
EDGAR SUBMISSION SUMMARY

Issuer Name	SCIENTIFIC INDUSTRIES INC
Submission Type	10-Q
Live File	On
Return Copy	On
Exchange	NONE
Confirming Copy	Off
Filer CIK	0000087802
Filer CCC	xxxxxxxx
Period of Report	09-30-2024
Smaller Reporting Company	On
Shell Company	Off
Emerging Growth Company	No
Notify via Filing website Only	Off
Emails	confirmations@issuereirect.com

Documents

Form Type	File Name	Description
10-Q	scnd_10q.htm	FORM 10-Q
EX-31.1	scnd_ex311.htm	CERTIFICATION
EX-31.2	scnd_ex312.htm	CERTIFICATION
EX-32.1	scnd_ex321.htm	CERTIFICATION
EX-32.2	scnd_ex322.htm	CERTIFICATION
EX-101.SCH	scnd-20240930.xsd	XBRL TAXONOMY EXTENSION SCHEMA
EX-101.LAB	scnd-20240930_lab.xml	XBRL TAXONOMY EXTENSION LABEL LINKBASE
EX-101.CAL	scnd-20240930_cal.xml	XBRL TAXONOMY EXTENSION CALCULATION LINKBASE
EX-101.PRE	scnd-20240930_pre.xml	XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE
EX-101.DEF	scnd-20240930_def.xml	XBRL TAXONOMY EXTENSION DEFINITION LINKBASE

Module and Segment References

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

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2024

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 0-6658

SCIENTIFIC INDUSTRIES, INC.

(Exact Name of Registrant as specified in Its Charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

04-2217279

(I.R.S. Employer
Identification No.)

80 Orville Drive, Suite 102, Bohemia, New York

(Address of principal executive offices)

11716

(Zip Code)

(631) 567-4700

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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 and post such files). Yes No

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.

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

The number of shares outstanding of the registrant's common stock, par value \$.05 per share ("Common Stock") as of November 13, 2024 is 10,503,599 shares.

SCIENTIFIC INDUSTRIES, INC.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

SCIENTIFIC INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2024	December 31, 2023
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 563,500	\$ 796,100
Investment securities	2,464,300	4,928,700
Trade accounts receivable, less allowance for doubtful accounts of \$15,600 at September 30, 2024 and December 31, 2023	1,357,400	1,157,100
Inventories	4,788,300	4,883,900
Income tax receivable	73,600	161,400
Prepaid expenses and other current assets	405,100	413,500
Total current assets	<u>9,652,200</u>	<u>12,340,700</u>
Property and equipment, net	970,500	1,082,300
Goodwill	115,300	115,300
Other intangible assets, net	879,000	1,249,900
Inventories	597,100	609,000
Operating lease right-of-use assets	1,033,300	1,273,900
Other assets	59,400	59,400
Total assets	<u>\$ 13,306,800</u>	<u>\$ 16,730,500</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 615,300	\$ 711,700
Accrued expenses	623,600	777,900
Contract liabilities	44,300	23,600
Lease liabilities, current portion	327,300	324,100
Total current liabilities	<u>1,610,500</u>	<u>1,837,300</u>
Lease liabilities, less current portion	761,700	1,007,800
Total liabilities	<u>2,372,200</u>	<u>2,845,100</u>
Shareholders' equity:		
Common stock, \$0.05 par value; 30,000,000 shares authorized; 10,503,599 and 10,145,211, shares issued and 10,503,599 and 10,145,211, shares outstanding at September 30, 2024 and December 31, 2023	525,200	507,300
Additional paid-in capital	42,322,100	40,844,600
Accumulated other comprehensive gain	87,700	18,600
Accumulated deficit	(32,000,400)	(27,485,100)
Total shareholders' equity	<u>10,934,600</u>	<u>13,885,400</u>
Total liabilities and shareholders' equity	<u>\$ 13,306,800</u>	<u>\$ 16,730,500</u>

See notes to unaudited condensed consolidated financial statements.

SCIENTIFIC INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenues	\$ 2,769,100	\$ 2,585,500	\$ 7,899,900	\$ 8,373,400
Cost of revenues	1,405,900	1,404,500	4,203,500	4,504,400
Gross profit	1,363,200	1,181,000	3,696,400	3,869,000
Operating expenses:				
General and administrative	1,019,000	896,300	3,602,800	3,765,500
Selling	919,600	1,614,200	2,718,000	4,650,800
Research and development	683,200	895,900	2,059,900	2,371,900
Total operating expenses	2,621,800	3,406,400	8,380,700	10,788,200
Loss from operations	(1,258,600)	(2,225,400)	(4,684,300)	(6,919,200)
Other income:				
Other income, net	38,400	5,300	32,100	95,700
Interest income	40,100	19,000	136,900	65,400
Total other income, net	78,500	24,300	169,000	161,100
Loss from continuing operations before income tax expense	(1,180,100)	(2,201,100)	(4,515,300)	(6,758,100)
Income tax expense	-	-	-	108,800
Loss from continuing operations	(1,180,100)	(2,201,100)	(4,515,300)	(6,866,900)
Discontinued operations:				
Gain from discontinued operations, net of tax	\$ -	\$ -	-	3,300
Net loss	\$ (1,180,100)	(2,201,100)	\$ (4,515,300)	\$ (6,863,600)
Comprehensive gain (loss):				
Unrealized holding gain on investment securities, net of tax	-	-	-	1,600
Foreign currency translation (loss) gain	113,600	(95,700)	69,100	(85,600)
Comprehensive gain (loss)	113,600	(95,700)	69,100	(84,000)
Total comprehensive loss	\$ (1,066,500)	\$ (2,296,800)	\$ (4,446,200)	\$ (6,947,600)
Basic and Diluted loss per common share				
Continuing operations	\$ (0.11)	\$ (0.31)	\$ (0.43)	\$ (0.98)
Discontinued operations	\$ -	-	-	-
Consolidated operations	\$ (0.11)	(0.31)	\$ (0.43)	\$ (0.98)

See notes to unaudited condensed consolidated financial statements

SCIENTIFIC INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Treasury Stock		Total Stockholders' Equity
	Shares	Amount				Shares	Amount	
Balance December 31, 2023	10,145,211	\$ 507,300	\$40,844,600	\$ 18,600	\$ (27,485,100)			13,885,400
Net loss	-	-	-	-	(2,051,600)	-	-	(2,051,600)
Issuance of Common Stock and Warrants, net of issuance costs (Note 7)	358,388	17,900	204,000	-	-	-	-	221,900
Fair value modification of warrants recorded as stock issuance costs	-	-	423,800	-	-	-	-	423,800
Foreign currency translation adjustment	-	-	-	(60,300)	-	-	-	(60,300)
Stock-based compensation	-	-	199,900	-	-	-	-	199,900
Balance March 31, 2024	10,503,599	\$ 525,200	\$41,672,300	(41,700)	\$ (29,536,700)	-	\$ -	\$ 12,619,100
Net loss	-	-	-	-	(1,283,600)	-	-	(1,283,600)
Foreign currency translation adjustment	-	-	-	15,800	-	-	-	15,800
Stock-based compensation	-	-	330,300	-	-	-	-	330,300
Balance June 30, 2024	10,503,599	\$ 525,200	\$42,002,600	(25,900)	\$ (30,820,300)	-	\$ -	\$ 11,681,600
Net loss	-	-	-	-	(1,180,100)	-	-	(1,180,100)
Foreign currency translation adjustment	-	-	-	113,600	-	-	-	113,600
Stock-based compensation	-	-	319,500	-	-	-	-	319,500
Balance September 30, 2024	10,503,599	\$ 525,200	\$42,322,100	87,700	\$ (32,000,400)	-	\$ -	\$ 10,934,600

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Treasury Stock		Total Stockholders' Equity
	Shares	Amount				Shares	Amount	
Balance December 31, 2022	7,023,401	\$ 351,200	\$32,900,800	\$ (8,400)	\$ (18,398,600)	19,802	\$ 52,400	\$ 14,792,600
Net loss	-	-	-	-	(2,370,500)	-	-	(2,370,500)
Foreign currency translation adjustment	-	-	-	40,200	-	-	-	40,200
Unrealized holding gain on investment securities, net of tax	-	-	-	3,700	-	-	-	3,700
Stock-based compensation	-	-	602,600	-	-	-	-	602,600
Balance March 31, 2023	7,023,401	\$ 351,200	\$33,503,400	35,500	\$ (20,769,100)	19,802	\$ 52,400	\$ 13,068,600
Net loss	-	-	-	-	(2,292,000)	-	-	(2,292,000)
Foreign currency translation adjustment	-	-	-	(30,100)	-	-	-	(30,100)
Unrealized holding loss on investment securities, net of tax	-	-	-	(2,100)	-	-	-	(2,100)
Retirement of treasury stock	(19,802)	(1,000)	(51,400)	-	-	(19,802)	(52,400)	-
Stock-based compensation	-	-	584,700	-	-	-	-	584,700
Balance June 30, 2023	7,003,599	\$ 350,200	\$34,036,700	3,300	\$ (23,061,100)	-	\$ -	\$ 11,329,100
Net loss	-	-	-	-	(2,201,000)	-	-	(2,201,000)
Foreign currency translation adjustment	-	-	-	(95,700)	-	-	-	(95,700)

Stock-based compensation	-	-	845,700	-	-	-	-	845,700
Balance September 30, 2023	<u>7,003,599</u>	<u>\$ 350,200</u>	<u>\$ 34,882,400</u>	<u>(92,400)</u>	<u>\$ (25,262,200)</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 9,878,000</u>

See notes to unaudited condensed consolidated financial statements

SCIENTIFIC INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	For the Nine Months Ended September 30,	
	2024	2023
Operating activities:		
Net loss	\$ (4,515,300)	\$ (6,863,600)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	565,400	566,700
Stock-based compensation	849,700	2,033,000
Provision for bad debt	2,000	-
Loss on sale of investment securities	5,300	96,500
Unrealized holding gain on investment securities	(44,800)	(147,900)
Carrying value of right of use assets	249,000	201,400
Changes in operating assets and liabilities:		
Trade accounts receivable	(192,600)	(20,100)
Inventories	156,800	(532,400)
Prepaid and other current assets	14,300	(162,100)
Income tax receivable	87,800	108,800
Accounts payable	(93,600)	175,400
Accrued expenses	(158,600)	39,700
Contract liabilities	20,700	(114,000)
Lease liabilities	(250,700)	(203,000)
Net cash used in operating activities	(3,304,600)	(4,821,600)
Investing activities:		
Purchase of investment securities	(519,100)	(987,000)
Redemption of investment securities	3,025,000	4,505,400
Capital expenditures	(76,000)	(117,900)
Net cash provided by investing activities	2,429,900	3,400,500
Financing activities:		
Proceeds from issuance of common stock	716,800	-
Issuance costs of common stock and warrants	(71,100)	-
Overdraft	-	13,300
Net cash provided by financing activities	645,700	13,300
Effect of changes in foreign currency exchange rates on cash and cash equivalents	(3,600)	(3,900)
Net decrease in cash and cash equivalents	(232,600)	(1,411,700)
Cash and cash equivalents, beginning of period	796,100	1,927,100
Cash and cash equivalents, end of period	\$ 563,500	\$ 515,400

See notes to unaudited condensed consolidated financial statements

SCIENTIFIC INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Nature of the Business and Basis of Presentation

Scientific Industries, Inc. and its subsidiaries (the “Company”) design, manufacture, and market a variety of benchtop laboratory equipment and bioprocessing products. The Company is headquartered in Bohemia, New York where it produces benchtop laboratory and pharmacy equipment. Additionally, the Company has a location in Baesweiler, Germany, where it designs and produces a variety of bioprocessing products, and administrative facilities in Orangeburg, New York and Pittsburgh, Pennsylvania related to sales and marketing. The products, which are sold to customers worldwide, include mixers, shakers, stirrers, refrigerated incubators, pharmacy balances and scales, force gauges, bioprocessing sensors and analytical tools.

The accompanying (a) unaudited condensed balance sheet as of December 31, 2023, which has been derived from audited financial statements, and (b) unaudited interim condensed consolidated financial statements are prepared pursuant to the Securities and Exchange Commission’s rules and regulations for reporting on Form 10-Q. Accordingly, certain information and notes required by accounting principles generally accepted in the United States for complete financial statements are not included herein. The Company believes all adjustments necessary for a fair presentation of these interim statements have been included and that they are of a normal and recurring nature. These interim statements should be read in conjunction with the Company’s consolidated financial statements and notes thereto, included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2023. The results for the three and nine months ended September 30, 2024 are not necessarily an indication of the results for the full fiscal year ending December 31, 2024.

2. Significant Accounting Policies

Principles of Consolidation

The accompanying unaudited interim condensed consolidated financial statements include the accounts of Scientific Industries, Inc., Scientific Bioprocessing Holdings, Inc. (“SBHI”), a Delaware corporation and wholly-owned subsidiary, which holds 100% of the outstanding stock of Scientific Bioprocessing, Inc. (“SBI”), a Delaware corporation, and aquila biolabs GmbH (“Aquila”), a German corporation and Scientific Packaging Industries, Inc., an inactive wholly-owned subsidiary (all collectively referred to as the “Company”). All material intercompany balances and transactions have been eliminated in consolidation.

Liquidity and Going Concern Considerations

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) which contemplate continuation of the Company as a going concern. Accordingly, the financial statements do not include any adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. For the nine months ended September 30, 2024, the Company generated negative cash flows from operations of \$3,304,600 and had an accumulated deficit of \$32,000,400 as of September 30, 2024. Company management does not believe that cash on hand and cash flows expected to be generated internally by the Company will be adequate to fund its operations and other cash flow requirements over the next twelve months. These reasons raise substantial doubt about the Company’s ability to continue as a going concern within one year after the date that the financial statements are to be filed.

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In order to continue as a going concern, the Company will need, among other things, additional capital resources. Management is making plans to secure such resources for the Company which may include capital from management and significant shareholders sufficient to meet its operating expenses and third-party equity and/or debt financing. However, management cannot provide any assurances that the Company will be successful in accomplishing any of its plans. These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Reclassifications

Certain balances from fiscal 2023 have been reclassified to conform to the current year presentation.

New Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes - Improvements to Income Tax Disclosures*. This standard includes enhanced income tax disclosures primarily related to the effective tax rate reconciliation and income taxes paid for annual periods. The amendments in this update are effective for public companies with fiscal years beginning after December 15, 2024, with early adoption permitted. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which is intended to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant expenses. The update will require public entities to disclose significant segment expenses that are regularly provided to the chief operating decision maker and included within segment profit and loss. The amendments are effective for the Company's annual periods beginning January 1, 2024, and interim periods beginning January 1, 2025, with early adoption permitted, and will be applied retrospectively to all prior periods presented in the financial statements. We are currently evaluating the impact of the adoption of this standard to determine its impact on the Company's disclosures.

3. Fair Value of Financial Instruments

The Company follows ASC - Accounting Standards Codification ("ASC 820"), Fair Value Measurement, which has defined the fair value of financial instruments as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements do not include transaction costs.

The accounting guidance also expands the disclosure requirements around fair value and establishes a fair value hierarchy for valuation inputs. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels, which is determined by the lowest level input that is significant to the fair value measurement in its entirety. These levels are described below:

Level 1 Inputs that are based upon unadjusted quoted prices for identical instruments traded in active markets.

Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 Prices or valuation that require inputs that are both significant to the fair value measurement and unobservable.

In valuing assets and liabilities, the Company is required to maximize the use of quoted market prices and minimize the use of unobservable inputs. The Company calculated the fair value of its Level 1 and 2 instruments based on the exchange traded price of similar or identical instruments where available or based on other observable instruments. These calculations take into consideration the credit risk of both the Company and its counterparties. The Company has not changed its valuation techniques in measuring the fair value of any financial assets and liabilities during the period.

The following tables set forth by level within the fair value hierarchy the Company's financial assets that were accounted for at fair value on a recurring basis as of September 30, 2024 and December 31, 2023 according to the valuation techniques the Company used to determine their fair values:

	Fair Value Measurements as of September 30, 2024			
	Level 1	Level 2	Level 3	Total
Investment securities - Mutual funds	\$ 2,464,300	\$ -	\$ -	\$ 2,464,300
Total	\$ 2,464,300	\$ -	\$ -	\$ 2,464,300

	Fair Value Measurements as of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Investment securities - Mutual funds	\$ 4,928,700	\$ -	\$ -	\$ 4,928,700
Total	\$ 4,928,700	\$ -	\$ -	\$ 4,928,700

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Investments in marketable securities by security type as of September 30, 2024 and December 31, 2023 consisted of the following:

As of September 30, 2024:	Cost	Fair Value	Unrealized Holding Gain
Mutual funds	\$ 2,420,100	\$ 2,464,300	\$ 44,200
Total	\$ 2,420,100	2,464,300	\$ 44,200

As of December 31, 2023:	Cost	Fair Value	Unrealized Holding (Loss)
Mutual funds	\$ 4,929,300	\$ 4,928,700	\$ (600)
Total	\$ 4,929,300	\$ 4,928,700	\$ (600)

4. Inventories

	As of September 30, 2024	As of December 31, 2023
Raw materials	\$ 3,369,500	\$ 3,436,300
Work-in-process	61,000	23,200
Finished goods	1,954,900	2,033,400
Total Inventories	\$ 5,385,400	\$ 5,492,900
Inventories - Current Asset	\$ 4,788,300	\$ 4,883,900
Inventories - Noncurrent Asset	597,100	609,000

5. Goodwill and Finite Lived Intangible Assets

Goodwill amounted to \$115,300 as of September 30, 2024 and December 31, 2023.

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Finite lived intangible assets consist of the following:

As of September 30, 2024:	Useful Lives	Cost	Accumulated Amortization	Net
Technology, trademarks	3-10 yrs.	\$ 1,216,800	\$ 982,800	\$ 234,000
Trade names	3-6 yrs.	592,300	398,400	193,900
Websites	3-7 yrs.	210,000	210,000	-
Customer relationships	4-10 yrs.	372,200	214,300	157,900
Sublicense agreements	10 yrs.	294,000	294,000	-
Non-compete agreements	4-5 yrs.	1,060,500	944,300	116,200
Patents	5-7 yrs.	605,600	428,600	177,000
		<u>\$ 4,351,400</u>	<u>\$ 3,472,400</u>	<u>\$ 879,000</u>

As of December 31, 2023	Useful Lives	Cost	Accumulated Amortization	Net
Technology, trademarks	3-10 yrs.	\$ 1,216,800	\$ 870,900	\$ 345,900
Trade names	3-6 yrs.	592,300	341,600	250,700
Websites	3-7 yrs.	210,000	210,000	-
Customer relationships	4-10 yrs.	372,200	193,600	178,600
Sublicense agreements	10 yrs.	294,000	294,000	-
Non-compete agreements	4-5 yrs.	1,060,500	797,600	262,900
Patents	5-7 yrs.	595,800	384,000	211,800
		<u>\$ 4,341,600</u>	<u>\$ 3,091,700</u>	<u>\$ 1,249,900</u>

Total amortization expense was \$127,000 and \$127,800 for the three months ended September 30, 2024 and 2023, respectively.

Total amortization expense was \$380,700 and \$385,600 for the nine months ended September 30, 2024 and 2023, respectively.

Estimated future fiscal year amortization expense of intangible assets as of September 30, 2024 is as follows:

As of September 30, 2024	Amount
Remainder of fiscal year ending 2024	\$ 130,100
2025	373,500
2026	195,900
2027	94,500
2028	43,700
Thereafter	41,300
Total	<u>\$ 879,000</u>

6. Commitment and Contingencies

Legal Matters

During the normal course of business, the Company may be named from time to time as a party to claims and litigations arising in the ordinary course of business. When the Company becomes aware of potential litigation, it evaluates the merits of the case in accordance with ASC 450, Contingencies. Litigation and contingency accruals are based on our assessment, including advice of legal counsel, regarding the expected outcome of litigation or other dispute resolution proceedings. If the Company determines that an unfavorable outcome is probable and can be reasonably assessed, it establishes the necessary accruals. As of September 30, 2024 and December 31, 2023, the Company is not aware of any contingent legal liabilities that should be reflected in the consolidated financial statements.

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Leases

The Company's approximate future minimum rental payments under all operating leases as of September 30, 2024 were as follows:

As of September 30, 2024:	Amount
Remainder of fiscal year ending 2024	\$ 94,600
2025	361,300
2026	266,600
2027	274,600
2028	201,000
Total future minimum payments	\$ 1,198,100
Less: Imputed interest	(109,100)
Total Present Value of Operating Lease Liabilities	\$ 1,089,000

7. Stockholders' Equity

Issuance of Common Stock and Warrants

On January 17, 2024, the Company completed the last closing of its sale of securities pursuant to the Securities Purchase Agreement (the "Purchase Agreement") entered on December 13, 2023, as filed in the Company's Form 8-K on December 15, 2023. At this closing, the Company sold an aggregate of 358,388 Units, comprising 358,388 shares of the Company's common stock, par value \$.05 per share ("Common Stock") and warrants ("Warrants") to purchase 358,388 shares of Common Stock for a total consideration of \$716,776. The Company recognized \$98,700 of issuance cost, which includes \$71,100 attributable to legal and placement agent fees and \$27,600 attributable to the fair value of warrants, issued to the placement agent, to purchase up to 17,919 shares of Common Stock at an exercise price of \$2.00 per share on substantially the same terms as the Warrants issued to the purchasers of Units ("Investors").

As an incentive to certain Investors of the Company who participated in previous private placements ("Existing Investors") and received as part of those financings, warrants ("Outstanding Warrants") to purchase shares of Common Stock, the Company agreed that if any Existing Investor were to purchase Units at a certain level in the offering thereof under the Purchase Agreement (the "Offering"), the Company would reduce the exercise price of the Outstanding Warrants held by such Existing Investor to \$2.50 per share and extend the period in which such Outstanding Warrants could be exercised to the fifth anniversary of the date on which the Existing Investor purchased Units under the Purchase Agreement. Each Existing Investor purchasing Units at the requisite level received a new warrant (the "Replacement Warrants") to replace such Existing Investor's Outstanding Warrants. On January 17, 2024, as a result of their purchase of Units, Existing Investors became entitled to receive Replacement Warrants to replace 333,884 Outstanding Warrants, with each Replacement Warranting having a reduced exercise price of such Outstanding Warrants of \$2.50 per share and exercisable until the fifth anniversary of the relevant closing under the Purchase Agreement.

Salary for Equity Incentive Options

On April 1, 2024 and May 17, 2024, as part of the Company's strategic initiatives to reduce operating costs and conserve cash for operations, the Company offered a voluntary Salary/Compensation Waiver Program pursuant to which each director, officer and employee of the Company and its subsidiaries could elect to waive a portion of his or her salary/compensation for twelve months and receive instead options to purchase shares of the Common Stock of the Company (the "stock options"). Under this program, the Company issued 10-year options to purchase 628,960 shares of Common Stock, each having an exercise price of \$2.50 per share, vesting monthly over twelve months, valued at \$948,200 on the grant date using the Black-Scholes-Merton option pricing model.

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Equity Cancel and Replacement Options

On April 1, 2024, as part of the Company's strategic initiatives to incentivize current employees, the Company entered into a cancellation and replacement agreement regarding certain out-of-the money outstanding employee stock options (the "replacement stock options"), whereby employees surrendered out-of-the-money outstanding stock options ("cancelled option awards") and the Company granted replacement stock options in the same number, having an exercise price of \$2.50 per share, which replacement options vest monthly over three years from their date of issuance. The Company accounted for the issuance of these replacements options as a modification of the terms of the cancelled option awards and in accordance with ASC 718-20-35-2A the Company will recognize \$613,400 stock compensation expense over the three-year vesting period, which was determined by the grant-date fair value of the original award for which the service is expected to be rendered at the cancellation date, plus incremental costs measured as the excess of the fair value of the replacement options on the grant date using the Black-Scholes-Merton option pricing model over the fair value of the cancelled option award at the cancellation date in accordance with ASC 718-20-35-3.

Board of Director Stock Options

On April 12, 2024, the Board of Directors of the Company (the "Board") appointed Michael Blechman ("Mr. Blechman") as (i) a Class B Director of the Company, (ii) a member of the Board's audit committee, (iii) a member of the Board's compensation committee, and (iv) the Chair and a member of the Company's Nominating Committee. On May 17, 2024, in connection with such appointment, the Company granted and issued to Mr. Blechman stock options to purchase 25,000 shares of the Common Stock of the Company with an exercise price of \$1.75 which vest monthly over three years, valued at \$34,500 on the grant date using the Black-Scholes-Merton option pricing model.

On July 1, 2024, the Company granted and issued stock options to purchase 10,000 shares of the Common Stock of the Company, each to Christopher Cox, John Nicols, and Jurgen Schumacher, as part of their annual compensation serving as independent Board members of the Company. The stock options have a 10-year life, an exercise price of \$1.29, 100% vested one year after the grant date, and valued at \$10,400 on the grant date using the Black-Scholes-Merton option pricing model.

On July 1, 2024, the Company granted and issued stock options to purchase 5,000 shares of the Common Stock of the Company, each to Michael Blechman, Christopher Cox, and John Nicols, as part of their annual compensation serving as independent Committee Chairmen of the Company. The stock options have a 10-year life, an exercise price of \$1.29, 100% vested one year after the grant date, and valued at \$5,200 on the grant date using the Black-Scholes-Merton option pricing model.

8. Loss Per Common Share

The Company presents the computation of earnings per share ("EPS") on a basic basis. Basic EPS is computed by dividing net income or loss by the weighted average number of shares outstanding during the reported period. Diluted EPS is computed similarly to basic EPS, except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential additional common shares that were dilutive had been issued. Common shares are excluded from the calculation if they are determined to be anti-dilutive. The following table sets forth the weighted average number of common shares outstanding for each period presented.

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Weighted average number of common shares outstanding	10,503,599	7,003,599	10,443,029	7,003,599
Effect of dilutive securities:	-	-	-	-
Weighted average number of dilutive common shares outstanding	10,503,599	7,003,599	10,443,029	7,003,599
Basic and diluted loss per common share:				
Continuing operations	\$ (0.11)	\$ (0.31)	\$ (0.43)	\$ 0.98)
Discontinued operations	-	-	-	-
Consolidated operations	\$ (0.11)	\$ (0.31)	\$ (0.43)	\$ (0.98)

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Approximately 1,835,447 and 8,232,510 shares of the Company's common stock issuable upon the exercise of stock options and warrants, respectively, were excluded from the calculation because the effect would be anti-dilutive due to the loss for both the three and nine months ended September 30, 2024.

Approximately 20,965 and 0 shares of the Company's common stock issuable upon the exercise of stock options and warrants, respectively, were excluded from the calculation because the effect would be anti-dilutive due to the loss for the three months ended September 30, 2023.

Approximately 20,417 and 0 shares of the Company's common stock issuable upon the exercise of stock options and warrants, respectively, were excluded from the calculation because the effect would be anti-dilutive due to the loss for the nine months ended September 30, 2023.

9. Related Parties

Consulting Agreements

During the three and nine months ended September 30, 2024 and 2023, respectively, the Company paid \$24,000 and \$71,300, respectively, and \$0 and \$0, respectively, to Mr. John Nicols, a Director of the Company, who provided consulting services to the Bioprocessing Systems Operations segment.

10. Segment Information and Concentration

The Company views its operations as two operating segments: the manufacture and marketing of standard benchtop laboratory equipment for research in university, hospital and industrial laboratories sold primarily through laboratory equipment distributors and laboratory and pharmacy balances and scales ("Benchtop Laboratory Equipment Operations"), and the manufacture, design, and marketing of bioprocessing systems and products ("Bioprocessing Systems"). The Company also has included a non-operating corporate segment. All inter-segment revenues are eliminated.

Segment information is reported as follows.

Three Months Ended September 30, 2024:	Benchtop Laboratory Equipment	Bioprocessing Systems	Corporate And Other	Consolidated
Revenues	\$ 2,316,600	\$ 452,500	\$ -	\$ 2,769,100
Foreign Sales	562,000	241,900		803,900
Income (Loss) From Operations	258,700	(1,200,000)	(317,300)	(1,258,600)
Assets	6,114,600	4,697,900	2,464,300	13,306,800
Long-Lived Asset Expenditures	2,900	900	-	3,800
Depreciation and Amortization	21,900	166,200	-	188,100

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	Benchtop Laboratory Equipment	Bioprocessing Systems	Corporate And Other	Consolidated
Three Months Ended September 30, 2023:				
Revenues	\$ 2,161,300	\$ 424,200	\$ -	\$ 2,585,500
Foreign Sales	625,000	242,900		867,900
Income (Loss) From Operations	73,600	(2,105,500)	(193,500)	(2,225,400)
Assets	7,137,200	5,101,300	809,600	13,048,100
Long-Lived Asset Expenditures	-	11,700	-	11,700
Depreciation and Amortization	20,700	167,500	-	188,200

For the three months ended September 30, 2024 one customer accounted for 10% or more of the Company's total revenue. For the three months ended September 30, 2023 one customer accounted for 10% or more of the Company's total revenue.

	Benchtop Laboratory Equipment	Bioprocessing Systems	Corporate And Other	Consolidated
Nine Months Ended September 30, 2024:				
Revenues	\$ 6,765,900	\$ 1,134,000	\$ -	\$ 7,899,900
Foreign Sales	1,779,100	648,100		2,427,200
Income (Loss) From Operations	546,000	(4,094,700)	(1,135,600)	(4,684,300)
Assets	6,144,600	4,697,900	2,464,300	13,306,800
Long-Lived Asset Expenditures	72,800	3,200	-	76,000
Depreciation and Amortization	64,700	500,700	-	565,400

	Benchtop Laboratory Equipment	Bioprocessing Systems	Corporate And Other	Consolidated
Nine Months Ended September 30, 2023:				
Revenues	\$ 7,357,800	\$ 1,015,600	\$ -	\$ 8,373,400
Foreign Sales	2,204,800	478,700		2,683,500
Income (Loss) From Operations	555,200	(5,972,600)	(1,501,800)	(6,919,200)
Assets	7,137,200	5,101,300	809,600	13,048,100
Long-Lived Asset Expenditures	25,200	92,700	-	117,900
Depreciation and Amortization	64,400	502,300	-	566,700

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For the nine months ended September 30, 2024 no customers accounted for approximately 10% or more of the Company's total revenue. For the nine months ended September 30, 2023 no customers accounted for approximately 10% or more of the Company's total revenue.

A reconciliation of the Company's consolidated segment income (loss) from operations to consolidated loss from operations before income taxes and net loss for the three and nine months ended September 30, 2024 and 2023, respectively are as follows:

	Benchtop Laboratory Equipment	Bioprocessing Systems	Corporate	Consolidated
For the three months ended September 30, 2024				
Income (Loss) from Operations	\$ 258,700	\$ (1,200,000)	\$ (317,300)	\$ (1,258,600)
Other income, net	2,100	11,400	24,900	38,400
Interest income	-	-	40,100	40,100
Total other income, net	2,100	11,400	65,000	78,500
Income (Loss) from operations before discontinued operations and income taxes	\$ 260,800	\$ (1,188,600)	\$ (252,300)	\$ (1,180,100)

	Benchtop Laboratory Equipment	Bioprocessing Systems	Corporate	Consolidated
For the three months ended September 30, 2023				
Income (Loss) from Operations	\$ 73,600	\$ (2,105,500)	\$ (193,500)	\$ (2,225,400)
Other income (expense), net	5,300	(1,800)	1,800	5,300
Interest income	-	-	19,000	19,000
Total other income (expense), net	5,300	(1,800)	20,800	24,300
Income (Loss) from operations before discontinued operations and income taxes	\$ 78,900	\$ (2,107,300)	\$ (172,700)	\$ (2,201,100)

	Benchtop Laboratory Equipment	Bioprocessing Systems	Corporate	Consolidated
For the nine months ended September 30, 2024				
Income (Loss) from Operations	\$ 546,000	\$ (4,094,700)	\$ (1,135,600)	\$ (4,684,300)
Other income (expense), net	(5,100)	22,500	14,700	32,100
Interest income	-	-	136,900	136,900
Total other income (expense), net	(5,100)	22,500	151,600	169,000
Income (Loss) from operations before discontinued operations and income taxes	\$ 540,900	\$ (4,072,200)	\$ (984,000)	\$ (4,515,300)

	Benchtop Laboratory Equipment	Bioprocessing Systems	Corporate	Consolidated
For the nine months ended September 30, 2023				
Income (Loss) from Operations	\$ 555,200	\$ (5,972,600)	\$ (1,501,800)	\$ (6,919,200)
Other income, net	7,700	9,300	78,700	95,700
Interest income	-	-	65,400	65,400
Total other income, net	7,700	9,300	144,100	161,100
Income (Loss) from operations before discontinued operations and income taxes	\$ 562,900	\$ (5,963,300)	\$ (1,357,700)	\$ (6,758,100)

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

Forward-Looking statements. *The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our audited financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2023. Certain statements contained in this report are not based on historical facts but are forward-looking statements that are based upon various assumptions about future conditions. Actual events in the future could differ materially from those described in the forward-looking statements. Numerous unknown factors and future events could cause such differences, including but not limited to, product demand, market acceptance, success of marketing strategy, success of expansion efforts, impact of competition, adverse economic conditions, and other factors affecting the Company's business that are beyond the Company's control, which are discussed elsewhere in this report. Consequently, no forward-looking statement can be guaranteed. The Company undertakes no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. Throughout this Quarterly Report on Form 10-Q, the terms the "Company," "Scientific," "we," "our" or "us," refer to Scientific Industries, Inc. and its subsidiaries on a consolidated basis, unless stated or the context implies otherwise.*

Overview.

Scientific Industries, Inc., a Delaware corporation ("SI" and along with its subsidiaries, the "Company", "we", "our"), is engaged in the design, manufacture, and marketing of standard benchtop laboratory equipment ("Benchtop Laboratory Equipment"), and through its wholly-owned subsidiary, Scientific Bioprocessing Holdings, Inc., a Delaware corporation ("SBHI"), the design, manufacture, and marketing of bioprocessing systems and products ("Bioprocessing Systems"). SBHI has two wholly-owned subsidiaries – Scientific Bioprocessing, Inc., a Delaware corporation ("SBI"), and aquila biolabs GmbH, a German corporation ("Aquila"). The Company's products are used primarily for research purposes by universities, pharmaceutical companies, pharmacies, national laboratories, medical device manufacturers, and other industries performing laboratory-scale research. The Company's results reflect those of the Benchtop Laboratory Equipment Operations and the Bioprocessing Systems Operations and its corporate operation.

Results of Operations.

Three months ended September 30, 2024 and 2023

The Company reported a decrease of \$1,021,000 (46.4%) in its loss from continuing operations to \$1,180,100 for the three months ended September 30, 2024 as compared to a \$2,201,100 loss from continuing operations for the three months ended September 30, 2023, primarily due to decreased expenses resulting from operating cost reductions mostly in the Bioprocessing Systems Operations segment and increased net revenue in both of the Company's operating segments compared to the prior year period.

Revenue

Net revenues for the three months ended September 30, 2024 increased \$183,600 (7.1%) to \$2,769,100 from \$2,585,500 for the three months ended September 30, 2023, driven by increased revenues of \$155,300 from the Benchtop Laboratory Equipment Operations and \$28,300 from the Bioprocessing Systems Operations. The increase in revenue from the Benchtop Laboratory Equipment Operations was driven by increased sales of Genie brand products in the U.S., and to a lesser extent increased sales of the Torbal division's VIVID pill counter. Sales of Torbal and VIVID brand products amounted to \$881,900 for the current year period compared to \$850,700 in the prior year. The pharmacy industry is recovering from cash flow constraints caused by new regulations related to pharmacy direct and indirect remuneration fees "DIR fees" charged by pharmacy benefit managers, which caused financial hardships and cash flow challenges for the independent pharmacy market in the beginning of 2024.

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Gross profit

The gross profit percentage for the three months ended September 30, 2024 and 2023, were 49.2% and 45.7%, respectively. The increase is due primarily to higher gross margin percentage in the Bioprocessing Systems Operations, in part attributable to increased sales of the recently launched Multiparameter Sensor.

General and administrative

General and administrative expenses for the three months ended September 30, 2024 increased \$122,700 (13.7%) to \$1,019,000 from \$896,300 for the three months ended September 30, 2023, primarily due to increases in Corporate expenses related to external professional services and non-cash stock-based compensation expense compared to prior year period.

Selling

Selling expenses for the three months ended September 30, 2024 decreased \$694,600 (43.0%) to \$919,600 from \$1,614,200 for the three months ended September 30, 2023, primarily due to the reduction of sales and marketing employees in conjunction to the strategic operational plan for the Bioprocessing Systems Operations, implemented in the first and second quarters of the current year.

Research and development

Research and development expenses for the three months ended September 30, 2024 decreased \$212,700 (23.7%) to \$683,200 from \$895,900 for the three months ended September 30, 2023, primarily due to the completion of new product developments in the current year and reduction of research and development expenditures in both operating segments as compared to prior year period.

Other income, net

Other income, net, for the three months ended September 30, 2024 and 2023, were \$78,500 and \$24,300, respectively. The increase is due primarily to increased interest income on investment securities and increased unrealized gain in investment securities during the current year period as compared to prior year period.

Income tax

Income tax for the three months ended September 30, 2024 and 2023, were \$0 and \$0, respectively. The Company maintains a full valuation allowance of \$11,032,000 against its consolidated net deferred tax asset as the Company determined the net deferred tax assets which includes net operating loss carry-forwards and other tax credits, are not more likely than not to be realized in the future.

Nine months ended September 30, 2024 and 2023

The Company reported a loss from continuing operations of \$4,515,300 for the nine months ended September 30, 2024 compared to a \$6,758,100 loss from continuing operations for the nine months ended September 30, 2023, primarily due to an increase in productivity from the Bioprocessing Systems Operations that saw a slight year-over-year pick up in revenue at significantly decreased expenses resulting from operating cost reductions as well as decreased Corporate expenses related to external professional services and non-cash stock-based compensation expense compared to the prior year periods.

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Revenue

Net revenues for the nine months ended September 30, 2024 decreased \$473,500 (5.7%) to \$7,899,900 from \$8,373,400 for the nine months ended September 30, 2023, primarily due to a decrease of \$591,900 in net revenues from the Benchtop Laboratory Equipment Operations, offset by an increase of \$118,400 in net revenues from the Bioprocessing Systems Operations. The reduced net revenue from the Benchtop Laboratory Equipment Operations resulted primarily from decreased Genie brand sales due to overall market softness in demand for laboratory equipment in China. In addition, net revenue of Torbal and VIVID brand products decreased to \$2,380,600 in the current year period, compared to \$2,597,400 in the prior year period, due to principally reduced VIVID pill counter sales resulting primarily from the new regulations related to pharmacy direct and indirect remuneration fees “DIR fees” charged by pharmacy benefit managers, which caused financial hardships and cash flow challenges for the independent pharmacy market in the beginning of 2024. Bioprocessing Systems Operations revenues increased \$118,400 to \$1,134,000 for the current year period compared to \$1,015,600 in the prior year period primarily due to increased market penetration of its new DOTS Multiparameter sensor products.

Gross profit

The gross profit percentage for the nine months ended September 30, 2024 and 2023, were 46.8% and 46.2%, respectively, due primarily to increased sales of the recently launched Multiparameter Sensor with higher gross margin percentage in the Bioprocessing Systems Operations offset by lower gross margin percentage in the Benchtop Laboratory Equipment Operations, resulting from increases in production overhead costs.

General and administrative

Selling expenses for the nine months ended September 30, 2024 decreased \$1,932,800 (41.6%) to \$2,718,000, compared to \$4,650,800 for the nine months ended September 30, 2023 primarily due to the decreased non-cash stock-based compensation expenses and reduction of sales and marketing employees in conjunction to the strategic operational plan for the Bioprocessing Systems Operations implemented in the first and second quarter of the current year period.

Selling

Selling expenses for the nine months ended September 30, 2024 and 2023 decreased \$1,932,800 (41.6%) to \$2,718,000, compared to \$4,650,800 for the nine months ended September 30, 2023 primarily due to the decreased non-cash stock-based compensation expenses and reduction of sales and marketing employees in conjunction to the strategic operational plan for the Bioprocessing Systems Operations implemented in the first and second quarter of the current year period.

Research and development

Research and development expenses for the nine months ended September 30, 2024 decreased \$312,000 (13.2%) to \$2,059,900 compared to \$2,371,900 for the nine months ended September 30, 2023 primarily due to the reduction of research and development expenditures related to the completion of a new VIVID automated pill counter in the Benchtop Laboratory Equipment Operations as compared to prior year period.

Other income, net

Other income, net, for the nine months ended September 30, 2024 and 2023, were \$169,000 and \$161,000, respectively. The increase is due primarily to increased interest income on investment securities and increased unrealized gain in investment securities during the current year period as compared to prior year period.

Income tax

Income tax for the nine months ended September 30, 2024, and 2023, were \$0 and \$108,800, respectively. The Company maintains a full valuation allowance of \$11,032,000 against the consolidated net deferred tax asset as the Company determined the net deferred tax assets which includes net operating loss carry-forwards and other tax credits, are not more likely than not to be realized in the future.

Liquidity and Capital Resources.

Our primary sources of liquidity are existing cash and investment securities, and cash generated from operating activities of the Benchtop Laboratory Equipment Operations. We assess our liquidity in terms of our ability to generate cash to fund our short and long-term cash requirements. For the nine months ended September 30, 2024, the Company reflected negative cash flows from operations of \$3,304,600 and had an accumulated deficit of \$32,000,400 as of September 30, 2024. We believe that our operating cash flows derived primarily from the Benchtop Laboratory Equipment Operations, our cash and investment securities on hand, and the availability of our line of credit, are not sufficient to fund our cash requirements for the next 12 months. The accompanying unaudited condensed financial statements do not include any adjustments related to the recoverability and classification of asset amounts or the classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

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In order to continue as a going concern, the Company will need, among other things, additional capital resources. Management is making plans to obtain such resources for the Company which may include capital from management and significant shareholders sufficient to meet its operating expenses and seeking third party equity and/or debt financing. However, management cannot provide any assurances that the Company will be successful in accomplishing any of its plans. These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The following table discloses our cash flows for the periods presented:

	For the nine months ended September 30,	
	2024	2023
Net cash used in operating activities	\$ (3,304,600)	\$ (4,821,600)
Net cash provided by investing activities	2,429,900	3,400,500
Net cash provided by financing activities	645,700	13,300
Effect of changes in foreign currency exchange rates	(3,600)	(3,900)
Decrease in cash and cash equivalents	\$ (232,600)	\$ (1,411,700)

Net cash used in operating activities was \$3,304,600 for the nine months ended September 30, 2024 compared to \$4,821,600 for the nine months ended September 30, 2023. The net decrease of \$1,517,000 is primarily due to the decreased operating expenses associated with a reduction in force in the Bioprocessing Systems operations and decreased corporate expenses in the current period compared to prior year period.

Net cash provided by investing activities was \$2,429,900 for the nine months ended September 30, 2024 compared to \$3,400,500 provided in the nine months ended September 30, 2023. The net decrease of \$970,600 is primarily due to the net decrease in net redemption of investment securities in the current year period compared to prior year period.

Net cash provided by financing activities was \$645,700 for the nine months ended September 30, 2024 compared to \$13,300 for the nine months ended September 30, 2023. The net increase of \$632,400, is primarily due to issuance of the Units pursuant to the Purchase Agreement in the current year period.

Critical Accounting Estimates

The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) requires us to make judgments, assumptions, and estimates that affect the amounts reported in the consolidated financial statements and accompanying notes. “Note 2-Summary of significant accounting policies” to the Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2023 (“2023 Form 10-K”) describes the significant accounting policies and methods used in the preparation of the consolidated financial statements. Our critical accounting estimates are identified in Management’s Discussion and Analysis of Financial Condition and Results of Operations in Part II, Item 7 of our 2023 Form 10-K. Such accounting policies and estimates require significant judgments and assumptions to be used in the preparation of the consolidated financial statements, and actual results could differ from our assumptions and estimates, and such differences could be material.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information otherwise required under this item.

ITEM 4. Controls and Procedures

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Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, our management, with the participation and supervision of our Chief Executive Officer and Chief Financial Officer, have evaluated the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934). In designing and evaluating our disclosure controls and procedures, we recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and that we are required to apply our judgment in evaluating the cost-benefit relationship of possible controls and procedures. Further, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected. Based on the evaluation of our disclosure controls and procedures and internal controls over financial reporting as of September 30, 2024, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective. Our management has concluded that the condensed consolidated financial statements included in this Quarterly Report on Form 10-Q present fairly, in all material respects, the Company's financial position, results of operations and cash flows for the periods disclosed in accordance with U.S. GAAP.

Changes in Internal Controls Over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the nine months ended September 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. Legal Proceedings

None

ITEM 1A. Risk Factors

Not required for smaller reporting companies.

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

Refer to Current Report on Form 8-K filed with the SEC on January 22, 2024 as incorporated by reference for recent sales of unregistered securities.

ITEM 3. Defaults Upon Senior Securities

None

ITEM 4. Mine Safety Disclosures

Not applicable

ITEM 5. Other Information

None

ITEM 6. Exhibits

Exhibit Number	Description of document
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SCIENTIFIC INDUSTRIES, INC. (Registrant)

Date: November 14, 2024

By: /s/ Helena R. Santos
Helena R. Santos
President, Chief Executive Officer, and Treasurer

SCIENTIFIC INDUSTRIES, INC. (Registrant)

Date: November 14, 2024

By: /s/ Reginald Averilla
Reginald Averilla
Chief Financial Officer

**CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT**

I, Helena R. Santos, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 of Scientific Industries, 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. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Securities 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 my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me 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 my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures, and presented in this report my 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) that has materially affected, or is reasonable likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my 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.

Scientific Industries, Inc.

Date: November 14, 2024

By: /s/ Helena R. Santos
Helena R. Santos
Chief Executive Officer

**CERTIFICATION BY THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT**

I, Reginald Averilla, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 of Scientific Industries, 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. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Securities 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 my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me 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 my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures, and presented in this report my 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) that has materially affected, or is reasonable likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my 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.

Scientific Industries, Inc.

Date: November 14, 2024

By: /s/ Reginald Averilla
Reginald Averilla
Chief Financial Officer

**CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT**

I, Helena R. Santos, Chief Executive Officer of Scientific Industries, Inc. (the "Company"), certify, to the best of my knowledge that:

1. I have reviewed this Quarterly Report on Form 10-Q of the Company for the period ended September 30, 2024 (the "Quarterly Report");
2. the Quarterly Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
3. the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of Scientific Industries, Inc.

Scientific Industries, Inc.

Date: November 14, 2024

By: /s/ Helena R. Santos

Helena R. Santos
Chief Executive Officer

**CERTIFICATION BY THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT**

I, Reginald Averilla, Chief Financial Officer of Scientific Industries, Inc. (the "Company"), certify, to the best of my knowledge that:

1. I have reviewed this Quarterly Report on Form 10-Q of the Company for the period ended September 30, 2024 (the "Quarterly Report");
2. the Quarterly Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
3. the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of Scientific Industries, Inc.

Scientific Industries, Inc.

Date: November 14, 2024

By: /s/ Reginald Averilla
Reginald Averilla
Chief Financial Officer

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