

ProPhase Labs Launches DNA Complete®: Transforming Direct-to-Consumer Genetic Testing for Health, Wellness, and Enhanced Ancestry

Introduces DNA Expand Subscription Platform to Enrich Existing DNA Ancestry Data with Comprehensive Health Insights

GARDEN CITY, NY, Nov. 04, 2024 (GLOBE NEWSWIRE) -- ProPhase Labs, Inc. (NASDAQ: PRPH) (the "Company" or "ProPhase"), a next generation biotech, genomics, and diagnostics company, today announced the launch of DNA Complete, Inc., a wholly owned subsidiary, offering a groundbreaking direct-to-consumer DNA test that sequences virtually 100% of a customer's genome. This new service provides customers with in-depth insights into health, wellness, and ancestry.

DNA Complete – A New Paradigm in Direct-to-Consumer DNA Testing

- **Comprehensive Whole Genome Sequencing:** Unlike traditional DNA Ancestry tests that analyze small snippets of DNA, DNA Complete offers a full genomic view, empowering customers with detailed health and wellness information alongside enhanced ancestry data.
- **Strategic Leadership Addition:** ProPhase retained Stu Hollenshead, former Chief Business Officer and COO of Barstool Sports and current CEO of 10PMCurfew, to spearhead marketing efforts.
- **Influencer-Driven Marketing Campaign:** A robust marketing initiative featuring top social media influencers is set to launch and aims to maximize reach and engagement.
- **Competitive Pricing and Robust Platform:** DNA Complete is designed to offer a robust genetic user platform at competitive pricing which makes advanced genomic insights accessible to a wider audience.
- **Cutting-Edge Bioinformatics and Ancestry Analysis:** The service leverages its advanced bioinformatics platform and introduces a proprietary, sophisticated ancestry platform.
- **Flexibility with Sample Processing:** DNA Complete provides the flexibility to send samples to ProPhase Labs' other wholly owned subsidiary, **Nebula Genomics**, as well as other leading genetics labs, ensuring the highest quality results and efficient pricing and turnaround times.
- **Continuous Engagement Through Subscription:** The DNA Complete subscription service ensures ongoing customer engagement by providing regular updates and new insights. The subscription model is a high margin business that we expect will create longer term cash flow.
- **Genetic Counseling Services:** To enhance the value proposition, DNA Complete offers genetic counseling to help customers interpret their data effectively.

DNA Expand – Enhancing Existing DNA Ancestry Data

- **Effortless Data Upload:** Consumers can easily upload their DNA data from other ancestry tests to unlock ProPhase’s proprietary health and wellness reports.
- **Significant Data Expansion:** Users’ existing DNA files are amplified with 50 times more data than available through traditional DNA ancestry tests, delivering more in-depth insights without the need for additional sequencing.
- **Flexible Subscription Options:** Monthly and yearly subscriptions are available, with new reports added regularly to keep customers informed.
- **Significant Target Market:** A recent estimate indicates that more than 26 million people worldwide have undergone genetic ancestry testing by direct-to-consumer (DTC) companies.¹
- **High Margins with Minimal Costs:** We will offer a subscription at \$49.95 annually. Since no new sequencing is required, the cost of goods sold is minimal (primarily the cost of IT) and the margins should be substantial. Over the next few years, with minimal market penetration we would therefore expect significant revenues, gross profit and longer-term cash flow.

Executive Commentary

Jason Karkus, President of DNA Complete, commented, “We have been meticulously working on our marketing and media campaign for quite some time now, including developing a sophisticated website and streamlining logistics while optimizing our approach to consumers. With beta testing complete, we are thrilled and fully prepared to launch. We anticipate some additional fine-tuning in the coming weeks as we ramp up. Our collaboration with Stu Hollenshead has been tremendous. We expect DNA Complete to provide exceptional DNA-related products and services and DNA Expand to enhance ancestry customers’ existing data without the need for additional sequencing. Our target market for DNA Expand is approximately tens of millions of consumers globally who previously purchased an ancestry test. We believe this product has enormous potential and will ultimately be a significant cash flow generator for the Company.”

ProPhase Supplements and Equivir Launch

ProPhase Supplements will also leverage the marketing platforms established for DNA Complete and DNA Expand. The Company anticipates announcing final clinical results for Equivir within the current quarter, followed by an immediate online launch. Additional details will be shared in future press releases.

About ProPhase Labs

ProPhase Labs Inc. (Nasdaq: PRPH) (“ProPhase”) is a next-generation biotech, genomics and diagnostics company. Our goal is to create a healthier world with bold action and the power of insight. We believe we’re revolutionizing healthcare with industry-leading Whole Genome Sequencing solutions, while developing potential game changer diagnostics and therapeutics in the fight against cancer. This includes a potentially life-saving cancer test focused on early detection of esophageal cancer and potential breakthrough cancer therapeutics with novel mechanisms of action. Our world-class CLIA labs and cutting-edge diagnostic technology provide wellness solutions for healthcare providers and consumers. We develop, manufacture, and commercialize health and wellness solutions to enable

people to live their best lives. We are committed to executional excellence, smart diversification, and a synergistic, omni-channel approach. ProPhase Labs' subsidiaries and their strategic synergies highlight our potential for long-term value.

Forward Looking Statements

Except for the historical information contained herein, this document contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our strategy, plans, objectives and initiatives, including our expected timeline for launching DNA Complete and DNA Expand, our belief in the market potential for such product and services and their ability to significantly impact the consumer genetic testing market, our ability to make personal genome sequencing more financially accessible and provide our customers more comprehensive genetic insight than other DNA testing companies, and the perceived advantages of whole genome sequencing (WGS). Management believes that these forward-looking statements are reasonable as and when made. However, such forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those projected in the forward-looking statements. These risks and uncertainties include but are not limited to our ability to obtain and maintain necessary regulatory approvals, general economic conditions, consumer demand for our products and services, challenges relating to entering into and growing new business lines, the competitive environment, and the risk factors listed from time to time in our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and any other SEC filings. The Company undertakes no obligation to update forward-looking statements except as required by applicable securities laws. Readers are cautioned that forward-looking statements are not guarantees of future performance and are cautioned not to place undue reliance on any forward-looking statements.

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Source: ProPhase Labs, Inc.

¹Regalado A More than 26 million people have taken an at-home ancestry test. MIT Technology Review; 2019. <https://www.technologyreview.com/2019/02/11/103446/more-than-26-million-people-have-taken-an-at-home-ancestry-test/>. Accessed February 12, 2020.



Source: ProPhase Labs, Inc.

