

JP Morgan 38th Annual Healthcare Conference: **Progyny Overview**

David Schlanger, CEO 01.13.20



Safe Harbor Statement

This presentation includes forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and that are based on our management's beliefs and assumptions and on information currently available to management. These forward-looking statements include, without limitation, statements regarding our financial outlook, industry, business strategy, ability to acquire new clients and successfully engage new and existing clients, plans, goals and expectations concerning our market position, future operations, and other financial and operating information. The words "may," "believes," "intends," "seeks," "anticipates," "epict," and the negative of these or similar terms and phrases are intended to identify forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks include, without limitation, risks related to competition in the market in which we operate; our history of operating losses and ability to sustain profitability in the heagts include, without limitation, risks related to competition in the market in which we operate; our history of operating losses and ability to sustain profitability in the heagts industry; lags, failures or security breaches in our computer systems or those of our vendors; a significant change in the utilization of our solutions; our ability to offer high-quality support; positive references from our existing clients; our ability to develop and expand our marketing and sales capabilities; the rate of growth of our future revenues; the accuracy of the estimates and assumptions we use to determine the size of target markets; our ability to successfully manage our growth; unfavorable conditions in our industry or the United States economy; reductions in employee benefits spending; seasonal fluctuations in our sales; the adoption of new solutions and services by our clients or members; our ability to maintain and ehvelop new offerings; our ability to adapt and respond to the medical landscape, regulations, client needs, requirements or preferences; our ability to maintain and ehvance our brand; our ability to maintain or any disruption of our pharmacy distribution network; our relationships with henefits consultants; exposure to credit risk from our members; risks related to government regulation; risks related to potential sales to government entities; our ability to maintain or any disruption of our pharmacy distribution network; our relationships with key pharmaceutical manufacturers or any decline in rebates provided by them; our abil

Forward-looking statements represent our management's beliefs and assumptions only as of the date of this presentation, with the exception of the reference to our financial guidance for 2019, which is as of December 4, 2019 and is not being confirmed or updated herein. Our actual future results could differ materially from what we expect. Except as required by law, we assume no obligation to update these forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

Non-GAAP Financial Measures

In addition to disclosing financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), this presentation and the accompanying tables include certain non-GAAP financial measures, such as Adjusted EBITDA. Adjusted EBITDA is a supplemental financial measure that is not required by, or presented in accordance with, GAAP. We believe that Adjusted EBITDA, when taken together with our GAAP financial results, provides meaningful supplemental information regarding our operating performance and facilitates internal comparisons of our historical operating performance on a more consistent basis by excluding certain items that may not be indicative of our business, results of operations or outlook. In particular, we believe that the use of Adjusted EBITDA is helpful to our investors as it is a measure used by management in assessing the health of our business, determining incentive compensation, evaluating our operating performance, and for internal performance.

Adjusted EBITDA is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. Some of the limitations of Adjusted EBITDA include: (1) it does not properly reflect capital commitments to be paid in the future; (2) although depreciation and amortization are non-cash charges, the underlying assets may need to be replaced and Adjusted EBITDA does not reflect these capital expenditures; (3) it does not consider the impact of stock-based compensation expense; (4) it does not reflect other non-operating expenses, including interest expense, net; (5) it does not consider the impact of any stock warrant valuation adjustment; (6) it does not reflect tax payments that may represent a reduction in cash available to us; (7) it does not include legal fees that may be payable in connection with a vendor arbitration; and (8) it does not include non-deferred costs associated with our initial public offering. In addition, our Adjusted EBITDA may not be comparable to similarly titled measures of other companies because they may not calculate Adjusted EBITDA in the same manner as we calculate the measure, limiting its usefulness as a comparative measure. Because of these limitations, when evaluating our performance, you should consider Adjusted EBITDA alongside other financial performance measures, including our net loss from continuing operations and other GAAP results.

We calculate Adjusted EBITDA as net loss from continuing operations, adjusted to exclude depreciation and amortization, stock-based compensation expense, net interest expense, convertible preferred stock warrant valuation adjustment, provision (benefit) for income taxes, legal fees associated with a vendor arbitration and nondeferred IPO costs. Please see "Reconciliation of GAAP to Non-GAAP Financial Measures" in the appendix of this presentation.



Progyny at a glance

Our Mission:

To make any member's dream of parenthood come true through a **healthy**, **timely** and **supported** fertility journey

We Are:

A leading benefits manager specializing in **carved out** fertility and family building benefits

A differentiated approach to **benefits plan design**, **member support**, and **active network management**

Our members pursue the **most effective** treatment from the best physicians and achieve **optimal outcomes**

Strong Profitability **High Growth Rate** 118.5% \$229.6 -\$18.3 - \$18.6 Free Cash Revenue \$231.1 million million Growth Flow 2019 Revenue 2019 Adj EBITDA (at midpoint of Positive² (as per guidance as (as per guidance as guidance as of of 12/4/19¹) of 12/4/19¹) $12/4/19^{1}$) **Operating with Scale** Large TAM ~2% \$12+ Billion ~137 clients ~2.1 million Addressable Penetration in 2020 **Covered Lives** Rate Market

1. Reflects the guidance ranges provided in our December 4, 2019 press release only and does not reflect an update as of the date of this presentation

2. Free cash flow is defined as net cash provided by operating activities less purchase of property and equipment



The need for fertility services is universal

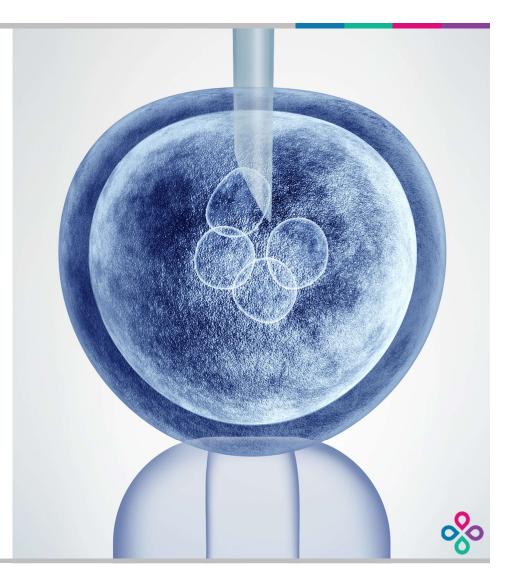
Based on Fertility IQ's Family Builder Workplace Index for 2019 – 2020, our clients represent:

- 20 of top 30 in technology
- 14 of top 20 in consumer retail
- 9 of top 15 in industrial
- 7 of top 15 in healthcare
- 7 of top 10 in media
- 4 of top 10 in insurance
- 3 of top 10 in legal



Our investment highlights

- A leader in a large, growing and underpenetrated market
- Our differentiated model drives superior clinical outcomes at lower overall costs for our clients
- Expanding base of diversified, blue chip clients
- Sustainable competitive advantage
- Multiple levers for strong and significant organic growth
- Attractive financial model



The market is large and the need is growing

The Prevalence of Infertility is High¹

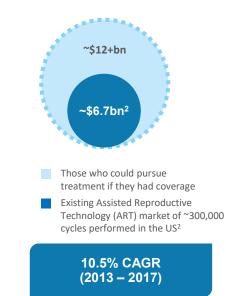


1 in 4	Arthritis
1 in 7	Chronic kidney disease
1 in 8	Infertility
1 in 11	Diabetes
1 in 13	Asthma
1 in 20	Depression
1 in 230	Cancer

Societal Trends Create Favorable Tailwinds

- We are starting families later and biological fertility decreases with age
- Increase in non-traditional paths to parenthood

Large and Growing Market





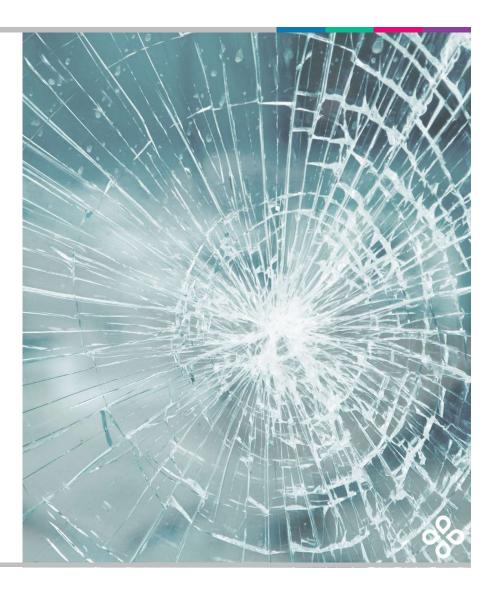
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¹ Source: Technavio Market Research, March 2017; Harris Williams & Co. Fertility Market Overview 2015; CDC Data, Statistics and Surveillance, retrieved December 2017 ² Source: CDC data regarding the number of treatment cycles in 2017, which is the most recent data available (https://www.cdc.gov/art/artdata/index.html) and Fertility/Q's estimated cost per cycle (https://www.fertilityiq.com/topics)

The conventional approach to fertility benefits is broken

- Restrictive coverage and plan design
- Mandated step therapy
- Limited access to latest diagnostics and procedures
- Limited or no patient support
- Limited access to top fertility specialists
- Lack of pharmacy integration

Sub-optimal experience and outcomes for participants



Patient experience with conventional coverage yields sub-optimal experience and outcomes



Sarah has been trying to conceive

- She has a \$20K fertility benefit with mandated IUI
- She fails 3 cycles of IUI and exhausts most of her benefit



She takes out a loan to pay for IVF

- She pursues an IVF cycle
- She skips genetic testing to save money



She gets pregnant and miscarries

- She pursues a second IVF cycle
- She insists that multiple embryos be transferred



She delivers twins at 36 weeks via cesarean section

- Her employer incurs c-section & NICU costs
- Sarah takes an unplanned 9-month leave



The conventional approach to fertility costs employers **billions**

Direct costs: \$33.7 billion¹ due to preterm births

- High-risk maternity / NICU
- Incidents of million-dollar pregnancies/births may create unmanageable volatility to a company's reported results

Indirect costs: \$5.7 billion² due to lost productivity

- Higher absenteeism
- Depression, anxiety and stress
- Lower retention

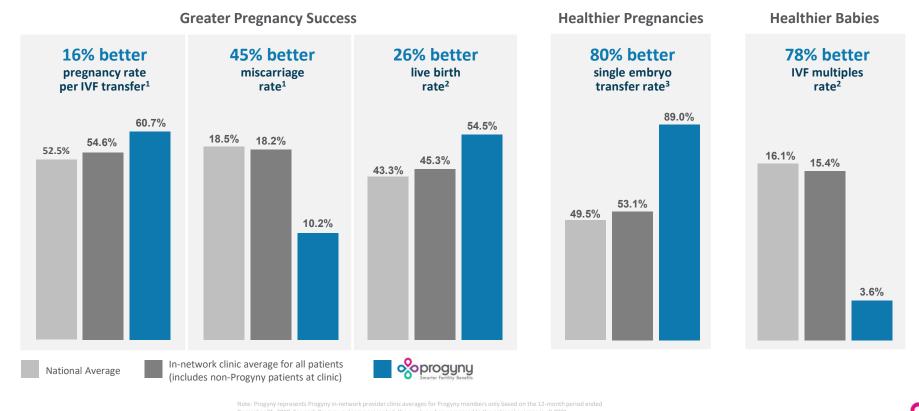
1. 2005 data published by the Institute of Medicine of the National Academies and as adjusted for inflation 2. EMD Serono, Employers and Evidence Based Infertility Benefits http://resolve.org/wp-content/uploads/2017/09/employers-and-evider

Progyny has redefined fertility and family building benefits

Our Fertility Solution Our Superior Outcomes Differentiated benefits plan design For Members, Clients and **Our Data Platform** Providers: Personalized concierge-style member Faster time to pregnancy • support services Extensive data Fewer miscarriages ٠ collection and analysis Healthier pregnancies Selective network of high-quality fertility drives continuous ۰ specialists improvement More live births . Fewer twins and triplets ٠ Integrated pharmacy experience -Progyny Rx



Superior outcomes driven by our solution, not just the network



Note: Progyny represents Progyny in-network provider clinic averages for Progyny members only based on the 12-month period December 31, 2018, For each Progyny outcome presented, the p-value when compared to the national average is <0.0001. ¹ Calculated based on CDC, 2016 National Summary and Clinic Data Sets, published in 2018 ² Calculated based on tDC, 2017 National Summary and Clinic Data Sets, published in 2019 ³ Calculated based on tDC, 2017 National Summary and Clinic Data Sets, published in 2019 ³ Calculated based on the Society for a sisted Reproductive Technology or SART 2017 National Summary Report

Differentiated benefits plan design

- Easy-to-understand Smart Cycle currency
- Replaces the dollar max concept with all-inclusive treatment bundles
- Empowers physicians to determine patient-specific treatment plans (no carrier mandates)
- Uses latest technologies and best practices
- Regularly reviewed by our Medical Advisory Board



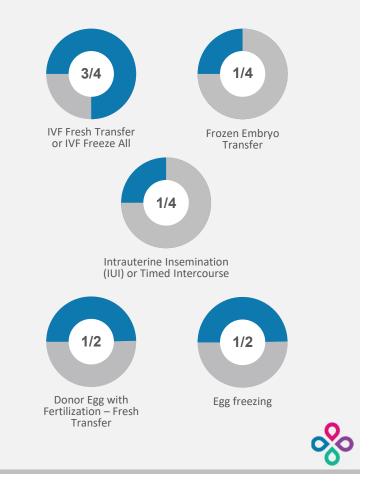
Provides equitable access to treatment **Drives superior**

outcomes while

reducing costs

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Smart Cycle Treatment Bundles



The Progyny patient experience yields optimal experience and outcomes



Sarah has been trying to conceive

 She has a 2 Smart Cycle Benefit through her employer



Her physician recommends IVF Freeze-All with a Frozen Embryo Transfer

- She uses 1 Smart Cycle (³/₄ + ¹/₄)
- It includes genetic testing and every service she needs
- She leverages Progyny's member support
- She transfers a single screened embryo





She delivers a healthy baby at 40.5 weeks

- Sarah takes her planned 4-month leave
- She has 1 Smart Cycle remaining for future transfers



Personalized member support services

Unlimited inbound and outbound support services from a dedicated Patient Care Advocate (PCA)

- Extensive education, guidance and emotional support
- Engaging at critical points before, during and after treatment
- 15+ interactions per member
- Complementary member portal
- Keeps employees out of the HR office, except to say thank you.

Net Promoter Score +71

PCAs typically have extensive fertility industry backgrounds as:

- Nurses
- Social workers
- Onco-fertility specialists
- Embryologists & andrologists

Team leadership and the PCA training is directed by experienced clinicians:

- Guided by our Medical Advisory Board
- Led by our Medical Director
- Managed by a Licensed Clinic Social Worker
- With support from a clinical psychologist

"I cannot rave enough about how amazing the service is... I'm an executive in a hotel and I only wish I had people like these on my team."

"I definitely feel like for once I'm not alone in my difficult journey, and she truly made me feel like someone finally had my back."



Collaboration with a selective network of fertility specialists



Largest network of fertility specialists

- Includes 22 of the top 25 practice groups by volume
- Rigorous credentialing thresholds
- Equitable access to care

30%

do not broadly participate in conventional carrier networks¹

Direct, collaborative relationships with physicians

- Empowers physicians with comprehensive clinical tools and facilitates most effective treatment first
- Educated and supported patients
- Ease of administration and payment



Monitored and actively-managed network

- Providers contractually required to submit treatment and outcomes data
- Quarterly clinic scorecards
- Allows for continuous quality improvement
- Progyny intervenes when necessary to ensure members benefit from best practices



1. As disclosed in our prospectus dated October 24, 2019



Integrated pharmacy experience: Progyny Rx

Reduce anxiety of medication administration and storage

- UnPack It[™] call with pharmacy clinician
- 24-7 support

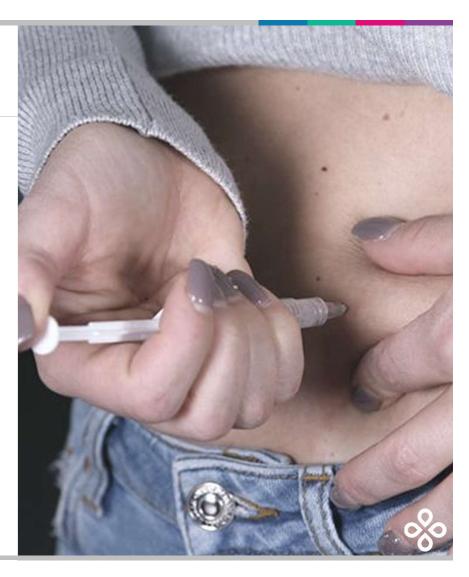
Avoid missed cycles

- Single authorization
- Same or next day medication delivery

Specialty medication savings

- ~20% on the medication unit cost
- ~8% from waste management protocols

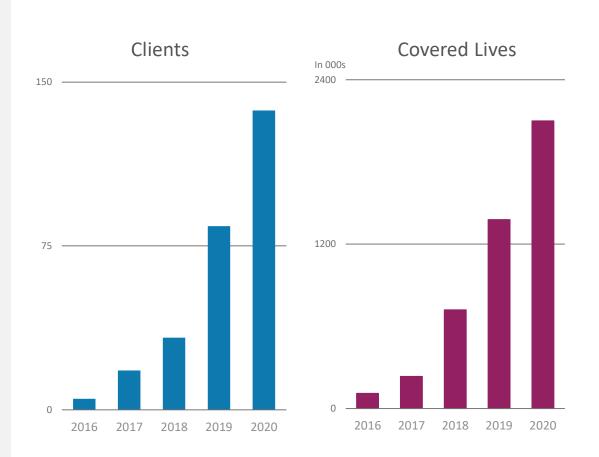
Adopted by 75% of new clients in the 2019 selling season



Expanding base of diversified, blue-chip clients

- 20+ industries
- 137 employer clients
- ~2.1 million members
- Near 100% retention
- 35% of our clients had no prior fertility coverage before Progyny
- 65% left their carrier for Progyny

Note: As disclosed in our prospectus dated October 24, 2019 or earnings press release dated December 4, 2019



2019 data is as of September 30, 2019; 2020 projections reflect 53 additional clients and ~750k covered lives



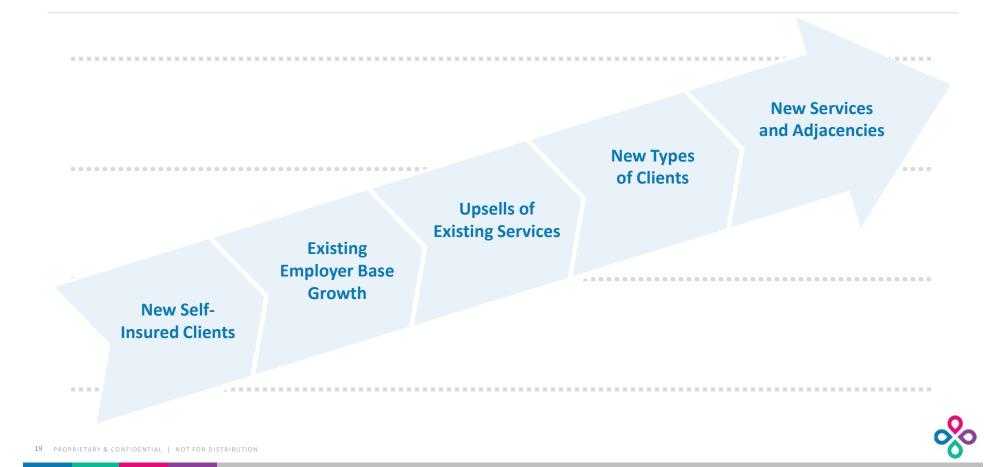
Sustainable competitive advantages

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	First mover advantage	Our opportunities aren't restrained	Our provider network	Our carrier integrations	4 years of superior outcomes
Carriers	Significant lead in: • developing expertise	We are able to successfully sell across carriers, TPAs and other	Collaborative relationships with network physicians "Chicken and egg"		Competitors are unable to point to outcomes data to demonstrate their
Hybrid Models	 collecting data and forming data-driven insights making 	aggregators	 Need clients and patient volumes to attract the best doctors 	We have integrations with all of the large national health insurance companies	value
VC-Backed Start-Ups	investmentsbuilding our platform		 Need the best doctors to attract clients and patient volumes 	Integrations ensure our benefits are provided to the members on a pre- tax basis	

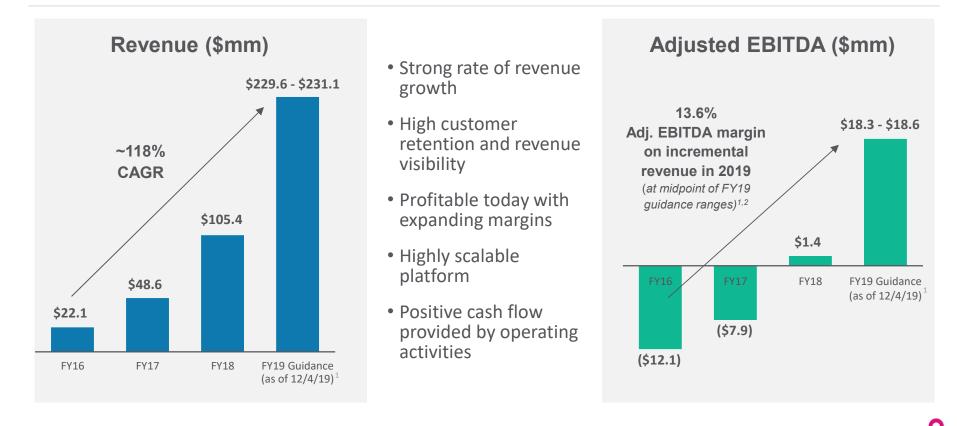
Our sustainable advantages:



Multiple levers for strong and significant organic growth



Attractive financial model



Reflects the guidance ranges provided in our December 4, 2019 press release only and does not reflect an update as of the date of this presentation
 See Appendix for reconciliation of Adjusted EBITDA and calculation of Adjusted EBITDA margin on incremental revenue.



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Appendix: Reconciliation of GAAP to Non-GAAP Financial Measures

	Year Ended December 31,						Guidance for the Year Ended December 31, 2019 ¹					
(in thousands)		2016		2017		2018	_	Low		High	N	lidpoint
Net loss from continuing operations	\$	(11,833)	\$	(12,456)	\$	(5,116)	\$	(8,869)	\$	(8,569)		
Add:												
Depreciation and amortization		1,700		1,559		1,883		2,145		2,145		
Stock-based compensation expense		728		1,559		2,997		5,109		5,109		
Interest expense, net		1,065		740		497		64		64		
Convertible preferred stock warrant valuation adjustment		(741)		714		2,944		18,179		18,179		
Provision (benefit) for income taxes		(3,028)		(3)		(1,777)		119		119		
Legal fees associated with a vendor arbitration		-		-		-		1,363		1,363		
Non-deferred IPO Costs		-		-		-		150		150		
Adjusted EBITDA	\$	(12,109)	\$	(7,887)	\$	1,428	\$	18,260	\$	18,560	\$	18,4
Revenue					\$	105,400	\$	229,561	\$	231,061	\$	230,3
					\$	105,400	\$	229,561	\$	231,061	\$ \$	230,3 124,9
Revenue djusted EBITDA Margin on Incremental Revenue Calculation Incremental Revenue (at midpoint of guidance for the year ended December 31, 2019 as compared to the actual results for the year					\$	105,400	\$	229,561	\$	231,061		

