanding March 31, 2025	2,951,989	2.33	4.29	-
Exercisable, March 31, 2025	2,103,433	2.29	3.72	-

A summary of option activity for non-employees under the plans and changes during the three months ended March 31, 2025 is presented below:

	Number of Options	Weighted Averaged Exercise Price $	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Options Value $
Options outstanding at January 1, 2025	99,996	1.74	2.12	5,750
Granted during 2025	16,666	0.94	4.94	
Exercised during 2025	-			
Forfeited or expired during 2025	(8,333)	1.65		
Options outstanding March 31, 2025	108,329	1.62	2.49	4,750
Exercisable, March 31, 2025	83,326	1.83	1.87	3,722

The fair value of the non-employee options was estimated on the date of grant using the Black Scholes option-pricing model at the date of grant. For the three months ended March 31, 2025, and 2024 Milestone Scientific recognized approximately $6,600 and $1,100 expense related to non-employee options, respectively.

A summary of restricted stock under the plans and changes during the three months ended March 31, 2025 is presented below:

	Number of Shares	Weighted Average Grant-Date Fair Value per Award
Non-vested as January 1, 2025	365,171	0.89
Granted	-	-
Vested	(182,584)	0.89
Cancelled	(28,090)	0.89
Non-vested as March 31, 2025	154,497	0.89

As of March 31, 2025, all restricted shares granted and deferred under the terms of employment agreements with each Territory Manager of Milestone Scientific are fully vested. Such shares will be issued to each party upon completion of 2 years of employment. For the three months ended March 31, 2025 and 2024, the Company recognized stock compensation expense of approximately $0 and $2,100, respectively. As of March 31, 2025 there was no unrecognized compensation expense.

As of March 31, 2025, the Company entered into restricted stock agreements with members of the Board of Directors of the Company. The Company granted 730,340 restricted stock awards with a fair market value of $0.89 per share. Such restricted stock vests as follows: 25% on the grant date in June 2024, and 25% quarterly, on the first day of the following months: October 2024, January 2025, and April 2025. These awards vest immediately upon a change of control as defined in the agreements. For the three months ended March 31, 2025 and 2024, the Company recognized approximately $154,000 and $137,500 for restricted stock expenses recorded in general and administrative expenses on the statement of operation. As of March 31, 2025 there was no unrecognized compensation expense.

NOTE 8 — INCOME TAXES

The utilization of Milestone Scientific's net operating losses may be subject to a substantial limitation due to the "change of ownership provisions" under Section 382 of the Internal Revenue Code and similar state provisions. Such limitation may result in the expiration of the net operating loss carry forwards before their utilization. Milestone Scientific has established a 100% valuation allowance for all its deferred tax assets due to uncertainty as to their future realization.

In April 2024, we received approximately $2.0 million, net of expenses, from the sale of New Jersey net operating losses (“NOL”), that were eligible for sale under the State of New Jersey’s Economic Development Authority’s New Jersey Technology Business Tax Certificate Transfer Program (”NJEDA Program”). The Company recorded this amount within Gain on sale of net operating losses within the consolidated statement of operations.

Pursuant to the NJEDA program, the Company must retain a physical presence in the state of New Jersey for a period of 5 years after the sale of the of the NOLs. If the Company does not retain a physical presence during the 5 years after the sale of the NOLs, the Company can be liable to pay the state of New Jersey up to $2.2 million of the surrendered NOLs.

NOTE 9 — SEGMENT AND GEOGRAPHIC DATA

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer (the “CODM”). The Company conducts its business through two reportable segments: Dental and Medical. These segments offer different products and services to different customer base. The CODM assesses the financial performance of the segment and decides how to allocate resources based on Product sales, net, and Operating income (loss).

The Company provides general corporate services to its segments; however, these services are not considered when making operating decisions and assessing segment performance. These services are reported under “Corporate Services” below and these include costs associated with executive management, investor relations, patents, trademarks, licensing agreements, new instruments developments, financing activities and public company compliance.

The following tables present information about our reportable and operating segments for the three months ended March 31, 2025, and 2024:

	2025			
	Dental	**Medical**	**Corporate**	**Total**
Product sales, net	$ 2,181,170	$ 51,250	$ -	$ 2,232,420
Cost of products sold	584,896	89	-	584,985
Gross Margin	1,596,274	51,161	-	1,647,435
Salaries & employee benefits	441,497	206,115	117,108	764,720
Stock-based compensation expense	-	-	330,788	330,788
Royalty expense	109,928	2,563	-	112,491
Marketing	83,629	24,321	4,261	112,211
Rent & occupancy costs	12,521	7,826	12,707	33,054
Consultants and professional services fees	57,662	142,290	1,084,695	1,284,647
Insurance	48,997	42,436	42,872	134,305
Warehousing expense	112,314	8,773	1,205	122,292
Regulatory expense	16,849	2,312	64,890	84,051
Travel expense	31,668	29,961	4,473	66,102
Research and development expense	364,807	4,313	-	369,120
Depreciation and amortization expense	-	-	19,440	19,440
Other segment items	137,048	1,501	73,518	212,067
Total operating expenses	1,416,920	472,411	1,755,957	3,645,288
Operating income (loss)	179,354	(421,250)	(1,755,957)	(1,997,853)

	2024			
	Dental	**Medical**	**Corporate**	**Total**
Product sales, net	$ 2,241,425	$ 7,420	$ -	$ 2,248,845
Cost of products sold	568,296	4,446	-	572,742
Gross Margin	1,673,129	2,974	-	1,676,103
Salaries & employee benefits	409,582	202,888	250,482	862,952
Stock-based compensation expense	-	2,078	311,427	313,505
Royalty expense	115,321	371	-	115,692
Marketing	76,989	8,318	28,317	113,624
Rent & occupancy costs	12,243	7,652	10,713	30,608
Consultants and professional services fees	82,699	219,648	637,052	939,399
Insurance	44,913	29,938	75,974	150,825
Warehousing expense	105,910	4,894	2,538	113,342
Regulatory expense	5,976	-	97,522	103,498
Travel expense	7,977	22,950	20,893	51,820
Research and development expense	93,952	259	-	94,211
Depreciation and amortization expense		-	11,684	11,684
Other segment items	92,057	4,835	143,119	240,011
Total operating expenses	1,047,619	503,831	1,589,721	3,141,171
Operating income (loss)	625,510	(500,857)	(1,589,721)	(1,465,068)

	March 31, 2025			
	Dental	**Medical**	**Corporate**	**Total**
Total Assets	$ 5,647,891	$ 409,254	$ 3,030,871	$ 9,088,016
	5,647,891	409,254	3,030,871	9,088,016

	December 31, 2024			
	Dental	**Medical**	**Corporate**	**Total**
Total Assets	$ 5,359,734	$ 444,513	$ 3,992,825	$ 9,797,072
	5,359,734	444,513	3,992,825	9,797,072

NOTE 10 – CONCENTRATIONS

Milestone Scientific has informal arrangements with third-party U.S. manufacturers of the STA devices, and epidural instruments pursuant to which they manufacture these products under specific purchase orders which contains advance payments for long lead items for production. Advances on contracts have been classified as current at March 31, 2025 and December 31, 2024. The termination of the manufacturing relationship with any of these manufacturers could have a material adverse effect on Milestone Scientific's ability to produce and sell its products. Although alternate sources of supply exist, and new manufacturing relationships could be established, Milestone Scientific would need to recover its existing tools or have new tools produced. Establishment of new manufacturing relationships could involve significant expense and delay. Any curtailment or interruption of the supply, because of termination of such a relationship, would have a material adverse effect on Milestone Scientific's financial condition, business, and results of operations.

On January 3, 2023, the Company launched an E-Commerce platform selling and shipping STA Single Tooth Anesthesia System® (STA) and handpieces directly to dental offices and dental groups within the U.S. For the three months ended March 31, 2025, E-Commerce accounted for 50% of net product sales and one international distributor accounted for 13% of net product sales. For the three months ended March 31, 2024, E-commerce accounted for 53% of net product sales and one international distributor accounted for 15% of net product sales.

The Company had three distributors that accounted for 29%, 23%, 12% of accounts receivable, respectively, for the three months ended March 31, 2025. The Company had three distributors that accounted for 22%, 13% and 11% of accounts receivable, respectively as of December 31, 2024.

As of March 31, 2025, the Company had four suppliers that accounted for 13%, 12%, 14% and 27%, respectively, of accounts payable and accounts payable related party. The Company had the Company had two suppliers that accounted for 31% and 30%, respectively of accounts payable and accounts payable related to the party as of December 31, 2024.

NOTE 11 -- RELATED PARTY TRANSACTIONS

United Systems

Milestone Scientific has a supply agreement with United Systems, the principal supplier of its handpieces, pursuant to which it procures manufactured products under specific purchase orders, but without minimum purchase commitments. Purchases from this supplier were approximately $487,000 and $777,000 for the three months ended March 31, 2025 and 2024, respectively. As March 31,2025, and December 31, 2024, Milestone Scientific owed this supplier approximately $770,000 and $663,000, respectively, which is included in accounts payable and accrued expenses related party on the unaudited consolidated balance sheets.

Director of Clinical Affairs

The Director of Clinical Affairs' royalty fee was approximately $112,000 and $116,000 for the three months ended March 31, 2025 and 2024, respectively. Additionally, Milestone Scientific expensed consulting fees to the Director of Clinical Affairs of $39,000 for the three months ended March 31, 2025 and 2024, respectively. As of March 31, 2025 and December 31, 2024, Milestone Scientific owed the Director Clinical Affairs for royalties of approximately $223,000 and $110,000, respectively, which is included in accounts payable, related party and accrued expense, related party, in the unaudited consolidated balance sheet.

Directors

Leonard Osser

On March 2, 2021, the Company entered into a Royalty Sharing Agreement with Leonard Osser, pursuant to which Mr. Osser sold, transferred and assigned to the Company all of his rights in and to a certain patent application as to which he is a co-inventor with Mark Hochman, a consultant to the Company, and the Company agreed to pay to Mr. Osser, beginning May 9, 2027, half of the royalty (2.5%) on net sales that would otherwise be payable to Mark and Claudia Hochman under their existing Technology Sale Agreement, dated January 1, 2005 and amended from time to time, with the Company. In connection with the Royalty Sharing Agreement, the Hochman's agreed with the Company, pursuant to an addendum to such Technology Sale Agreement dated February 25, 2021, to reduce from 5% to 2.5% the payments due to them under their Technology Sale Agreement beginning on May 9, 2027, and thereafter with respect to dental products embodying the invention.

As part of the Succession Plan of the Company, Mr. Osser agreed, pursuant to an agreement dated April 6, 2021 (the "Succession Agreement"), to restructure certain of his existing agreements with the Company, which provide for additional and broader executive support, and at such time as he elects to step down as Interim Chief Executive Officer of the Company, to become the Vice Chairman of the Board of the Company.

With respect to Mr. Osser's July 2017 Employment Agreement and July 2017 Consulting Agreement (each as previously disclosed), the compensation under the Employment Agreement was modified to reduce the overall compensation by $100,000 to $200,000, split equally between a cash amount and an amount in shares, and the compensation under the Consulting Agreement was increased by $100,000 to $200,000, equally split between a cash amount and an amount in shares, which shares were formerly payable under the Employment Agreement. If the Company terminates Mr. Osser's employment "Without Cause," other than due to his death or disability, or if Mr. Osser terminates his employment for "Good Reason" (both as defined in the agreement), Mr. Osser is entitled to be paid in one lump sum payment as soon as practicable following such termination: an amount equal to the aggregate present value (as determined in accordance with Section 280G(d)(4) of the Code) of all compensation pursuant to this agreement from the effective date of termination hereunder through the remainder of the Employment Term.

In connection with his acceptance of the Vice Chairman position and in consideration of his services as a member of the Board and agreement to provide certain additional general consulting services, Mr. Osser was granted options to purchase 2,000,000 shares of common stock, exercisable at the fair market value of the common stock on the date of grant, vesting over the five-year period after he steps down as Interim Chief Executive Officer of the Company or ten years from the date of grant, whichever shall end first. The Company believes that the effect of such existing agreements and the Succession Agreement, all of which relate to the period after such time Mr. Osser steps down as Interim Chief Executive Officer of the Company, collectively expand Mr. Osser's consulting to and support of the Company beyond its Chinese operations to also include its medical and other products, while enhancing the retention aspects of the Company's relationship with Mr. Osser. On May 19, 2021, Mr. Osser resigned as Interim Chief Executive Officer of the Company and assumed the role of Vice Chairman of the Board.

Compensation under the Employment Agreement and the Consulting Agreement is payable for 9.5 years from May 19, 2021. The Company recorded expenses of $50,00 related to the Employment Agreement for the three months ended March 31, 2025, and 2024, respectively. The Company recorded expenses of $50,000 related to the Consulting Agreement for the three months ended March 31, 2025, and 2024, respectively. Mr. Osser also owns 2,717,765 of the Company's stock, and 2,481,048 shares to be issued at the termination of his employment agreement

Dr. D. Demesmin, Director

As of February 2024, the University Pain Medicine Center (STEMMEE), of which Dr. D. Demesmin, a Company board member is the CEO agreed to purchases products from the Company under the same terms and conditions applying to other medical pain clinics in the United States. STEMMEE purchased medical products in the amount of $6,000 and 3,000 for the three months ended March 31, 2025, and 2024 respectively

Arjan J. Haverhals, Director

The Company entered into a consulting agreement with Mr. Arjan Haverhals, which commenced on January 1, 2025, and continues for an indefinite period, subject to the Company having the right to terminate the Consulting Agreement on 30 days advance notice in the event of his disability to provide services and either party having the right to terminate the Consulting Agreement on 90 days' advance notice. Mr. Haverhals will be paid an annual fee at the rate of $350,000, at the at the rate of $150,000 in respect of the first calendar quarter of 2025, and at the rate of $66,666, in respect of each subsequent calendar quarter of 2025, payable monthly in arrears, in each case in equal monthly installments on the last day of each month of such quarter.

The Company will reimburse Mr. Haverhals for reasonable expenses in providing the services. Mr. Haverhals will be an independent contractor and will not be provided with health and accident insurance, life insurance, paid sick leave and/or paid vacation time. In connection with the Consulting Agreement, he has also entered into a Company-standard form of non-disclosure, non-solicitation, non-competition and invention agreement. Mr. Haverhals continues as a director of the Company and as a director of Milestone Scientific. Compensation under the Consulting Agreement was approximately $150,000 for three months ended March 31, 2025. Mr. Haverhals will be issued 912,736 shares of the Company's stock six months after his resignation as CEO and in accordance with such consulting agreement.

April 2025 Financing

On April 9, 2025, the Company issued a series of promissory notes in the aggregate amount of $800,000, to Mr. Neal Goldman, Ms. Benedetta Casamento, and Dr. Didier Demesmin, each of whom is a director of the Company. The notes are due April 9, 2028, and bear interest at the annual rate of prime less 2.50%, payable annually. All principal and interest shall be payable in cash and/or shares of common stock at the sole discretion of the Company. The notes are convertible into shares of common stock by the holder at any time and by the Company at maturity. If the Company sells equity securities for gross proceeds in excess of $4,000,000, the holders may request repayment of their note in either cash, shares of common stock or a combination of cash and shares; provided, that the holders would then be entitled to receive only so much cash as the net proceeds to the Company in such sale of equity securities, after payment of other indebtedness and other uses (other than working capital) specified as a use of the proceeds in the relevant offering or disclosure documentation, shall be in excess of $4,000,000. Upon a liquidation event of the Company, as defined in the notes which includes a sale of the Company or assets, a merger, reorganization or combination transaction where the shareholders before the transaction own less than 50% of the Company after the transaction and a liquidation, dissolution or winding-up of the Company, the notes will be repaid in cash or its portion of any non-cash consideration. The conversion rate for any issuance of shares of common stock will be at the then fair value of a share of common stock, with the fair value being determined with reference to the public market price of a share of common stock, but not less than $0.50. The notes are unsecured and have typical default terms.

NOTE 12 — COMMITMENTS

(1) Contract Manufacturing Agreement

Milestone Scientific has informal arrangements with third-party manufacturers of the STA devices, and epidural instruments pursuant to which they manufacture these products under specific purchase orders but without any long-term contract or minimum purchase commitment. The Company has a purchase commitment for the delivery of 2,200 STA instruments as of March 31, 2025. As of March 31, 2025, the purchase order commitment was approximately $2.6 million, and approximately $604,000 was paid and reported in advance on contracts in the unaudited consolidated balance sheet. As of March 31, 2025 the Company recorded approximately $292,000 for the development of the next generation instrument in advances on contracts in the unaudited consolidated balance sheet. As of December 31, 2024, the purchase order commitment was approximately $3.2 million, and approximately $932,000 was paid and reported in advance on contracts in the unaudited consolidated balance sheet.

The advances on contracts represent funding of future epidural instruments, and epidural replacements parts. As of March 31, 2025 and December 31, 2024 the company also has advances on an open purchase order for long lead items for a future purchase order for the manufacturing of Epidural instrument of approximately $44,000 and $168,000 respectively.

(2) Operating Leases

The Company identified and assessed the following significant assumptions in recognizing its right-of-use assets and corresponding lease liabilities:

- As the Company’s leases do not provide an implicit rate, the Company estimated the incremental borrowing rate in calculating the present value of the lease payments. The Company has utilized its incremental borrowing rate based on the long-term borrowing costs of comparable companies in the Medical Device industry.
- Since the Company elected to account for each lease component and its associated non-lease components as a single combined lease component, all contract consideration was allocated to the combined lease component.
- The expected lease terms include non-cancellable lease periods. Renewal option periods are not included in the determination of the lease terms as they were not reasonably certain to be exercised.

The components of lease expense were as follows:

	Three months ended	
	March 31, 2025	March 31, 2024
Cash paid for operating lease liabilities	$ 31,882	$ 31,882
Cash paid for finance lease liabilities	3,417	2,685
Weighted Average Remaining Lease Term		
Finance leases (years)	4.75 years	0.79 years
Operating leases (years)	2.00 years	3.00 years
Weighted-average discount rate – operating leases	9.20%	9.20%
Weighted-average discount rate – finance leases	9.20%	9.20%

NOTE 13 — SUBSEQUENT EVENTS

On April 9, 2025, the Company issued a series of promissory notes in the aggregate amount of $800,000, to Mr. Neal Goldman, Ms. Benedetta Casamento, and Dr. Didier Demesmin, each of whom is a director of the Company. The notes are due April 9, 2028, and bear interest at the annual rate of prime less 2.50%, payable annually. All principal and interest shall be payable in cash and/or shares of common stock at the sole discretion of the Company. The notes are convertible into shares of common stock by the holder at any time and by the Company at maturity. If the Company sells equity securities for gross proceeds in excess of $4,000,000, the holders may request repayment of their note in either cash, shares of common stock or a combination of cash and shares; provided, that the holders would then be entitled to receive only so much cash as the net proceeds to the Company in such sale of equity securities, after payment of other indebtedness and other uses (other than working capital) specified as a use of the proceeds in the relevant offering or disclosure documentation, shall be in excess of $4,000,000. Upon a liquidation event of the Company, as defined in the notes which includes a sale of the Company or assets, a merger, reorganization or combination transaction where the shareholders before the transaction own less than 50% of the Company after the transaction and a liquidation, dissolution or winding-up of the Company, the notes will be repaid in cash or its portion of any non-cash consideration. The conversion rate for any issuance of shares of common stock will be at the then fair value of a share of common stock, with the fair value being determined with reference to the public market price of a share of common stock, but not less than $0.50. The notes are unsecured and have typical default terms.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussions of the financial condition and results of operations should be read in conjunction with the financial statements and the notes to those statements contained in this report and in connection with management's discussion and analysis and the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2024, which was filed with the Securities and Exchange Commission, or SEC on April 15, 2025. Certain statements in this discussion and elsewhere in this report constitute forward-looking statements, within the meaning of Section 21E of the Exchange Act, that involve risks and uncertainties. The actual results may differ materially from those anticipated in these forward-looking statements.

OVERVIEW

Milestone Scientific is a biomedical technology company that patents, designs, develops and commercializes innovative diagnostic and therapeutic injection technologies and devices for medical and dental use. Since our inception, we have engaged in pioneering proprietary, innovative, computer-controlled injection technologies, and solutions for the medical and dental markets. We believe our technologies are proven and well established. Our common stock was initially listed on the NYSE American on June 1, 2015, and trades under the symbol “MLSS".

We have focused our resources on redefining the worldwide standard of care for injection techniques by making the experience more comfortable for the patient by reducing the anxiety and stress of receiving injections from the healthcare provider. Our computer-controlled injection devices make injections precise, efficient, and virtually painless.

We have developed a proprietary, revolutionary, computer-controlled anesthetic delivery device, our DPS Dynamic Pressure Sensing Technology® System, to meet the needs of various subcutaneous drug delivery injections and fluid aspiration – enabling healthcare practitioners to achieve multiple unique benefits that cannot currently be accomplished with the 160-year-old manual syringe. Our proprietary DPS Dynamic Pressure Sensing technology is our technology platform that advances the development of next-generation devices. It regulates flow rate and monitoring pressure from the tip of the needle, through platform extensions for local anesthesia for subcutaneous drug delivery, used in various dental and medical injections. It has specific medical applications for epidural space identification in regional anesthesia procedures.

Our device, The Wand®, a single use disposable handpiece, is marketed in dentistry under the trademark CompuDent®, and STA Single Tooth Anesthesia System® and is suitable for all dental procedures that require local anesthetic. The dental devices currently are sold in the United States, Canada and in over 41 other countries. Milestone Scientific also has 510(k) marketing clearance from the U.S. Food and Drug Administration (FDA) on the CompuFlo® Epidural Computer Controlled Anesthesia System in the lumbar, thoracic and cervical thoracic junction of the spine region. In addition, Milestone Scientific has obtained CE mark approval and can be marketed and sold in most European countries.

Our recent receipt of chronology-Specific CPT Code for the Company's technology by the American Medical Association marks an important milestone, that could increase the potential number of anesthesia pain management clinics adopting the CompuFlo instrument. A CPT code expands the potential for reimbursement of epidural procedures in pain management utilizing the CompuFlo Epidural System., which should help accelerate the commercial roll-out of CompuFlo in the U.S

Milestone Scientific and its subsidiaries currently hold over 317 U.S. and foreign patents, and many patents pending and patent applications. The Company’s patents and patent applications relate to drug delivery methodologies, Peripheral Nerve Block, drug flow rate measurement, pressure/force computer-controlled drug delivery with exit pressure, dynamic pressure sensing, automated rate control, automated charging, drug profiles, audible and visual pressure/force feedback, tissue identification, identification of a target region drug delivery injection unit, drug drive unit for anesthetic, handpiece, and injection device.

Milestone Scientific remains focused on advancing efforts to achieve the following three primary objectives:

- Establishing Milestone’s *DPS* Dynamic Pressure Sensing technology platform as the standard-of-care in painless and precise drug delivery, providing for the first time, objective visual and audible in-tissue pressure feedback, and continuing to expand platform applications;

- Following obtaining successful FDA clearance of our first medical device, Milestone Scientific is transitioning from a research and development organization to a commercially focused medical device company; and

- Expanding our global footprint of our *CompuFlo* Epidural and CathCheck System by utilizing a targeted field sales force and partnering with distribution companies worldwide.

Our dental devices have been used to administer over 95 million injections worldwide. Each of our devices has a related single use disposable handpiece, leading to a continuing revenue stream following the sale of the device. At present, we sell disposable

handpieces unique to our legacy product (the Wand and CompuDent) to users who have not upgraded to our current dental product, the STA Single Tooth Anesthesia System.

Building on the success of our proprietary, core technology platform for dental injections, and desiring to pursue other growth opportunities, we have begun to expand the uses and applications of our proprietary, patented technologies to achieve greater operational efficiencies, enhanced patient safety and therapeutic adherence, patient satisfaction, and improved quality of care across a broad range of medical specialties.

We intend to continue to expand the uses and applications of our *DPS* Dynamic Pressure Sensing technology. We believe that we and our technology solutions are recognized by key opinion leaders (i.e., academics, anesthesiologists and practicing dentists w

The Single Tooth Anesthesia System (Dental)

Since its market introduction in early 2007, the STA Single Tooth Anesthesia System and prior C-CLAD devices have been used to deliver over 95 million safe, effective, and comfortable injections. The instrument has also been favorably evaluated in numerous peer-reviewed, published clinical studies and associated articles. Moreover, there appears to be a growing consensus among users that the STA Instrument is proving to be a valuable and beneficial instrument that is positively impacting the practice of dentistry worldwide.

Medical Market Product

In June 2017, we received FDA regulatory clearance to sell the CompuFlo Epidural Computer Controlled Anesthesia System in the United States for epidural injections.

In May, 2022, the Company received a chronology-specific CPT Code for the Company's technology by the American Medical Association, which marks an important milestone. Effective January 1, 2023, this temporary tracking code allows clinicians to submit claims to healthcare insurance providers using the Company's technology for Epidural Sterile Injections in the lumbar, thoracic, and cervical thoracic junction of the spinal region for reimbursement. A CPT code expands the potential for reimbursement of epidural procedures in pain management utilizing the CompuFlo Epidural System.

The following table shows a breakdown of Milestone Scientific's product sales (net), domestically and internationally, by business segment product category:

	Three Months Ended March 31, 2025			Three Months Ended March 31, 2024		
Domestic: US	**Dental**	**Medical**	**Grand Total**	**Dental**	**Medical**	**Grand Total**
Instruments	$ 177,875	$ 3,000	$ 180,875	$ 213,875	$ -	$ 213,875
Handpieces	1,015,847	44,250	1,060,097	1,080,433	6,000	1,086,433
Accessories	14,360	-	14,360	16,690	-	16,690
Grand Total	$ 1,208,082	$ 47,250	$ 1,255,332	$ 1,310,998	$ 6,000	$ 1,316,998
International: Rest of World						
Instruments	$ 74,943	$ -	$ 74,943	$ 282,087	$ -	$ 282,087
Handpieces	775,847	4,000	779,847	646,948	1,420	648,368
Accessories	12,298	-	12,298	1,392	-	1,392
Grand Total	$ 863,088	$ 4,000	$ 867,088	$ 930,427	$ 1,420	$ 931,847
International: China						
Instruments	$ 110,000	$ -	$ 110,000	$ -	$ -	$ -
Handpieces	-	-	-	-	-	-
Accessories	-	-	-	-	-	-
Grand Total	$ 110,000	$ -	$ 110,000	$ -	$ -	$ -
Total Product Sales	$ **2,181,170**	$ **51,250**	$ **2,232,420**	$ **2,241,425**	$ **7,420**	$ **2,248,845**

Current Product Platform

See Note 1, “Organization and Business”.

Results of Operations

The following table sets forth the consolidated results of operations for the three months ended March 31, 2025 and 2024, respectively. The trends suggested by this table may not be indicative of future operating results:

	March 31, 2025	March 31, 2024
Operating results:		
Product sales, net	$ 2,232,420	$ 2,248,845
Cost of products sold	584,985	572,742
Gross profit	1,647,435	1,676,103
Operating expenses:		
Selling, general and administrative expenses	3,256,728	3,035,276
Research and development expenses	369,120	94,211
Depreciation and amortization expense	19,440	11,684
Total operating expenses	3,645,288	3,141,171
Loss from operations	(1,997,853)	(1,465,068)
Interest income	3,267	24,539
Net loss	(1,994,586)	(1,440,529)

Three months ended March 31, 2025 compared to three months ended March 31, 2024

Net sales for 2025 and 2024 were as follows:

	2025	2024	Change
Dental	$ 2,181,170	$ 2,241,425	$ (60,255)
Medical	51,250	7,420	43,830
Total sales, net	$ 2,232,420	$ 2,248,845	$ (16,425)

Consolidated revenue for the three months ended March 31, 2025 and 2024, was approximately $2.2 million, a decrease of approximately $16,000. On January 3, 2023, the Company launched an E-Commerce platform, to replace its previous U.S. distribution arrangement with Henry Schein by selling and shipping the STA Single Tooth Anesthesia System® (STA) and handpieces directly to end users, including dental offices and dental groups, within the U.S. E-commerce and dental service revenue for the three months ended March 31, 2025 and 2024, was approximately $1.2 million, respectively. For the three months ended March 31, 2025, international revenue was approximately $863,000, a decrease of $67,000, compared to March 31, 2024. For the three months ended March 31, 2025 and 2024, medical revenue was approximately $51,000 and $7,400, respectively, an increase of $44,000, compared to March 31, 2024.

Gross Profit for 2025 and 2024 were as follows:

	2025	2024	Change
Dental	$ 1,596,274	$ 1,673,129	$ (76,855)
Medical	51,161	2,974	48,187
Total gross profit	$ 1,647,435	$ 1,676,103	$ (28,668)

Consolidated gross profit for the three months ended March 31, 2025 was approximately $1.6 million, a decrease of approximately $29,000, compared to approximately $1.7 million for the same period in 2024.

Selling, general and administrative expenses for 2025 and 2024 were as follows:

	2025	2024	Change
Dental	$ 1,052,110	$ 953,668	$ 98,442
Medical	468,097	494,142	(26,045)
Corporate	1,736,521	1,587,466	149,055
Total selling, general and administrative expenses	$ 3,256,728	$ 3,035,276	$ 221,452

Consolidated selling, general and administrative expenses for the three months ended March 31, 2025 and 2024 were approximately $3.3 million and $3.0 million, respectively. The increase of approximately $221,000 is due to factors in several areas. Employee salaries and benefits expenses decreased approximately $81,000 for the three months ended March 31, 2025 compared to the same period in 2024. The Company decreased quality control, regulatory marketing, other selling, general and administrative, and royalties expenses by approximately by $66,000. The Company recorded an increase in professional fees, warehousing, and travel, expenses of approximately $368,000 for the three months ended March 31, 2025 compared to the same period in 2024.

Research and Development for 2025 and 2024 were as follows:

	2025	2024	Change
Dental	$ 364,807	$ 93,952	$ 270,855
Medical	4,313	259	4,054
Corporate		-	-
Total research and development	$ 369,120	$ 94,211	$ 274,909

Consolidated research and development expenses for the three months ended March 31, 2025 and 2024 were approximately $369,000 and $94,000, respectively. The increase of approximately $275,000 is related to the Company's development of the next generation STA Single Tooth Anesthesia System, offset by a decrease in medical expenses relating to the epidural consumables development. The Company has also decided to delay research and development on the STA Single Tooth Anesthesia System next generation instrument

Profit (Loss) from Operations for 2025 and 2024 were as follows:

	2025	2024	Change
Dental	$ 179,357	$ 625,510	$ (446,153)
Medical	(421,249)	(491,428)	70,179
Corporate	(1,755,961)	(1,599,150)	(156,811)
Total loss from operations	$ (1,997,853)	$ (1,465,068)	$ (532,785)

The loss from operations was approximately $2.0 million and $1.5 million for the three months ended March 31, 2025 and 2024, respectively, a decrease of approximately $0.5 million.

Liquidity and Capital Resources

***C*ash Flows**

The following table summarizes our sources and uses of cash for three months ended:

Cash flow:	March 31, 2025	March 31, 2024	Change
Net cash used in operating activities	$ (1,008,089)	$ (1,218,128)	$ 210,039
Net cash (used in) provided by financing activities	(1,304)	2,004,463	(2,005,767)
Net cash (used in) provided by financing activities	(2,278)	241,429	(243,707)
	$ (1,011,671)	$ 1,027,764	$ (2,039,435)

Operating Activities

Cash flows used in operating activities decreased $210,000 for the three months ended March 31, 2025 compared to March 31, 2024. The decrease was driven by an increase in accounts payable, prepaid expenses, inventory, and accounts receivable offset by decrease in accrued expense and advances on contracts.

Investing Activities

Cash flows used in investing activities decreased $2.0 million for the three months ended March 31, 2025 compared to March 31, 2024. The Company sold $2.0 million of marketable securities during the three months ended March 31, 2024 which increased cash and equivalents $2.0 million. As of March 31, 2025 the Company had no marketable securities.

Financing Activities

Cash flows provided by financing activities decreased $0.2 million for the three months ended March 31, 2025 compared March 31, 2024 due to the issuance of additional shares of the Company's common stock due to a Public Placement Offering.

Consideration of Company's ability to continue as a going concern.

The Company has incurred total losses since inception of $130.0 million. The Company's operating losses were approximately $2.0 million and $1.5 million, for the three months ended March 31 2025 and 2024, respectively. On March 31, 2025, Milestone Scientific had cash and cash equivalents of approximately $2.2 million and working capital of approximately $4.2 million. For the three months ended March 31, 2025 and 2024, we had cash flows used in operating activities of approximately $1.0 million and $1.2 million, respectively. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

Management has developed and is implementing plans to increase revenues and decrease professional and consulting fees over the next twelve months. The Company has also decided to delay all research and development on the Single Tooth Anesthesia System next generation instrument. The Company believes that the existing cash and cash equivalents along with management plans, and the $800,000 in related party note financing received in April 2025 (See Note 11 and 13) will be sufficient to enable the Company to fund operations for the twelve months from the issuance of these financial statements and alleviates substantial doubt about the Company's ability to continue as a going concern.

The Company is actively pursuing the generation of positive cash flows from operating activities through an increase in revenue from its dental business worldwide, the generation of revenue from its medical devices and disposables business in the United States and worldwide, and a reduction in operating expenses. However, the Company's continued operations will depend on its ability to raise additional capital through various potential sources until it achieves profitability, if ever.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Milestone Scientific is a "smaller reporting company" as defined by Regulation S-K and, as such, is not required to provide the information required by this item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Principal Accounting Officer, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2025. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms.

Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, as ours are designed to do, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on such evaluation, our Chief Executive Officer and Principal Accounting Officer concluded that, as of March 31, 2025, our disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Control over Financial Reporting

We routinely review our internal control over financial reporting and from time to time make changes intended to enhance the effectiveness of our internal control over financial reporting. During the three months ended March 31, 2025, we made no changes to our internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, that we believe materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 1A. Risk Factors

Except as disclosed below, there have been no material changes to the risk factors previously disclosed in Part I, Item 1A, of our 2024 Annual Report.

Changes to United States tariff and import/export regulations may have a material adverse effect on our business, financial condition and results of operations.

The United States has recently enacted and proposed to enact significant new tariffs, and President Trump has directed various federal agencies to further evaluate key aspects of U.S. trade policy. There has been and are ongoing discussions and commentaries regarding potential significant changes to U.S. trade policies, treaties and tariffs. There exists significant uncertainty about the future relationship between the U.S. and other countries with respect to such trade policies, treaties and tariffs. These developments, or the perception that any of them could occur, may have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global trade and, in particular, trade between the impacted nations and the U.S. We source important elements used in our products from China, and we have significant sales in jurisdictions outside the United States. Any of these factors could depress economic activity and restrict our access to suppliers or customers and have a material adverse effect on our business, financial condition and results of operations.

Government Action on tariffs and research grants and other funding may impede our ability to conduct our research and to raise capital.

Early 2025 federal government actions to impose tariffs and limit research grants and other funding, including funding universities and research enterprises, may cause disruption to our business. These actions include the imposition of tariffs and ending or restructuring government research funding generally or in conjunction with higher learning institutional funding. These government actions have been only recently implemented, therefore the full impact has yet to be realized by the Company. Nonetheless, (i) tariffs are likely to increase the cost of doing business and to make it more difficult to obtain items where imported equipment is required by our own activities and the activities of our collaborative and research partners, and (ii) ending or reducing research funding is likely to make it more difficult to find collaborative research partners to work with us as government funding is an indirect support for our research and product development activities. We also believe that as research funding impacts our collaborative research partners is reduced or withdrawn, it will make raising capital for the Company more difficult, as investors will want to know if the Company will be able to use the proceeds with fully funded entities for product development.

Item1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

None.

Item 2. Unregistered Sales of Equity Securities and use of proceeds

Not applicable.

Item 3. Default upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosure

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits and Financial Statement Schedules

Exhibit No	Description
31.1	Rule 13a-14(a) Certification-Chief Executive Officer and Chief Accounting Officer*
32.1	Section 1350 Certifications-Chief Executive Officer and Chief Accounting Officer**
101.INS	Inline XBRL Instance Document*
101.SCH	Inline XBRL Taxonomy Extension Schema Document*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith and not filed, in accordance with item 601(32) (ii) of Regulation S-K.

SIGNATURES

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

MILESTONE SCIENTIFIC INC.

/s/Neal Goldman

Interim Chief Executive Officer, and Acting Chief Accounting Officer (Principal Executive and Accounting Officer)

Date: May 15, 2025

Exhibit 31.1

Rule 13a-14(a)/15d-14(a) Certification

I, Neal Goldman as Interim Chief Executive Officer, and Acting Chief Accounting Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Milestone Scientific Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, considering the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under the supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under the supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report the conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report, based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on the most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2025

/s/Neal Goldman

Interim Chief Executive Officer, and Acting Chief Accounting Officer (Principal Executive and Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Milestone Scientific Inc. ("Milestone") on Form 10-Q for the period ending March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Neal Goldman the Interim Chief Executive Officer, and Acting Chief Accounting of Milestone, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of Milestone.

Date May 15, 2025

/s/Neal Goldman
Interim Chief Executive Officer, and Acting Chief Accounting
Officer (Principal Executive and Accounting Officer)

This certification accompanies this Quarterly Report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

A signed original of this certification has been provided to Milestone and will be retained by Milestone and furnished to the Securities and Exchange Commission or its staff upon request.