

Scientific Industries Reports Financial Results for Third Quarter of Fiscal Year 2021

Benchtop Lab Equipment Reports Strong Revenues and Earnings

Company Continues to Invest In Its Bioprocessing Business

BOHEMIA, NY / May 17, 2021 / Scientific Industries, Inc. (OTCQB:SCND), a life sciences tool provider, and a developer of optical sensors for non-invasive, real-time monitoring of cell culture systems through its subsidiary Scientific Bioprocessing, Inc. ("SBI"), today reported financial results for the third quarter of fiscal 2021 ended March 31, 2021.

2021 Third Quarter, Nine Months and Recent Highlights:

- Net revenues were \$2.5 million and \$7.2 million, an increase of 17% and 16% vs. prior year.
- Gross profit was \$1.4 million and \$3.8 million, an increase of 24% and 18% vs. prior year.
- Gross profit percentage was 54.3% and 52.8%, an increase of 280 and 60 basis points vs. prior year.
- Benchtop Laboratory Equipment Adjusted EBITDA (non-GAAP) was \$0.80 and \$1.8 million, an increase of 378% and 328% vs. prior year periods.
- Cash and cash equivalents and investments as of March 31, 2021 was approximately \$6.0 million and no long-term debt.
- Acquired aquila biolabs GmbH ("aquila") in April 2021 to advance platform for digitally simplified bioprocessing.

Management Discussion

Helena Santos, Chief Executive Officer of Scientific Industries, stated, "We are pleased with the solid financial performance in our fiscal third quarter with double digit topline growth. With the continued strong performance of our core business plus the growth potential of our Bioprocessing Systems ("SBI"), especially with the recent acquisition of aquila in April 2021, the long-term outlook for our Company is truly exciting."

John Moore, Chairman of Scientific Industries and President of SBI, said, "We are positioning the Company for long-term success as we enter the \$1.2 billion cell culture and biomanufacturing market. We are excited as we enter the next phase of development with our bioprocessing business to improve productivity gains and time-to-market. Our recent acquisition of aquila combined with our technology will allow us to create a new digital platform to precisely tune multiple culture parameters in real-time for the production of high-quality therapeutics."

2021 Third Quarter and Nine Months Financial Review

Net revenues for the third quarter of fiscal year 2021 were \$2.5 million, an increase of \$0.4 million, or 17%, compared to \$2.1 million for the third quarter of fiscal year 2020. Gross profit for the fiscal third quarter was \$1.4 million with a gross profit of 54.3%, an increase of \$0.3 million, or 24% and 280 basis points compared to \$1.1 million and 51.5% for the third quarter of fiscal 2020. Net loss for the fiscal third quarter was \$1.4 million, or a loss of \$(0.50) per basic share, compared to net loss of \$0.31 million, or a loss of \$(0.21) per basic share for the third quarter of fiscal 2020.

For the nine months ended March 31, 2021, the Company reported net revenues of \$7.2 million, an increase of \$1.0 million, or 16%, compared to \$6.2 million for the nine months ended March 31, 2020. Gross profit for the nine-month period was \$3.8 million with a gross profit percentage of 52.8%, an increase of \$0.6 million, or 18% and 60 basis points, compared to \$3.3 million and 52.2% for the nine-month period of 2020. Net loss for the nine months was \$2.3 million, or \$(0.81) loss per basic share, compared to a net loss of \$0.4 million, or \$(0.25) loss per basic share for the nine months ended March 31, 2020, respectively.

The Company benefited from another consecutive quarter of increased sales from its core Benchtop Laboratory Equipment Operations with continued robust worldwide demand for its vortexers and shakers, in part due to COVID-related research and testing. As a result, sales of the Benchtop Laboratory Equipment Operations increased by 31% and 28% for the three- and nine-month periods ended March 31, 2021 compared to the same periods last year, with significantly higher income from the segment's operations for both the current three and nine-month periods. Adjusted EBITDA for Benchtop Laboratory Equipment, a non-GAAP measure, for the three and nine-month periods was \$0.80 million and \$1.8 million, an increase of 378% and 328% over for the same prior year periods of \$0.2 million and \$0.4 million.

The Company's results reflected continued investment in the Company's Bioprocessing Systems operations, which resulted in increased operating expenses, including sales, marketing, and product development. In addition, the Company's results reflected non-cash stock options expense of \$1.3 million and \$1.4 million for the three- and nine-month periods ended March 31, 2021 compared to \$14,600 and \$50,000 for the prior year periods, respectively. The 2021 nine months' results also included losses from discontinued operations resulting from the November 30, 2020 sale of the Company's Catalyst Research Instruments Operations.

On April 29, 2021, the Company acquired aquila, a privately held German bioprocessing technology company for approximately \$7.9 million financed in part through a private placement investment in the Company of approximately \$7.6 million. This strategic

acquisition provides the Company with the building blocks to create a new category in bioprocessing called digitally simplified bioprocessing.

Despite the significant investment in SBI, the Company ended the quarter with \$6.0 million in cash and cash equivalents and short-term investments, in part due to the robust sales and profits generated by its core business segment – Benchtop Laboratory Equipment, and to a lesser extent, a second Payroll Protection Program loan.

About Scientific Industries, Inc.

Scientific Industries (OTCQB:SCND), is a life science tool provider. It designs, manufactures, and markets laboratory equipment, including the world-renowned Vortex-Genie® 2 Mixer and Torbal® balances, and bioprocessing systems and methods. Scientific Industries' products are generally used and designed for research purposes in laboratories of universities, hospitals, pharmaceutical companies, medical device manufacturers, and pharmacies. To learn more, visit www.scientificindustries.com.

About Scientific Bioprocessing, Inc.

SBI is dedicated to providing state-of-the-art instruments, strategies, and technologies to expedite the production of viable cells and therapies with a streamlined process and product consistency. SBI's mission is to develop sensor technologies and instruments that make cell culture and bioprocessing work easier, experiments more reproducible, and culture conditions better suited to meet experimental objectives. SBI is a subsidiary of Scientific Industries, Inc. To learn more, visit www.scientificbio.com.

Non-GAAP Measures

This press release contains information prepared in conformity with GAAP as well as non-GAAP financial information. Non-GAAP financial measures presented in this press release include Benchtop Laboratory Equipment Adjusted EBITDA. This non-GAAP information should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP, and similarly titled non-GAAP measures may be calculated differently by other companies.

Safe Harbor Statement

Statements made in this press release that relate to future events, performance or financial results of the Company are forward-looking statements which involve uncertainties that could cause actual events, performance or results to materially differ. The Company undertakes no obligation to update any of these statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as to the date hereof. Accordingly, any forward-looking statement should be read in conjunction with the additional

information about risks and uncertainties set forth in the Company's Securities and Exchange Commission reports, including our annual report on Form 10-K.

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-FINANCIAL TABLES FOLLOW-

**SCIENTIFIC INDUSTRIES, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET**