January 21, 2021

ProPhase Labs, Inc. Announces Closing of Public Offering

Garden City, NY, Jan. 21, 2021 (GLOBE NEWSWIRE) -- ProPhase Labs, Inc. (NASDAQ: PRPH), a diversified medical science and technology company, today announced the closing of its previously announced public offering of 3,000,000 shares of its common stock at a public offering price of $12.50 per share, for gross proceeds of $37,500,000, before deducting underwriting discounts and commissions and offering expenses. In addition, ProPhase Labs, Inc. has granted the underwriters a 30-day option to purchase up to an additional 450,000 shares of common stock to cover over-allotments, if any, at the public offering price, less underwriting discounts and commissions.

The Company intends to use the proceeds from the offering for working capital and other general corporate purposes.

ThinkEquity, a division of Fordham Financial Management, Inc., acted as sole book-running manager for the offering. Dawson James Securities, Inc. acted as co-manager for the offering.

Reed Smith LLP, New York, New York, represented the Company in connection with the offering, and Schiff Hardin LLP, Washington, DC, represented the underwriters.

The offering is being made pursuant to an effective shelf registration statement that has been filed with the U.S. Securities and Exchange Commission (the “SEC”). The final prospectus supplement relating to the offering was filed with the SEC on January 20, 2021. Copies of the final prospectus supplement and the accompanying prospectus relating to the offering may be obtained from ThinkEquity, a division of Fordham Financial Management, Inc., 17 State Street, 22nd Floor, New York, New York 10004, by telephone at (877) 436-3673, by email at prospectus@think-equity.com and Dawson James Securities, 101 N Federal Highway Suite 600 Boca Raton, Florida, 33432, Attention: Prospectus Department or by telephone at 1(866) 928-0928 or email at syndicate@dawsonjames.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 other 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 other jurisdiction.

About ProPhase Labs, Inc.

ProPhase Labs (NASDAQ: PRPH) is a diversified medical science and technology company with deep experience with OTC consumer healthcare products and dietary supplements. The Company is engaged in the research, development, manufacture, distribution, marketing and sale of OTC consumer healthcare products and dietary supplements in the United States. This includes the development and marketing of dietary supplements under

the TK Supplements® brand. The Company is also developing ProPhase Diagnostics, Inc. ("ProPhase Diagnostics") to offer COVID-19 and other Respiratory Pathogen Panel (RPP) Molecular tests. The Company also continues to actively pursue strategic investments and acquisition opportunities for other companies, technologies and products. For more information visit us at www.ProPhaseLabs.com.

Forward-Looking Statements

This press release contains "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. 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 include statements related to the intended use of proceeds. ProPhase cautions readers that forward-looking statements are based on management's expectations and assumptions as of the date of this news release and are subject to certain risks and uncertainties that could cause actual results to differ materially, including, but not limited to, risks related to the impact of general economic, industry or political conditions in the United States. Forward-looking statements reflect its analysis only on their stated date, and ProPhase undertakes no obligation to update or revise these statements except as may be required by law.

Investor Contact
Chris Tyson
Managing Director
MZ Group - MZ North America
949-491-8235
PRPH@mzgroup.us
www.mzgroup.us

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