



Progenity Strengthens its Liquidity Position

November 23, 2021

Company received more than \$44 million in warrant exercises since August 2021.

Current liquidity position provides runway to achieve critical research and development milestones through 2022.

SAN DIEGO, Nov. 23, 2021 (GLOBE NEWSWIRE) -- Progenity, Inc. (Nasdaq: PROG), a biotechnology company innovating in the fields of gastrointestinal health and oral biotherapeutics, today provided an update on its strengthened liquidity position.

"Over the last several months, we made great strides in optimizing our capital structure and bolstering our liquidity position," said Eric d'Esparbes, Chief Financial Officer of Progenity. "As a result of previously issued warrants being exercised and other capital-raising transactions, we believe our liquidity position provides sufficient runway to support achievement of our critical R&D milestones for at least the next twelve months."

The company reported approximately \$44 million in warrant exercises to date during the fourth quarter of 2021. In addition, through an exchange transaction in the fourth quarter of 2021, the company reduced by 38% the principal amount of its convertible senior notes due 2025 held by non-affiliates, with the majority of the remaining balance held by an affiliated holder, Athrium Capital Management, LP.

"In a very short period of time, we've simplified our operations and focused our capital allocation to transform Progenity into a biotherapeutics company," said Adi Mohanty, Chief Executive Officer of Progenity. "We expect further improvement in operating expenditures as we continue to execute our transformation and focus on expediting development of our gastrointestinal health and oral biotherapeutics programs."

About Progenity

Progenity, Inc. is a biotechnology company innovating in the fields of women's health, gastrointestinal health and oral biotherapeutics. Progenity applies a multi-omics approach, combining genomics, epigenomics, proteomics, and metabolomics to its molecular testing products and to the development of a suite of investigational ingestible devices designed to provide precise diagnostic sampling and drug delivery solutions. Progenity's vision is to transform healthcare to become more precise and personal by improving diagnoses of disease and improving patient outcomes through localized treatment with targeted therapies.

For more information visit www.progenity.com, or follow the company on [LinkedIn](#) or [Twitter](#).

Safe Harbor Statement or Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, which statements are subject to substantial risks and uncertainties and are based on estimates and assumptions. All statements, other than statements of historical facts included in this press release, including statements concerning the progress and future expectations of our research and development efforts and expectations regarding future cash burn, expectations regarding cost savings resulting from cost-cutting measures are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "might," "will," "objective," "intend," "should," "could," "can," "would," "expect," "believe," "design," "estimate," "predict," "potential," "plan" or the negative of these terms, and similar expressions intended to identify forward-looking statements. These statements reflect our plans, estimates, and expectations, as of the date of this press release. These statements involve known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially from the forward-looking statements expressed or implied in this press release. Such risks, uncertainties, and other factors include, among others, our ability to innovate in the field of precision medicine, and those risks described in "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Progenity's Annual Report on Form 10-K for the period ended December 31, 2020 filed with the SEC and other subsequent documents, including Quarterly Reports, that we file with the SEC.

Progenity expressly disclaims any obligation to update any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.

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