

November 23, 2021



PROPHASE LABS, INC. ANNOUNCES INDUCEMENT AWARD UNDER NASDAQ LISTING RULE 5635(C)(4)

GARDEN CITY, NY, Nov. 23, 2021 (GLOBE NEWSWIRE) -- ProPhase Labs, Inc. (Nasdaq: PRPH), a diversified biotech and genomics company, today announced that it has granted an inducement award to a new employee.

ProPhase granted a stock option to purchase 100,000 shares of common stock to this employee as a material inducement to his employment. The award was made in accordance with the employment inducement award exemption provided by Nasdaq Rule 5635(c)(4) and was therefore not awarded under the Company's stockholder approved equity plan. The stock option has an exercise price of \$5.76 per share, which is equal to the closing price of ProPhase's common stock on November 19, 2021, the grant date of the option. The shares subject to the stock option will vest over four years, with 25% of the shares vesting on the grant date, and the remainder vesting in equal annual installments over the next three years, subject to the employee's continued employment. The stock option has a 7-year term and is subject to the terms and conditions of the stock option agreement.

About ProPhase Labs

ProPhase Labs (Nasdaq: PRPH) ("ProPhase") is a diversified biotech and genomics company that seeks to leverage its CLIA lab services to provide whole genome sequencing and research direct to consumers and build a genomics data base to be used for further research. The Company continues to provide traditional CLIA molecular laboratory services, including COVID-19 testing. ProPhase Precision Medicine, Inc. focuses on genomics testing technologies, a comprehensive method for analyzing entire genomes, including the genes and chromosomes in DNA. The data obtained from genomic testing can help to identify inherited disorders and tendencies, help predict disease risk, help identify expected drug response, and characterize genetic mutations, including those that drive cancer progression.

ProPhase Diagnostics offers a broad array of clinical diagnostic and testing services at its CLIA certified laboratories. ProPhase Diagnostics serves patients who may have SARS-CoV-2 (COVID-19) through both saliva and nasal swab methods. Critical to COVID testing, results are provided in under 24 hours. ProPhase Diagnostics also offers PCR (polymerase chain reaction) testing for Influenzas A and B and RSV; as well as antigen and antibody/immunity tests to broaden its COVID-19 testing beyond RT-PCR testing.

ProPhase Global Healthcare, Inc. was formed to seek to expand the Company's SARS-CoV-2 (COVID-19) testing into other countries and to pursue additional healthcare-related initiatives.

ProPhase Labs has decades of experience researching, developing, manufacturing,

distributing, marketing, and selling OTC consumer healthcare products and dietary supplements, including dietary supplements under the TK Supplements® brand. ProPhase actively pursues strategic investments and acquisition opportunities for other companies, technologies, and products. For more information, visit www.ProPhaseLabs.com.

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Source: ProPhase Labs, Inc.