



## SeqLL Provides Third Quarter 2022 Financial Results

November 10, 2022

BILLERICA, Mass., Nov. 09, 2022 (GLOBE NEWSWIRE) -- SeqLL Inc. ("SeqLL" or the "Company") (NASDAQ: SQL; SQLLW), a technology company providing life sciences instrumentation and research services aimed at the development of novel scientific assets and intellectual property, today announced its operating and financial results for the third quarter ended September 30, 2022.

### Third Quarter 2022 Results and Financial Highlights

- Our revenues during the three months ended September 30, 2022 were \$0 as compared to revenues of \$50,901 during the three-month period ended September 30, 2021, representing a decrease of \$50,901, or 100%. During the three months ended September 30, 2022, no revenue generating activities were performed, nor were any grants provided to us compared to revenue in the same period of 2021 with \$15,937 of product sales and grants of \$34,964. The decrease in revenue was due to the reduction in research services and business activities due to our relocation to Billerica, Massachusetts. This relocation, which was finalized in September 2022, resulted in our temporarily not having facilities that were sufficient to perform our research services and business activities. We expect to resume normal operations in the final quarter of 2022. In addition, there was no grant revenue during the three months ended September 30, 2022 due primarily to 2022 being the final year of the award.
- Gross profit for the three months ended September 30, 2022 was \$0, as compared to gross profit of \$46,852 for the three months ended September 30, 2021, due to the fact that we had no revenue in the three month period ended September 30, 2022.
- Research and development expenses increased by \$338,113, or 373%, from \$90,658 for the three months ended September 30, 2021 to \$428,771 for the three months ended September 30, 2022. The increase in expenses was a result of our progressive return to research and development activities to levels of pre-COVID-19 pandemic. We expect these expenditures to increase over the final quarter of 2022 and beyond as we increase our research and development efforts to pre-pandemic levels.
- General and administrative expenses increased by \$128,785 or 36%, from \$360,944 for the three months ended September 30, 2021 compared to \$489,729 for the three months ended September 30, 2022. The increase was primarily attributable to increased operating expenses as a public company, including the addition of accounting, legal and audit related expenses as well as increased payroll expense of approximately \$130,000. General and administrative expenditures will continue to increase during 2022 to support ongoing financial reporting and compliance activities.
- We recognized \$9,981 of interest income in the three-month period ended September 30, 2022. No such income was noted for the three-month period ended September 30, 2021.

We recognized \$193,776 related to the change in fair value of our convertible notes in the three-month period ended September 30, 2021. No such convertible notes were in existence for the three-month period ended September 30, 2022.

We recognized interest expense of \$17,188 and \$41,066 in the three months ended September 30, 2022 and 2021, respectively, representing a decrease of \$23,878, or 58%. The decrease in interest expense was due to a decrease in our outstanding indebtedness as a result of the conversion of \$2.1 million in notes to equity concurrently with the consummation of our initial public offering on August 31, 2021.

- Overall, the net loss increased by \$286,450, or 45%, to \$925,949 as compared to \$639,499 for the three months ended September 30, 2021. The increase in net loss was a result of our progressive return to research and development activities to levels of pre-COVID-19 pandemic and our increase in general and administrative expenses that are related to being a public company.

### About True Single Molecule Sequencing (tSMS) Technology

SeqLL's collaborators are thoroughly committed to using only our tSMS platform in their scientific research due to its unique RNA and DNA sequencing and related services. Our true single molecule sequencing platform is NGS technology offers maximum flexibility and avoids many of the challenges common for standard NGS

approaches. It that enables direct sequencing of millions of individual molecules not requiring PCR amplification at any stage of the process and a simple, economical sample prep protocols. Therefore, it captures a precise sample composition, without bias and loss of diversity and rare species. Our tSMS platform is ideally suited for RNA biomarker discovery and diagnostic assay developments, including challenging applications for the standard NGS platform, such as low quantity, difficult or degraded samples of cell-free DNA, FFPE-isolated nucleic acids, ancient DNA and forensic samples.

#### About SeqLL, Inc.

SeqLL Inc. ("SeqLL") is a technology company providing life sciences instrumentation and research services in collaborative partnerships aimed at the development of novel scientific assets and intellectual property across multiple "omics" fields. The Company leverages its expertise with its True Single Molecule Sequencing ("tSMS®") platform to empower scientists and researchers with improved genetic tools to better understand the molecular mechanisms of disease that is essential to the continued development of new breakthroughs in genomic medicine, and that hopefully address the critical concerns involved with today's precision medicine. In sum, our experienced team works with our collaborators to develop innovative solutions tailored to the needs of each specific project.

#### Forward Looking Statements

This press release contains certain forward-looking statements, including those related to the applicability and viability of the Company's technology to quantifying RNA molecules from blood and other statements that are predictive in nature. Forward-looking statements are based on the Company's current expectations and assumptions. The Private Securities Litigation Reform Act of 1995 provides a safe-harbor for forward-looking statements. These statements may be identified by the use of forward-looking expressions, including, but not limited to, "expect," "anticipate," "intend," "plan," "believe," "estimate," "potential," "predict," "project," "should," "would" and similar expressions and the negatives of those terms. Prospective investors are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this presentation. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Important factors that could cause actual results to differ materially from those in the forward-looking statements are set forth in the Company's filings with the Securities and Exchange Commission, including its registration statement on Form S-1, as amended, under the caption "Risk Factors."

#### SeqLL Inc. Condensed Consolidated Balance Sheets

	September 30, 2022 (Unaudited)	December 31, 2021
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 4,453,521	\$ 4,015,128
Marketable securities	2,499,685	5,933,364
Accounts receivable, net of allowance for doubtful accounts of \$6,016	29,514	30,714
Other receivables	60,000	34,965
Inventory	246,904	224,155
Prepaid expenses	222,831	186,056
Total current assets	7,512,455	10,424,382
<b>Other assets</b>		
Property and equipment, net	548,966	265,267
Operating lease right-of-use asset	1,161,743	-
Other assets	127,759	50,488
<b>Total assets</b>	\$ 9,350,923	\$ 10,740,137
<b>Liabilities and Stockholders' Equity</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 583,573	\$ 871,364
Accrued expenses	304,101	311,405
Non-convertible promissory notes - current	-	1,375,000
Current portion of operating lease liability	83,145	-
Total current liabilities	970,819	2,557,769
<b>Non-current liabilities</b>		
Operating lease liability, less current portion	1,491,649	-
Non-convertible promissory notes - long-term	1,375,000	-
<b>Total liabilities</b>	3,837,468	2,557,769
<b>Commitments and contingencies (Note 11)</b>		
<b>Stockholders' equity</b>		
Preferred stock, \$0.00001 par value; 20,000,000 shares authorized; 0 shares issued and outstanding	-	-
Common stock, \$0.00001 par value; 80,000,000 shares authorized; 11,886,379 shares issued and outstanding	119	119
Additional paid-in capital	22,786,005	22,596,100
Accumulated deficit	(17,272,669)	(14,413,851)
<b>Total stockholders' equity</b>	5,513,455	8,182,368
<b>Total liabilities and stockholders' equity</b>	\$ 9,350,923	\$ 10,740,137

#### SeqLL Inc. Condensed Consolidated Statements of Operations (Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
<b>Revenue</b>				

Sales	\$ -	\$ 15,937	\$ 1,177	\$ 48,021
Grant revenue	-	34,964	77,482	127,009
Total revenue	-	50,901	78,659	175,030
Cost of sales	-	4,049	690	44,792
<b>Gross profit</b>	-	46,852	77,969	130,238
<b>Operating expenses</b>				
Research and development	428,771	90,658	1,129,286	133,074
General and administrative	489,729	360,944	1,700,340	1,173,565
Total operating expenses	918,500	451,602	2,829,626	1,306,639
<b>Operating loss</b>	(918,500)	(404,750)	(2,751,657)	(1,176,401)
<b>Other (income) and expenses</b>				
Unrealized loss (gain) on marketable securities	242	-	(54,266)	-
Realized loss on marketable securities	-	-	106,324	-
Interest and other income	(9,981)	(93)	(18,457)	(190,193)
Change in fair value of convertible notes	-	193,776	-	195,962
Loss on extinguishment of convertible notes	-	-	-	934,257
Interest expense	17,188	41,066	73,560	189,993
Net loss	\$ (925,949)	\$ (639,499)	\$ (2,858,818)	\$ (2,306,420)
<b>Net loss per share - basic and diluted</b>	\$ (0.08)	\$ (0.09)	\$ (0.24)	\$ (0.41)
<b>Weighted average common shares - basic and diluted</b>	11,886,379	7,171,232	11,886,379	5,642,100

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