



Progenity Announces Pricing of Public Offering of Common Stock

December 3, 2020

SAN DIEGO, Dec. 02, 2020 (GLOBE NEWSWIRE) -- Progenity, Inc. ("Progenity") (NASDAQ: PROG), a biotechnology company with an established track record of success in developing and commercializing molecular testing products, today announced the pricing of its previously announced underwritten public offering of 7,645,259 shares of its common stock at a public offering price of \$3.27 per share. The gross proceeds of the offering, before deducting underwriting discounts and commissions and other offering expenses payable by Progenity, are expected to be approximately \$25.0 million. All of the shares are being offered by Progenity. Progenity has granted the underwriters a 30-day option to purchase up to an additional 1,146,788 shares of common stock at the public offering price, less underwriting discounts and commissions. The offering is expected to close on December 7, 2020, subject to the satisfaction of customary closing conditions. Progenity expects to use the net proceeds from the offering to support its operations, to invest in its molecular testing research and development program, to invest in research and development with respect to its precision medicine platform and for working capital and general corporate purposes.

In a separate press release, Progenity also announced today the pricing of its previously announced private offering of \$75,000,000 aggregate principal amount of 7.25% convertible senior notes due 2025 (the "notes"), plus up to an additional \$15,000,000 aggregate principal amount of notes that the initial purchaser of the notes has the option to purchase from Progenity. The issuance and sale of the notes are scheduled to settle on December 7, 2020, subject to customary closing conditions. The completion of the offering of common stock is not contingent on the completion of the offering of the notes, and the completion of the offering of notes is not contingent on the completion of offering of common stock. This press release does not constitute an offer to sell, or the solicitation of an offer to buy, any notes or any shares of common stock issuable upon conversion of the notes.

Piper Sandler & Co. and Wells Fargo Securities, LLC are acting as joint book-running managers for the offering of common stock. BTIG, LLC is acting as the lead manager for the offering of common stock.

A registration statement relating to the offering of common stock became effective on December 2, 2020. The offering is being made only by means of a prospectus, copies of which may be obtained from Piper Sandler & Co., Attention: Prospectus Department, 800 Nicollet Mall, J12S03, Minneapolis, Minnesota 55402, or by telephone at (800) 747-3924, or by email at prospectus@psc.com; or Wells Fargo Securities, LLC, Attention: Equity Syndicate Department, 500 West 33rd Street, New York, New York, 10001, at (800) 326-5897 or email a request to cmclientsupport@wellsfargo.com.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Progenity

Progenity, Inc. is a biotechnology company with an established track record of success in developing and commercializing molecular testing products, as well as innovating in the field of precision medicine. Progenity provides in vitro molecular tests designed to improve lives by providing actionable information that helps guide patients and physicians in making medical decisions during key life stages. The company 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.

Forward Looking Statements

This press release contains "forward-looking statements," 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, but not limited to, Progenity's expectations regarding the consummation of the offerings, the satisfaction of customary closing conditions with respect to the offerings and the anticipated use of the net proceeds 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," "develop," "plan" or the negative of these terms, and similar expressions, or statements regarding intent, belief, or current expectations, are forward looking statements. These statements involve known and unknown risks, uncertainties and other factors that could cause Progenity's actual results to differ materially from the forward-looking statements expressed or implied in this press release, the uncertainties related to market conditions and the completion of the offerings on the anticipated terms or at all, the uncertainties inherent in the clinical drug development process, such as the regulatory approval process, the timing of regulatory filings, and other matters, including the ongoing COVID-19 pandemic and associated shelter-in-place orders, that could affect sufficiency of existing cash, cash equivalents and short-term investments to fund operations and the availability or commercial potential of Progenity's products, and those risks described in "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Progenity's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, filed with the SEC on November 11, 2020, and other subsequent documents filed with the SEC. Progenity claim the protection of the Safe Harbor contained in the Private Securities Litigation Reform Act of 1995 for forward-looking statements. Progenity expressly disclaims any obligation to update or alter any statements whether as a result of new information, future events or otherwise, except as required by law.

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