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

FORM 10-Q

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

For the quarterly period ended **March 31, 2022**

or

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

For the transition period from ______________ to ______________

Commission File No. 333-150332

SEQLL INC.
(Exact name of registrant as specified in its charter)

Delaware	**46-5319744**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3 Federal Street Billerica, MA	**01821**
(Address of principal executive office)	(Zip Code)

(781) 460-6016
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $.0001 per share	SQL	The Nasdaq Stock Market LLC
Warrants to purchase Common Stock	SQLLW	The Nasdaq Stock Market LLC

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 whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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. ☐

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

As of May 12, 2022, there were 11,886,379 shares of registrant's common stock outstanding.

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EXPLANATORY NOTE

In this Quarterly Report on Form 10-Q, and unless the context otherwise requires, the “Company,” “we,” “us,” and “our” refer to SeqLL Inc. and its wholly owned subsidiary SeqLL, LLC, taken as a whole.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains “forward-looking statements.” Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors discussed from time to time in this report and in other documents which we file with the Securities and Exchange Commission. In addition, such statements could be affected by risks and uncertainties related to:

- the success, cost and timing of our product development activities, including statements regarding the timing of initiation and completion of our research and development programs;
- developments regarding next generation sequencing technologies;
- our expectations regarding the market size and growth potential for our business;
- our ability to generate sustained revenue or achieve profitability;
- the potential for our identified research priorities to advance our technology;
- the pricing and expected gross margin for our products;
- the other factors discussed in the “Risk Factors” section and elsewhere in this report.

Any forward-looking statements speak only as of the date on which they are made, and except as may be required under applicable securities laws, we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the filing date of this report.

PART I. FINANCIAL INFORMATION

Item 1: Financial Statements

SeqLL Inc.
Condensed Consolidated Balance Sheets

Assets	March 31, 2022 (Unaudited)	December 31, 2021
Current assets		
Cash and cash equivalents	$ 8,859,317	$ 4,015,128
Marketable securities	-	5,933,364
Accounts receivable, net	29,514	30,714
Other receivables	125,672	34,965
Inventory	228,533	224,155
Prepaid expenses	123,118	186,056
Total current assets	9,366,154	10,424,382
Other assets		
Property and equipment, net	255,490	265,267
Operating lease right-of-use asset	1,455,194	-
Other assets	111,250	50,488
Total assets	$ 11,188,088	$ 10,740,137
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	$ 624,449	$ 871,364
Accrued expenses	327,418	311,405
Non-convertible promissory notes - current	1,375,000	1,375,000
Current portion of operating lease liability	27,068	-
Total current liabilities	2,353,935	2,557,769
Non-current liabilities		
Operating lease liability, less current portion	1,533,825	-
Total liabilities	3,887,760	2,557,769
Commitments and contingencies (Note 11)		
Stockholders' equity		
Preferred stock, $0.00001 par value; 20,000,000 shares authorized; 0 shares issued and outstanding as of March 31, 2022 and December 31, 2021	-	-
Common stock, $0.00001 par value; 80,000,000 shares authorized; 11,886,379 shares issued and outstanding as of March 31, 2022 and December 31, 2021	119	119
Additional paid-in capital	22,652,014	22,596,100
Accumulated deficit	(15,351,805)	(14,413,851)
Total stockholders' equity	7,300,328	8,182,368
Total liabilities and stockholders' equity	$ 11,188,088	$ 10,740,137

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

SeqLL Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

	Three months ended March 31,	
	2022	**2021**
Revenue		
Sales	$ -	$ 26,100
Grant revenue	47,482	34,633
Total revenue	47,482	60,733
Cost of sales	-	27,951
Gross profit	47,482	32,782
Operating expenses		
Research and development	334,670	17,955
General and administrative	584,872	387,387
Total operating expenses	919,542	405,342
Operating loss	(872,060)	(372,560)
Other (income) and expenses		
Unrealized gain on marketable securities	(54,508)	-
Realized loss on marketable securities	106,324	-
Other income	(2,728)	-
Loss on extinguishment of convertible notes	-	934,257
Interest expense	16,806	107,801
Net loss	$ (937,954)	$ (1,414,618)
Net loss per share - basic and diluted	$ (0.08)	$ (0.29)
Weighted average common shares - basic and diluted	11,886,379	4,864,862

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

SeqLL Inc.
Condensed Consolidated Statements of Changes in Stockholders' Equity (Deficit)
For the Three Months Ended March 31, 2021 and 2022
(Unaudited)

	Preferred Stock		Common Stock		Additional Paid-In	Accumulated	Total Stockholders'
	Shares	**Amount**	**Shares**	**Amount**	**Capital**	**Deficit**	**Equity**
Balance as of December 31, 2021	-	$ -	11,886,379	$ 119	$ 22,596,100	$ (14,413,851)	$ 8,182,368
Stock-based compensation expense	-	-	-	-	55,914	-	55,914
Net loss	-	-	-	-	-	(937,954)	(937,954)
Balance as of March 31, 2022	-	$ -	11,886,379	$ 119	$ 22,652,014	$ (15,351,805)	$ 7,300,328

	Preferred Stock		Common Stock		Additional Paid-In	Accumulated	Total Stockholders' Equity
	Shares	**Amount**	**Shares**	**Amount**	**Capital**	**Deficit**	**(Deficit)**
Balance as of December 31, 2020	5,791,665	$ 58	4,864,862	$ 49	$ 6,856,020	$ (10,710,293)	$ (3,854,166)
Stock-based compensation expense	-	-	-	-	1,007	-	1,007
Net loss	-	-	-	-	-	(1,414,618)	(1,414,618)
Balance as of March 31, 2021	5,791,665	$ 58	4,864,862	$ 49	$ 6,857,027	$ (12,124,911)	$ (5,267,777)

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

SeqLL Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Three months ended March 31, 2022	Three months ended March 31, 2021
Cash Flows from Operating Activities		
Net loss	$ (937,954)	$ (1,414,618)
Adjustment to reconcile net loss to net cash used in operating activities:		
Depreciation	16,712	21,456
Unrealized gain on marketable securities	(54,508)	-
Realized loss on marketable securities	106,324	
Loss on extinguishment of notes	-	934,257
Stock-based compensation	55,914	1,007
Non-cash lease expense	27,509	-
Changes in operating assets and liabilities:		
Accounts receivable, net	1,200	(15,320)
Other receivables	(12,517)	74,182
Prepaid expenses	62,938	-
Inventory	(4,378)	4,507
Other assets	(60,762)	-
Accounts payable	(246,915)	74,685
Accrued expenses	16,013	84,193
Net cash used in operating activities	(1,030,424)	(235,651)
Cash Flows from Investing Activities		
Purchases of lab equipment	(6,935)	(5,250)
Purchases of marketable securities	(590)	-
Sales of marketable securities	5,882,138	-
Net cash provided by (used in) investing activities	5,874,613	(5,250)
Cash Flows from Financing Activities		
Proceeds from issuance of convertible notes	-	250,000
Net increase in cash and cash equivalents	4,844,189	9,099
Cash and cash equivalents, beginning of period	4,015,128	-
Cash and cash equivalents, end of period	$ 8,859,317	$ 9,099
Supplemental Disclosures of Cash Flow Information and Non-Cash Transactions:		
Right-of-use asset acquired through operating lease upon adoption of ASC 842	$ 1,481,646	-

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

Note 1 – Nature of Operations and Basis of Presentation

SeqLL Inc. was incorporated as a Delaware corporation on April 3, 2014. On April 8, 2014, SeqLL Inc. acquired a 100% ownership interest in SeqLL, LLC ("Subsidiary"), a domestic limited liability company formed on March 11, 2013 in the State of Massachusetts. SeqLL Inc. is a holding company of the Subsidiary (together the "Company" or SeqLL") and is a life sciences company focused on the development and application of innovative genetic analysis technologies and the monetization of that technology and related intellectual property. The Subsidiary owns technology to enable the analysis of large volumes of genetic material by directly sequencing single molecules of DNA or RNA. The Subsidiary's principal office is located in Billerica, Massachusetts.

Initial Public Offering

On August 31, 2021, the Company completed its initial public offering ("IPO") whereby it sold 3,060,000 units, each unit consisting of one share of the Company's common stock and a warrant to purchase one share of common stock at an exercise price of $4.25 per share (the "Warrants"), at a price to the public of $4.25 per unit. The gross proceeds from the IPO were approximately $13.0 million and were offset by $3.2 million in offering costs, of which $1.6 million was paid in cash and $1.6 million was issued in warrants issued to Maxim Group LLC ("Underwriter") (see Note 8). In connection with the IPO, all of the outstanding shares of the Company's convertible preferred stock automatically converted into 3,130,622 shares of common stock (see Note 9). Additionally, the outstanding convertible notes converted into 641,895 shares of common stock (see Note 7).

Risks and Uncertainties

The Company is subject to a number of risks similar to other companies in its industries, including rapid technological change, competition from larger pharmaceutical and biotechnology companies and dependence on key personnel.

The extent of the impact of the COVID-19 pandemic on the Company's business continues to be highly uncertain and difficult to predict, as the responses that the Company, other businesses and governments are taking continue to evolve. Furthermore, capital markets and economies worldwide have also been negatively impacted by the COVID-19 pandemic, and it is possible that it could cause a lasting national and/or global economic recession. Policymakers around the globe have responded with fiscal policy actions to support the healthcare industry and economy as a whole. The magnitude and overall effectiveness of these actions remain uncertain.

The severity of the impact of the COVID-19 pandemic on the Company's business depends on a number of factors, including, but not limited to, the duration and severity of the pandemic and the extent and severity of the impact on the Company's service providers, suppliers, contract research organizations and the Company's funding sources, all of which are uncertain and cannot be predicted. The COVID-19 pandemic has adversely affected the Company's sales and results of operations from the beginning of the pandemic through March 31, 2022 and may continue to adversely affect its business. The extent to which the COVID-19 pandemic may in the future materially impact the Company's financial condition, liquidity or results of operations is uncertain.

Basis of Presentation

The unaudited condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, SeqLL, LLC. All intercompany accounts and transactions have been eliminated in consolidation. The accompanying unaudited condensed consolidated financial statements of the Company have been prepared on the same basis as the annual audited consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for the fair presentation of the Company's condensed consolidated financial position as of March 31, 2022 and its results of operations for the three-month periods ended March 31, 2022 and 2021, and changes in shareholders' equity and cash flows for the periods presented. The results disclosed in the condensed consolidated statements of operation for the three-months ended March 31, 2022 are not necessarily indicative of the results that may be expected for the year ending December 31, 2022. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2021 filed with the Securities and Exchange Commission.

Note 2 – Significant Accounting Policies

During the three-month period ended March 31, 2022, there were no changes to the significant accounting policies in relation to what was described in the Annual Report on Form 10-K for the year ended December 31, 2021, other than the items noted in the Recently Adopted Accounting Standards section below.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Significant estimates include but are not limited to stock-based compensation expense and research and development accruals. Actual results could differ from those estimates and changes in estimates may occur.

Inventory

Inventory consists of finished goods, work-in-process and raw materials and is valued at the lower of cost or net realizable value, determined by the first-in, first-out ("FIFO") method. As the Company manufactures the finished goods and work-in-process materials, overhead costs are included in inventory. The Company evaluates the carrying cost of finished goods, work-in-process and raw materials items. To the extent that such costs exceed future demand estimates and /or exhibit historical turnover at rates less than current inventory levels, the Company reduces the carrying value of the applicable inventories. Inventory consisted of the following:

	March 31, 2022	December 31, 2021
Raw materials	$ 97,546	$ 91,995
Work in process	130,987	132,160
Total inventory	$ 228,533	$ 224,155

Stock-based Compensation

The Company's share-based compensation program grant awards include stock options and restricted stock awards. The fair value of stock option grants is estimated as of the date of the grant using the Black-Scholes option pricing model. The fair value of restricted stock awards is based on the fair value of the Company's common stock on the date of the grant. The fair value of the stock-based awards are then expensed over the requisite service period, generally the vesting period, for each award.

The Company's expected stock price volatility assumption is based on the volatility of comparable public companies. The expected term of a stock option granted to employees and directors (including non-employee directors) is based on the average of the contractual term (generally 10 years) and the vesting period. For non-employee options, the expected term is the contractual term. The risk-free interest rate is based on the yield of U.S. Treasury securities consistent with the life of the option. No dividend yield was assumed as the Company does not pay dividends on its common stock. The Company recognizes forfeitures related to stock-based awards as they occur.

The Company has periodically granted stock options and restricted stock awards to consultants for services pursuant to the Company's stock plans at the fair market value on the respective dates of grant. Should the Company terminate any of its consulting agreements, the unvested options underlying the agreements would be cancelled. For awards granted to consultants and non-employees, compensation expense is recognized over the vesting period of the awards, which is generally the period services are rendered by such consultants and non-employees.

The assumptions used in determining the fair value of share-based awards granted in three-month period ended March 31, 2022 are as follows:

	March 31, 2022
Risk-free interest rate	1.64%
Expected option life	6 – 6.1 years
Expected dividend yield	0%
Expected stock price volatility	54%

Segments

The Company operates in a single business segment that includes the design, development and manufacturing of genetic analysis technologies.

Leases

In the first quarter of 2022, the Company adopted ASU No. 2016-02, *Leases (Topic 842)* ("ASU 2016-02"). The Company assesses its contracts at inception to determine whether the contract contains a lease, including evaluation of whether the contract conveys the right to control an explicitly or implicitly identified asset for a period of time. The Company has recognized right-of-use assets and lease liabilities that represent the net present value of future operating lease payments utilizing a discount rate corresponding to the Company's incremental borrowing rate and amortizing over the remaining terms of the leases. The Company accounts for the leases of less than 12 months as short-term leases. See the Recently Adopted Accounting Standards below for additional information related to the adoption of this accounting standard.

Net Loss per Share

Basic net loss per share is computed by dividing the net loss by the weighted-average number of shares of common stock outstanding for the period, without consideration for potentially dilutive securities if their effect is antidilutive. Diluted net loss per share is computed by dividing the net loss by the weighted average number of shares of common stock and dilutive common stock equivalents outstanding for the period determined using the treasury stock and if-converted methods. Dilutive common stock equivalents are comprised of convertible preferred stock, convertible promissory notes, options outstanding under the Company's stock option plan and warrants. For all periods presented, there is no difference in the number of shares used to calculate basic and diluted shares outstanding as inclusion of the potentially dilutive securities would be antidilutive.

The following potential shares of common stock were not considered in the computation of diluted net loss per share as their effect would have been antidilutive:

	March 31,	
	2022	2021
Convertible preferred stock	-	5,791,665
Convertible promissory notes	-	641,895
Stock options	2,003,919	818,915
Warrants for common stock	4,393,396	711,946

Recently Adopted Accounting Standards

In August 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-06, Debt—*Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*, which, among other things, provides guidance on how to account for contracts on an entity's own equity. This ASU eliminates the beneficial conversion and cash conversion accounting models for convertible instruments. It also amends the accounting for certain contracts in an entity's own equity that are currently accounted for as derivatives because of specific settlement provisions. In addition, this ASU modifies how particular convertible instruments and certain contracts that may be settled in cash or shares impact the diluted EPS computation. The amendments in this ASU are effective for the public companies for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020. The Company adopted this standard on January 1, 2022, which had no material impact to the Company's condensed consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02 which establishes new accounting and disclosure requirements for leases. ASU No. 2016-02 requires recognition in the statement of operations of a single lease cost, calculated so that the cost of the lease is allocated over the lease term, generally on a straight-line basis. ASU 2016-02 requires classification of all cash payments within operating activities in the statement of cash flows. Disclosures are required to provide the amount, timing and uncertainty of cash flows arising from leases. The Company adopted ASU 2016-02 in the first quarter of 2022 using the effective date approach to recognize and measure leases as of the adoption date. The Company has elected to utilize the available practical expedient to not separate lease components from non-lease components as well as the package of practical expedients that allows the Company not to reassess (1) whether any expired or existing contracts as of the adoption date are or contain a lease, (2) lease classification for any expired or existing leases as of the adoption date and (3) initial direct costs for any existing leases as of the adoption date. At the date of adoption on January 1, 2022, this guidance had no impact to the Company's condensed consolidated financial statements.

Recently Issued Accounting Standards

The Company does not believe that any recently issued but not yet effective accounting pronouncements will have a material effect on the accompanying condensed consolidated financial statements.

Note 3 – Accrued Expenses

Accrued expenses consisted of the following:

	March 31, 2022	December 31, 2021
Accrued interest	232,879	216,073
Other	94,539	95,332
	$ 327,418	$ 311,405

Note 4 – Fair Value Measurements

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and requires disclosure for each major asset and liability category measured at fair value on either a recurring or non-recurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets.

Level 2: Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

As of March 31, 2022, the Company had $5,942,158 of investments in money-market funds, included above within cash and cash equivalents. The fair value of these investments was determined with Level 1 inputs through references to quoted market prices.

The change in the fair value of the Amended Notes (Note 7), deemed the Level 3 liabilities, was immaterial for the three months ended March 31, 2021.

There were no assets or liabilities measured at fair value on a non-recurring basis during the three months ended March 31, 2021 or 2020.

Note 5 – Stock Option Plan

The Company's 2014 Equity Incentive Plan (the "2014 Plan") permits the grant of options for its common stock and shares of common stock to its employees, board members and consultants for up to 3,500,000 shares.

As of March 31, 2022, there were 1,496,081 shares available for future issuance under the 2014 Plan. Generally, option awards are granted with an exercise price equal to the fair value of the Company's stock at the date of grant and vest over a period of three to four years. No option may have a term in excess of ten years from the option grant date. Certain option and share awards provide for accelerated vesting if there is a change in control (as defined by the 2014 Plan). The weighted average grant date fair value of options granted in the three-month period ended March 31, 2022 was $0.89 per share. No option awards were granted during the three months ended March 31, 2021.

The stock option activity for the period ended March 31, 2022 is as follows:

	Number of Options	Weighted-Average Exercise Price per Share	Weighted Average Remaining Contractual Term (in Years)
Outstanding as of December 31, 2021	918,919	$ 2.09	5.79
Granted	1,085,000	$ 1.71	
Outstanding of March 31, 2022	2,003,919	$ 1.88	7.84
Exercisable at March 31, 2022	918,626	$ 2.09	5.54

During the three-month periods ended March 31, 2022 and 2021, the Company recorded $55,914 and $1,007, respectively, of stock-based compensation associated with vesting of stock options, of which $38,746 and $1,007 were included in general and administrative expenses for the three-month periods ended March 31, 2022 and 2021, respectively, and $17,168 and $0 were included in research and development expenses for the three-month periods ended March 31, 2022 and 2021, respectively. As of March 31, 2022, there was approximately $911,799 of unrecognized compensation expense related to unvested share-based compensation awards, which will be recognized over a weighted average period of approximately 1.87 years.

Note 6 – Related Party Transactions

At March 31, 2022 and December 31, 2021, the Company had the following outstanding payables, which are included within the Company's accounts payable above, to affiliates of its shareholders for past services:

	March 31, 2022	December 31, 2021
Genomic Diagnostic Technologies	$ 23,725	$ 23,725
St. Laurent Institute	299,552	313,679
St. Laurent Realty, Inc.	7,558	27,913
Total related party payables	$ 330,835	$ 365,317

The above entities are affiliated with (1) William C. St. Laurent, a former member of the Company's board of directors, (2) relatives of Mr. St. Laurent or (3) entities controlled by the St. Laurent family, who are controlling shareholders of the Company. St. Laurent Realty, Inc. and Genomic Diagnostic Technologies assisted the Company by previously providing corporate accounting support; St. Laurent Institute, a not-for-profit company, provided bioinformatics specialist support for certain sequencing services.

Note 7 – Notes Payable

The Company entered into a series of convertible promissory notes (the "Convertible Notes") through April 8, 2019, with certain preferred stockholders amounting to $905,000. The Convertible Notes had a one-year term and accrued interest at 10% per annum. The Convertible Notes were convertible at the lower of $3.10 per share or a 20% discount to the share price paid by the purchasers of equity securities in the Company's next Qualified Financing, as defined in the convertible note agreements.

From April 29, 2019 to April 29, 2020, the Company entered into a series of non-convertible promissory notes (the "Promissory Notes") with a certain preferred stockholder amounting to $1,375,000. The Promissory Notes had a one-year term with interest accruing at 10% per annum.

In November and December 2020, the Company issued senior secured convertible promissory notes to a third-party investor amounting to $200,000. These notes accrued interest at 10% per annum, were to be repaid at the earlier of December 31, 2022, or the Company's next qualified financing of a minimum of $7.5 million (as defined in the notes agreement), and were convertible into the Company's common stock at $3.75 per share.

On December 31, 2020, the Company issued a non-convertible promissory note to St. Laurent Investments LLC amounting to $426,020 due July 31, 2022, bearing 10% interest per annum in exchange for the accrued interest on all their notes outstanding through that date.

From January to March 2021, the Company issued senior secured convertible promissory notes to investors for total proceeds of $250,000. The Convertible Notes accrued interest at 10% per annum, matured at the earlier of December 31, 2022, or the Company's next qualified equity offering of a minimum of $7.5 million, and were convertible at $3.75 per share.

On February 3, 2021, the preferred stockholder and the holder of $2,910,710 in the Convertible Notes and Promissory Notes granted the Company an extension on all their notes to be repaid on or before July 31, 2022. This amendment was accounted for on a prospective basis under the troubled debt restructuring guidance.

In March 2021, the Company entered into a series of agreements with the noteholders to automatically convert $786,730 in outstanding Promissory Notes and $1,305,000 in Convertible Notes (together, "Amended Notes"), to common stock upon the closing of the IPO ("Conversion Agreements"), of which $1,552,683 was held by St. Laurent Investments, LLC and its affiliates. Under the terms of the Conversion Agreements, $826,020 and $1,265,710 in Amended Notes were to be converted at the closing of the IPO based on the $3.75 and $3.10 conversion prices, respectively. Since the automatic conversion could result in a material benefit to the noteholders, this amendment was deemed substantive and was accounted for as an extinguishment of debt. Accordingly, the Company recognized a loss on extinguishment of debt totaling $934,257 in the consolidated statement of operations for the three months ended March 2021, which represented the excess of the fair value of the Amended Notes totaling $3,118,235 over their carrying value of $2,183,978. The Company elected the option to account for the Amended Notes at fair value, with the changes in fair value recognized in the statement of operations. The fair value of the Amended Notes was estimated using probability weighted expected payouts under various settlement scenarios, discounted to their present value based on the estimated effective rate of return.

On April 29, 2021, the Company entered into an agreement with a noteholder to automatically convert an additional $50,000 in outstanding Amended Notes, including any accrued interest, to common stock upon the closing of the IPO at the conversion price of $3.75 per share.

At the IPO date, the Amended Notes automatically converted based on their original terms into 641,895 shares of common stock. The fair value of the Amended Notes of $3,364,198 immediately prior to the conversion, less $141,884 cash payment related to the accrued interest, was reclassified into the additional paid in capital on the condensed consolidated balance sheet. The fair value of the Amended Notes at the conversion date was estimated based on the fair value of the common stock issued upon the conversion.

The Company recognized $195,962 loss due to the change in fair value of the Amended Notes between the amendment date and their conversion at the IPO date.

In October 2021, the Company entered into an agreement with St. Laurent Investments LLC to reduce the interest on $1,375,000 aggregate principal amount of the Promissory Note from 10% to 5% per year starting on October 1, 2021. The Company accounted for this transaction as a modification on a prospective basis.

In October 2021, the Company repaid $270,000 of the Promissory Notes to William C. St Laurent in cash.

In connection with all the Convertible Notes and Promissory Notes issued during 2021 and 2020, the Company issued warrants to noteholders to purchase the total of 66,665 and 53,333 shares of the Company's common stock, including 11,466 to the placement agent (see Note 8). The grant-date fair values of these warrants were immaterial.

For the three-month periods ended March 31, 2022 and 2021, interest expense was $16,806 and $107,801, respectively.

Note 8 – Common Stock Warrants

On March 16, 2021, the Company made a down payment to ShareIntel-Shareholder Intelligence Services, LLC for anticipated services connected to the Company's planned public offering, which was in the form of issuing 9,865 warrants to purchase common stock at $4.10 per share, with an expiration date of June 30, 2024. The warrants are exercisable starting at their issuance dates.

On August 31, 2021, the Company sold an aggregate of 3,060,000 units at a price to the public of $4.25 per unit, each unit consisting of one share of the Company's common stock and a warrant to purchase one share of common stock at an exercise price of $4.25 per share. In addition, pursuant to the Underwriting Agreement, the Company granted the Underwriter a 45-day option to purchase up to 459,000 additional shares of common stock, and/or 459,000 additional warrants, to cover over-allotments in connection with the Offering. The Underwriter partially exercised this option and purchased 459,000 warrants on the closing date at $0.01 per Warrant, for the total proceeds of $4,590. These warrants are exercisable at any time from the issuance date at $4.25 for common stock shares and have a five-year term. The warrants may be exercised for cash or, under certain limited circumstances, through cashless exercise.

The Company may redeem the outstanding warrants, in whole and not in part, at $0.001 per warrant if, after thirteen months from the issuance date, (i) the daily volume weighted average price of the Common Stock for each of 10 consecutive trading days (Measurement Period) exceeds $12.75 (subject to adjustment for forward and reverse stock splits, recapitalizations, stock dividends and the like after the issuance date), (ii) the average daily volume for such Measurement Period exceeds $1,000,000 per Trading Day and (iii) the holders of warrants are not in possession of any information that constitutes, or might constitute, material non-public information which was provided by the Company, any of its subsidiaries, or any of their officers, directors, employees, agents or affiliates.

Pursuant to the Underwriting Agreement, on August 31, 2021 and September 29, 2021, the Company also issued to the Underwriter warrants to purchase up to a total of 162,450 shares of common stock as a compensation for their services. These warrants are exercisable at any time from the issuance date at $4.675 per share of common stock and have a term of five years through August 26, 2026. The total fair value of the warrants granted to the Underwriter was $1,642,486 at the issuance date. The Company estimated the fair value of the warrants using the Black-Scholes option pricing model based on the following assumptions:

Risk-free interest rate	0.77% -1.01 %
Expected life	5 years
Dividend yield	0%
Volatility	67%

The following table summarizes information with regard to outstanding warrants to purchase common stock as of March 31, 2022, which are exercisable starting at their issuance dates. All warrants are accounted for as equity based on the US GAAP guidance applicable to the instruments indexed to an entity's own stock.

Issuance Date	**Number of Shares Issuable Upon Exercise of Outstanding Warrants**	**Exercise Price**	**Expiration Date**
5/4/2017	3,860	$ 3.10	5/3/2022
6/14/2017	1,351	$ 3.10	6/13/2022
8/30/2018	3,088	$ 3.10	8/29/2023
9/30/2018	60,506	$ 3.10	9/29/2023
9/30/2018	486,486	$ 2.16	9/29/2023
10/17/2018	1,157	$ 3.10	10/16/2023
11/2/2018	964	$ 3.10	11/1/2023
11/9/2018	964	$ 3.10	11/8/2023
11/16/2018	964	$ 3.10	11/15/2023
11/29/2018	964	$ 3.10	11/28/2023
12/21/2018	964	$ 3.10	12/20/2023
12/27/2018	964	$ 3.10	12/26/2023
1/31/2019	1,930	$ 3.10	1/30/2024
2/7/2019	1,640	$ 3.10	2/6/2024
2/21/2019	1,640	$ 3.10	2/20/2024
3/20/2019	3,378	$ 3.10	3/18/2024
4/8/2019	1,930	$ 3.10	4/6/2024
11/19/2020	53,333	$ 4.10	6/30/2024
11/19/2020	8,533	$ 4.10	6/30/2024
1/8/2021	13,333	$ 4.10	6/30/2024
1/11/2021	26,666	$ 4.10	6/30/2024
2/13/2021	13,333	$ 4.10	6/30/2024
3/16/2021	10,665	$ 4.10	6/30/2024
3/16/2021	13,333	$ 4.10	6/30/2024
8/31/2021	3,519,000	$ 4.25	8/31/2026
8/31/2021	153,000	$ 4.675	8/26/2026
9/29/2021	9,450	$ 4.675	8/26/2026
	4,393,396		

Note 9 – Preferred Stock

The Company had outstanding preferred stock as of December 31, 2020:

	Shares issued	Issuance price per share
Series A-1 Convertible Preferred Stock	3,125,000	$ 0.32
Series A-2 Convertible Preferred Stock	2,666,665	$ 1.68
Series A Preferred stock	**5,791,665**	

The Series A-1 Preferred Stock ("Series A-1") and Series A-2 Preferred Stock ("Series A-2" and, collectively with the Series A-1, the "Preferred Stock"), could be converted at any time at the election of the holder into common stock at an initial conversion price determined by dividing the Series A-1 original issue price of $0.59, as amended, by the Series A-1 conversion price of $0.59; and the Series A-2 original issue price of $3.10, as amended, by the Series A-2 conversion price of $3.10; both were subject to adjustment for stock splits, stock combinations and the like, and to a weighted-average adjustment for future issuances of common stock, warrants or rights to purchase common stock or securities convertible into common stock for a consideration per share that is less than the then-applicable conversion price, subject to certain exceptions listed in the Charter.

The Preferred Stock was subject to automatic conversion upon (i) the closing of an initial public offering of the common stock at a price per share equal to at least $9.25 (as adjusted for any stock splits, stock dividends, combinations, subdivisions, recapitalization or the like) in an underwritten public offering in which the Company raised gross proceeds of at least $10 million or (ii) the consent of holders of at least a majority of the then-outstanding shares of Preferred Stock voting together as a single class.

In connection with the IPO, all of the outstanding shares of the Company's convertible preferred stock automatically converted into 3,130,622 shares of common stock.

Note 10 – Marketable Securities

In January 2022, the Company sold all of its marketable securities with the original cost $5,988,462. The Company realized $106,324 loss on the sale of these securities and recorded the unrealized gain of $54,508 on its investments in marketable securities for the three months ended March 31, 2022.

Note 11 – Commitments and Contingencies

The Company's office space lease in Woburn, Massachusetts (the "Woburn Lease") for the Company's corporate headquarters was on a month-to-month basis since November 2020 and was terminated in February 2022. The rent expense for this lease was $14,239 and $41,837 for the three-month periods ended March 31, 2022 and 2021, respectively.

On February 2, 2022, the Company entered into a lease agreement for approximately 15,638 square feet of its new corporate office space in Billerica, Massachusetts (the “Billerica Lease”). The Billerica Lease has a term of 92 months from its effective date and includes the access to certain additional office space within the same office building through the earlier of August 1, 2022 or the completion of certain tenant improvements (the “Swing Space”). In addition, the Company is required to share in certain taxes and operating expenses of the Billerica Lease.

The Billerica lease is classified as an operating lease. At the date of the Billerica lease inception, the Company recorded a right-of-use asset of $1,481,646 in operating lease right-of-use asset, as well as a lease liability of $12,222 in current liabilities and $1,547,614 in long-term liabilities. The operating lease right-of use asset is less than that of the Company’s lease liabilities as of the lease inception date. This is due to the fact that the Company as part of the Billerica lease was allowed certain tenant improvement allowances, of which, amounted to $78,190 at lease inception. This lease liability represents the net present value of future lease payments for the lease utilizing a discount rate of 5.98%, which corresponds to the Company’s incremental borrowing rate. As of March 31, 2022, the remaining lease term was 7.5 years. The Company recorded expense related to the Billerica Lease in the amount of $41,526 for the three-months ended March 31, 2022. During the three months ended March 31, 2022, the Company made cash payments of $14,018 for amounts included in the measurement of lease liabilities.

The following table reconciles the undiscounted lease liabilities to the total lease liabilities recognized on the condensed consolidated balance sheet as of March 31, 2022:

2022 (remaining)	$	74,349
2023		197,307
2024		275,875
2025		284,151
Thereafter		1,142,709
Total undiscounted lease liabilities	$	1,974,391
Less effects of discounting		(413,498)
Total lease liabilities	$	1,560,893
Reported as of March 31, 2022:		
Current portion of operating lease liability	$	27,068
Operating lease liability, less current portion		1,533,825
Total lease liabilities	$	1,560,893

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

You should read the following discussion of our financial condition and results of operations in conjunction with our unaudited condensed consolidated financial statements for the period ended March 31, 2022, and related notes included elsewhere in this filing. This discussion and analysis and other parts of this filing contain forward-looking statements based upon current beliefs, plans and expectations that involve risks, uncertainties and assumptions. Our actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of several factors, including those set forth under "Risk Factors" and elsewhere in this filing. You should carefully read the "Risk Factors" section of this filing to gain an understanding of the important factors that could cause actual results to differ materially from our forward-looking statements. Please also see the section entitled "Cautionary Note Regarding Forward-Looking Statements" in this filing.

Overview

This overview and outlook provide a high-level discussion of our operating results and significant known trends that affect our business. We believe that an understanding of these trends is important to understanding our financial results for the periods being reported herein as well as our future financial performance. This summary is not intended to be exhaustive, nor is it intended to be a substitute for the detailed discussion and analysis provided elsewhere in this report.

About SeqLL

We are a development-stage life sciences instrumentation and research services company engaged in the development of scientific assets and novel intellectual property across multiple "omics" fields. We leverage our expertise with True Single Molecule Sequencing (tSMS) technology enabling researchers and clinicians to contribute major advancements to scientific research and development.

Our customers are primarily the early adopters of genomics technology and tSMS in academic research, biomarker discovery, and molecular diagnostic product development.

Since our incorporation in 2014, we have devoted the majority of our efforts to technology development, business planning, and advancing research collaborations. We incurred net losses of $937,954 and $1,414,618 for the three-month periods ended March 31, 2022 and 2021, respectively. We had negative cash flow from operating activities of $1,030,424 and $235,651 for the three-month periods ended March 31, 2022 and 2021, respectively, and had an accumulated deficit of $15,351,805 as of March 31, 2022.

Beginning in 2020, the COVID-19 pandemic and international efforts to control its spread have significantly curtailed the movement of people, goods, services and research worldwide, including in the areas in which we conduct our business and collaborations. We expect the COVID-19 pandemic to continue to impact our business and collaborations in 2022, the size and duration of which is significantly uncertain.

Our financial results have been, and will continue to be, impacted by several significant trends, which are described below. While these trends are important to understanding and evaluating our financial results, this discussion should be read in conjunction with our consolidated financial statements and the notes thereto within the Consolidated Financial Statements section in Part I of this report, and trends discussed in "Risk Factors" within Part II of this report.

Results of Operations

Comparison of the Three-Month Periods Ended March 31, 2022 and 2021

The following table summarizes our results of operations for the three-month periods ended March 31, 2022 and 2021:

	Three months ended March 31,	
	2022	**2021**
Revenue		
Sales	$ -	$ 26,100
Grant revenue	47,482	34,633
Total revenue	47,482	60,733
Cost of sales	-	27,951
Gross profit	47,482	32,782
Operating expenses		
Research and development	334,670	17,955
General and administrative	584,872	387,387
Total operating expenses	919,542	405,342
Operating loss	(872,060)	(372,560)
Other (income) and expenses		
Unrealized gain on marketable securities	(54,508)	-
Realized loss on marketable securities	106,324	-
Other income	(2,728)	-
Loss on extinguishment of convertible notes	-	934,257
Interest expense	16,806	107,801
Net loss	$ (937,954)	$ (1,414,618)

Revenues

Our revenues during the three-month period ended March 31, 2022, were $47,482 as compared to revenues of $60,733 during the three-month period ended March 31, 2021, representing a decrease of $13,251, or 22%. During the three-month period ended March 31, 2022, revenue included grants of $47,482 and no revenues from product sales and research services as compared to revenue in the same period of 2021 from product sales of $15,600, grants of $34,633 and $10,500 in research services. The decrease in revenue was due to the reduction in research services and business activities due to the Company's relocation to Billerica, Massachusetts. This relocation resulted in the Company temporarily not having facilities that were sufficient to perform its research services and business activities. The Company expects to resume normal operations in the second half of 2022.

Gross Profit

Gross profit for the three-month period ended March 31, 2022 was $47,482, as compared to gross profit of $32,782 for the three-month periods ended March 31, 2021, which represented a 45% increase primarily due to the fact that the Company had no sales of products or services during the three-month period ended March 31, 2022 due to its relocation to Billerica, Massachusetts.

Research and Development Expenses

Research and development expenses increased by $316,715, or 1,764%, from $17,955 for the three-month period ended March 31, 2021 compared to $334,670 for the three-month period ended March 31, 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 2022 and beyond as we increase our research and development efforts to pre-pandemic levels.

General and Administrative Expenses

General and administrative expenses increased by $197,485, or 51%, from $387,387 for the three-month period ended March 31, 2021 compared to $584,872 for the three-month period ended March 31, 2022. The increase was primarily attributable to increased operating expenses as a public company, including the addition of accounting, legal and audit related expenses, of which approximately $100,000 was related to increased payroll expense and approximately $60,000 was related to the addition of director and officer insurance. General and administrative expenditures will continue to increase during 2022 to support ongoing financial reporting and compliance activities.

Interest and Other Income/Loss

We recognized interest expense of $16,806 and $107,801 in the three-month periods ended March 31, 2022 and 2021, respectively, representing a decrease of $90,995, or 84%. 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 consumption of our initial public offering on August 31, 2021.

We recognized $51,816 in net realized and unrealized losses on the marketable securities during the three-month period ended March 31, 2022. We did not hold such investments during the three-month period ended March 31, 2021.

We recognized a loss on extinguishment of debt totaling $934,257 in the three-month period ended March 31, 2021 related to certain convertible notes. The loss on the extinguishment of debt represented the excess of the fair value of these convertible notes totaling $3,075,987 over their carrying value of $2,141,730 at their amendment date in the first quarter of 2021. We did not incur such losses in the three-month period ended March 31, 2022.

Net Loss

Overall, the net loss decreased by $476,664, or 34%, to $937,954 as compared to $1,414,618 for the period ended March 31, 2021 due to the loss on extinguishment of our convertible notes in the three-month period ended March 31, 2021 in the amount of $934,257, when no such loss occurred during the period ended March 31, 2022. This reduction was offset by an increase in the operating expenses of $514,200 when comparing the three-month period ended March 31, 2022 to the same period in the prior year.

Liquidity and Capital Resources

The accompanying condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Even though we experienced negative cash flows from operations of $1,030,424 for the three-month period ended March 31, 2022, as a result of our recent common stock offering in August 2021, we had cash and cash equivalents of $8,859,317 at March 31, 2022. Therefore, we estimate that our available cash resources will be sufficient to fund our operations for at least one year from the date this Quarterly Report on Form 10-Q is filed with the SEC.

As of March 31, 2022, we had approximately $8.9 million in cash and cash equivalents. Cash and cash equivalents increased $4.8 million at March 31, 2022 as compared to December 31, 2021 due to the sale of approximately $5.9 million in the Company's marketable securities, offset by the cash spending for operating activities for the three-month period ended March 31, 2022.

Since inception, we have funded our operations primarily through equity and debt financings, as well as from modest sales of products and research services. As of March 31, 2022, we had an accumulated deficit of $15,351,805.

In August 2021, we issued 3,060,000 shares of common stock to investors in our initial public offering. The gross proceeds from our initial public offering was $13.0 million. We incurred offering expenses of $1.6 million in cash. We also converted $2.1 million of debt into 641,895 shares of common stock at our initial public offering.

On September 29, 2021, we issued 189,000 shares of common stock to the underwriters at a price of $4.24 per share from the partial exercise of the overallotment option, increasing the net proceeds by approximately $730,000, net of offering costs.

We believe the net proceeds from our initial public offering, together with our cash generated from commercial sales and research activity, will enable us to fund our operations for at least one year from the date this Quarterly Report on Form 10-Q is filed with the SEC. However, our forecast of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement that involves risks and uncertainties, and actual results could vary materially. We have based this estimate on assumptions that may prove to be wrong, and we could use our capital resources sooner than we expect.

Our future capital requirements will depend on many factors, including:

- our ability to successfully and further develop our technologies and create innovative products in our markets, including the costs associated with the development of our tSMS platform across multiple market segments, for which we have budgeted approximately $1 million in 2022 and $2 million in 2023 in support of our collaborative efforts in detection tools for heart disease and cancer, and chromatin mapping in genome biology,

- scientific progress in research and development of our collaborative programs, including the costs of obtaining, maintaining and enforcing our patents and other intellectual property rights, as well as the costs associated with any product or technology that we may in-license or acquire; and

- the terms and timing of establishing and maintaining collaborations, licenses and other similar arrangements; including the need to enter into other collaborations to enhance or complement our product and service offerings.

We plan to continue seeking additional financing sources from time to time to meet our working capital requirements, make continued investment in research and development and make capital expenditures needed for us to maintain and expand our business. We may not be able to obtain additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, or if we expend capital on projects that are not successful, our ability to continue to support our business growth and to respond to business challenges could be significantly limited. In addition, if we raise additional funds through further issuances of equity or debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock.

Cash Flows

The following table sets forth the primary sources and uses of cash and cash equivalents for each of the periods presented.

	Three Months Ended March 31,	
	2022	2021
Cash proceeds provided by (used in):		
Operating activities	$ (1,030,424)	$ (235,651)
Investing activities	5,874,613	(5,250)
Financing activities	-	250,000
Net increase (decrease) in cash and cash equivalents	$ 4,844,189	$ 9,099

Net cash used in operating activities

Net cash used in operating activities was approximately $1 million and $0.24 million for the three-month periods ended March 31, 2022 and 2021, respectively. The increase in operating spending was a result of our progressive return to research and development activities to levels of pre-COVID-19 pandemic. In addition, we experienced the increase in our general and administrative spending since we became a public company in August 2021.

We anticipate our research and development efforts and on-going general and administrative costs will generate negative cash flows from operating activities for the foreseeable future.

Net cash used in investing activities

Net cash provided by (used in) investing activities was approximately $5.9 million and less than $0.1 million for the three-month periods ended March 31, 2022 and 2021, respectively. The increase was primarily attributable to our sales of our entire portfolio of marketable securities during the three-month period ended March 31, 2022.

Net cash provided by financing activities

Net cash provided by financing activities was $0, and approximately $0.25 million, for the three-month periods ended March 31, 2022 and 2021, respectively. The Company issued $250,000 in convertible notes during the three-month period ended March 31, 2021. There were no equity or debt issuances during the three-month period ended March 31, 2022.

Recent Accounting Pronouncements

In August 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-06, *Debt—Debt with Conversion and Other Options* (Subtopic 470-20) and *Derivatives and Hedging—Contracts in Entity's Own Equity* (Subtopic 815-40): *Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*, which, among other things, provides guidance on how to account for contracts on an entity's own equity. This ASU eliminates the beneficial conversion and cash conversion accounting models for convertible instruments. It also amends the accounting for certain contracts in an entity's own equity that are currently accounted for as derivatives because of specific settlement provisions. In addition, this ASU modifies how particular convertible instruments and certain contracts that may be settled in cash or shares impact the diluted EPS computation. The amendments in this ASU are effective for the public companies for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020. The Company adopted this standard on January 1, 2022, which had no material impact to the Company's condensed consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02 which establishes new accounting and disclosure requirements for leases. ASU No. 2016-02 requires recognition in the statement of operations of a single lease cost, calculated so that the cost of the lease is allocated over the lease term, generally on a straight-line basis. ASU 2016-02 requires classification of all cash payments within operating activities in the statement of cash flows. Disclosures are required to provide the amount, timing and uncertainty of cash flows arising from leases. The Company adopted ASU 2016-02 in the first quarter of 2022 using the effective date approach to recognize and measure leases as of the adoption date. The Company has elected to utilize the available practical expedient to not separate lease components from non-lease components as well as the package of practical expedients that allows the Company not to reassess (1) whether any expired or existing contracts as of the adoption date are or contain a lease, (2) lease classification for any expired or existing leases as of the adoption date and (3) initial direct costs for any existing leases as of the adoption date. At the date of adoption on January 1, 2022, this guidance had no impact to the Company's condensed consolidated financial statements.

We do not believe that any other recently issued but not yet effective accounting pronouncements will have a material effect on the accompanying consolidated financial statements.

Critical Accounting Policies and Estimates

The Company prepares its financial statements and accompanying notes in conformity with accounting principles generally accepted in the United States of America, which require management to make estimates and assumptions about future events that affect reported amounts. Estimations are considered critical accounting estimates based on, among other things, its impact on the portrayal of the Company's financial condition, results of operations, or liquidity, as well as the degree of difficulty, subjectivity, and complexity in its deployment. Critical accounting estimates address accounting matters that are inherently uncertain due to unknown future resolution of such matters. Management routinely discusses the development, selection, and disclosure of each critical accounting estimates.

Other than those noted within Note 2 to our unaudited consolidated financial statements, there have been no significant changes to the Company's critical accounting policies and estimates during the three-month period ended March 31, 2022 as compared to the information contained in the Company's 2021 Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC. Reference should be made to the consolidated financial statements and related notes included in the 2021 Form 10-K for a full description of other significant accounting policies.

JOBS Act

Section 107 of the Jumpstart Our Business Startups Act of 2012 (the "JOBS ACT") provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of new or revised accounting standards until those standards would otherwise apply to private companies. We have irrevocably elected to avail ourselves of this exemption from new or revised accounting standards and, therefore, we will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

For as long as we remain an emerging growth company under the recently-enacted JOBS Act, we will, among other things:

- be permitted to have only two years of audited financial statements and only two years of related selected financial data and management's discussion and analysis of financial condition and results of operations disclosure;

- be entitled to rely on an exemption from compliance with the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act;

- be entitled to reduced disclosure obligations about executive compensation arrangements in our periodic reports, registration statements and proxy statements; and

- be exempt from the requirements to seek non-binding advisory votes on executive compensation or golden parachute arrangements.

We currently intend to take advantage of some or all of the reduced regulatory and reporting requirements that will be available to us so long as we qualify as an "emerging growth company." Among other things, this means that our independent registered public accounting firm will not be required to provide an attestation report on the effectiveness of our internal control over financial reporting so long as we qualify as an emerging growth company, which may increase the risk that weaknesses or deficiencies in our internal control over financial reporting go undetected.

Likewise, so long as we qualify as an emerging growth company, we may elect not to provide certain information, including certain financial information and certain information regarding compensation of our executive officers, that we would otherwise have been required to provide in filings we make with the SEC, which may make it more difficult for investors and securities analysts to evaluate our company. As a result, investor confidence in our company and the market price of our common stock may be materially and adversely affected.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not applicable.

Item 4. Controls and Procedures.

Evaluation of disclosure controls and procedures

Our Chief Executive Officer (who is our principal executive officer) and Chief Financial Officer (who is our principal financial officer), conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act") as of March 31, 2022. As of March 31, 2022, based upon the evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective. Disclosure controls and procedures designed to reasonably ensure that information required to be disclosed in our reports filed under the Exchange Act, such as this report, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the three months ended March 31, 2022 that materially affected, or were reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our disclosure controls and procedures and internal control over financial reporting are designed to reasonably ensure that designed control objectives are achieved. Our management recognizes that any control system, no matter how well designed and operated, is based upon certain judgments and assumptions and cannot provide absolute assurance that its objectives will be met. Similarly, an evaluation of controls cannot provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

None

Item 1A. Risk Factors

There have been no material changes to the risk factors set forth in the section titled “Risk Factors” included in our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on March 23, 2022 (our “Annual Report”). Our business involves significant risks. You should carefully consider the risks and uncertainties described in our Annual Report, together with all of the other information in this Quarterly Report on Form 10-Q, as well as our audited consolidated financial statements and related notes as included in our Annual Report. The risks and uncertainties described in our Annual Report are not the only ones we face. Additional risk and uncertainties that we are unaware of or that we deem immaterial may also become important factors that adversely affect our business. The realization of any of these risks and uncertainties could have a material adverse effect on our reputation, business, financial condition, results of operations, growth and future prospects as well as our ability to accomplish our strategic objectives. In that event, the market price of our common stock could decline and you could lose part or all of your investment.

Item 2. Unregistered Securities Sales of Equity Securities and Use of Proceeds

Sales of Unregistered Securities

There have been no sales of unregistered securities within the period covered by this report that would be required to be disclosed pursuant to Item 701 of Regulation S-K.

Repurchases of Shares or of Company Equity Securities

None

Item 3. Default Upon Senior Securities

None

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information

None

Item 6. Exhibits

The following documents are filed as a part of this report or incorporated herein by reference:

Exhibit Number	Description
31.1	Certification of the Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certifications of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certifications of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

SIGNATURES

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

SEQLL INC.

Date: May 12, 2022	/s/ Daniel Jones Daniel Jones Chief Executive Officer (Principal Executive Officer)
Date: May 12, 2022	/s/ John W. Kennedy John W. Kennedy Chief Financial Officer (Principal Financial and Accounting Officer)

Exhibit 31.1

Certification of Chief Executive Officer
Pursuant to Rule 13a-14(a)

I, Daniel Jones, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of SeqLL, 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, in light of 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, fairly 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 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 our 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 our 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 our 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 and I have disclosed, based on our 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 or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 12, 2022

By: * /s/ Daniel Jones*
Name: Daniel Jones
Title: Chief Executive Officer

Exhibit 31.2

Certification of Principal Financial Officer
Pursuant to Rule 13a-14(a)

I, John W. Kennedy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of SeqLL, 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, in light of 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, fairly 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 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 our 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 our 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 our 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 and I have disclosed, based on our 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 or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 12, 2022

By: */s/ John W. Kennedy*
Name: John W. Kennedy
Title: Chief Financial Officer

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 on Form 10-Q of SeqLL, Inc. (the “Company”) for the quarter ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Daniel Jones, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

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

By: */s/ Daniel Jones*
Name: Daniel Jones
Title: Chief Executive Officer

Date: May 12, 2022

Exhibit 32.2

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 on Form 10-Q of SeqLL, Inc. (the “Company”) for the quarter ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, John W. Kennedy, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

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

By: *[/s/ John W. Kennedy]*
Name: John W. Kennedy
Title: Chief Financial Officer

Date: May 12, 2022