Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2019

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
AMBRY GENETICS 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2006

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
AMBRY GENETICS CORPORATION

15 ARGONAUT
ALISO VIEJO, CA 92656-4114

2b Employer Identification Number (EIN)
33-0892453

2c Plan Sponsor's telephone number
949-900-5585

2d Business code (see instructions)
541990

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2020	KEVIN MCNEIL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
4	If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: **a** Sponsor's name **c** Plan Name	**4b**	EIN
		4d	PN
5	Total number of participants at the beginning of the plan year	**5**	859
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	698
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	764
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	166
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	930
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	930
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	756
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	20
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2A 2E 2F 2G 2J 2K 2T 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2019 Form M-1 annual report. If the plan was not required to file the 2019 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2019** **This Form is Open to Public Inspection.**

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
AMBRY GENETICS 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
AMBRY GENETICS CORPORATION

D Employer Identification Number (EIN)
33-0892453

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	58384	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
BAIRD CORE PLUS INST - US BANCORP 39-0281260	0.02%	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
J H TRITON I - JANUS SERVICES LLC 43-1804048	0.10%	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2019

This Form is Open to Public Inspection

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
AMBRY GENETICS 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
AMBRY GENETICS CORPORATION

D Employer Identification Number (EIN)
33-0892453

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	1117796
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	112251	254732
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	17762195	29179129
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	0	0
	(2) Employer real property	1d(2)	0	0
e	Buildings and other property used in plan operation	1e	0	0
f	Total assets (add all amounts in lines 1a through 1e)	1f	17874446	30551657
	Liabilities			
g	Benefit claims payable	1g	0	0
h	Operating payables	1h	0	0
i	Acquisition indebtedness	1i	0	0
j	Other liabilities	1j	0	0
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	17874446	30551657

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	2381494	
	(B) Participants	2a(1)(B)	5201243	
	(C) Others (including rollovers)	2a(1)(C)	2592815	
	(2) Noncash contributions	2a(2)	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		10175552
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	19333	
	(B) U.S. Government securities	2b(1)(B)	0	
	(C) Corporate debt instruments	2b(1)(C)	0	
	(D) Loans (other than to participants)	2b(1)(D)	0	
	(E) Participant loans	2b(1)(E)	4971	
	(F) Other	2b(1)(F)	0	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		24304
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
	(B) Common stock	2b(2)(B)	0	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	982019	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		982019
	(3) Rents	2b(3)		0
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
	(B) Other	2b(5)(B)	0	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		3986792
c Other income	2c		0
d Total income. Add all **income** amounts in column (b) and enter total	2d		15168667
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2428250	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		2428250
f Corrective distributions (see instructions)	2f		1852
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: **(1)** Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	2970	
(4) Other	2i(4)	58384	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		61354
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2491456
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		12677211
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unmodified **(2)** ☐ Qualified **(3)** ☒ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: SQUAR MILNER LLP **(2)** EIN: 33-0835986

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2019

This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
AMBRY GENETICS 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
AMBRY GENETICS CORPORATION

D Employer Identification Number (EIN)
33-0892453

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

20 **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation_____



Certified Public Accountants
and Financial Advisors

Ambry Genetics 401(k) Plan

Financial Statements and
Supplemental Schedules
December 31, 2019 and 2018

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

Independent Auditor's Report 1

Statements of Net Assets Available for Benefits –
December 31, 2019 and 2018 3

Statement of Changes in Net Assets Available for Benefits –
For the Year Ended December 31, 2019 4

Notes to Financial Statements 5

Supplemental Schedules*

Schedule H, line 4i - Schedule of Assets (Held at End of Year) 14

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions 15

* Note: Schedules other than that listed above have been omitted because the information is otherwise disclosed, not applicable or not required by 29 CFR 2520.103-10 of the Department of Labor Rules and Regulations for Reporting under the Employee Retirement Income Security Act of 1974

squarmilner
Certified Public Accountants
and Financial Advisors

Squar Milner LLP

INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
Ambry Genetics 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Ambry Genetics 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2019 and 2018, and the related statement of changes in net assets available for benefits for the year ended December 31, 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. The Plan administrator has obtained certifications from the trustee as of December 31, 2019 and 2018, and for the year ended December 31, 2019, that the information provided to the Plan administrator by the trustees is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the preceding *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these accompanying financial statements.

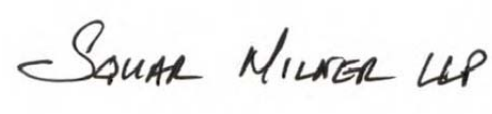
Other Matter

The supplemental schedules, Schedule H, line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2019, and Schedule H, Line 4a – Schedule of Delinquent Participant Contributions for the year ended December 31, 2019, are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of Plan's management. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph above, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, has been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

SQUAR MILNER LLP



Irvine, California
October 14, 2020

AMBRY GENETICS 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2019 and 2018

	2019	2018
ASSETS		
Investments:		
Interest-bearing cash – money market fund	$ 1,117,796	$ –
Investments, at fair value	29,179,129	17,762,195
Total investments	30,296,925	17,762,195
Receivables:		
Employer contributions	193,316	118,665
Corrective contributions	71,494	–
Total receivables	264,810	118,665
Notes receivable from participants	254,732	112,251
NET ASSETS AVAILABLE FOR BENEFITS	$ 30,816,467	$ 17,993,111

See independent auditors' report and accompanying notes.

AMBRY GENETICS 401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Year Ended December 31, 2019

ADDITIONS	
Investment income:	
Net appreciation in fair value of investments	$ 3,986,792
Interest and dividend income	1,001,352
Total investment income	4,988,144
Interest income from notes receivable from participants	4,971
Contributions:	
Employee	5,201,243
Employer	2,456,145
Rollovers	2,592,815
Corrective	71,494
Total contributions	10,321,697
Total additions	15,314,812
DEDUCTIONS	
Benefits paid to participants	2,428,250
Administrative expenses	61,354
Corrective distributions	1,852
Total deductions	2,491,456
NET INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS	12,823,356
NET ASSETS AVAILABLE FOR BENEFITS – beginning of year	17,993,111
NET ASSETS AVAILABLE FOR BENEFITS – end of year	$ 30,816,467

See independent auditors' report and accompanying notes.

1. DESCRIPTION OF PLAN

The following description of the Ambry Genetics 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan which was originally established on January 1, 2006. The Plan was subsequently restated to comply with current law pursuant to Section 401(k) of the Internal Revenue Code ("IRC" or "Code") and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The Plan's day-to-day operations are administered by Ambry Genetics Corporation and Progeny Genetics LLC (collectively, either the "Company" or "Plan Sponsor" or "Plan Administrator"). The accounting records are maintained by Fidelity Management Trust Company, a record keeper and third party administrator ("Fidelity"). Fidelity is also responsible for administering the Plan investments and maintaining the individual participant account balances. Overall responsibility for administering the Plan rests with the Plan Administrator.

Eligibility

All qualified employees of the Company over the age of 18 are eligible to participate in the Plan.

Investment Options

Upon enrollment in the Plan, participants direct the investment of their contributions and employer contributions into various investment options offered by the Plan. Participants may change their investment options or transfer funds based upon policies established by the Plan. Such policy currently allows participants to change their options at any time.

Participant Contributions

Each year, participants may contribute up to 100% of their pretax annual compensation, as defined in the Plan, and up to 100% of compensation as an after-tax contribution, up to a maximum amount as allowed under the Code. During 2019, the Plan was amended to restrict contributions to 85% of eligible compensation and also to allow Roth after-tax contributions. The maximum contribution allowed by the Plan in accordance with the Code for 2019 was $19,000. In addition, participants over the age 50 are allowed to defer an additional catch-up amount in excess of the maximum contribution. For the 2019 plan year, the maximum catch-up contribution was $6,000. Participants may also contribute (rollover) amounts representing distributions from other qualified defined benefit and defined contribution plans.

1. DESCRIPTION OF PLAN (continued)

Employer Contributions

The Plan has a safe harbor matching program whereby employees will be matched dollar-for-dollar up to the first 4% of compensation each payroll period. For the Plan year ended December 31, 2019, the Company made $2,456,145 of safe harbor matching contributions, which are included in employer contributions in the accompanying statement of changes in net assets available for benefits, of which $193,316 are true-up matching contributions receivable at December 31, 2019. The Company can make additional discretionary matching contributions in accordance with the Plan document; however, for the year ended December 31, 2019, no such additional discretionary matching contributions were made.

Participant Accounts

Each participant's account is credited with the participant's and Company's contributions and allocations of Plan earnings and administrative expenses. Allocations of Plan earnings are made according to participants' account balances, as defined. Participants direct the investment of their contributions and employer contributions into various investment options offered by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. The Company matching contributions are subject to a six year evenly-graded vesting schedule, beginning after the first full year of service, as defined by the Plan document, and for each following year of service. In 2016, the Plan was amended to allow the employees of the newly adopted participating employer, Progeny Genetics LLC, to be credited with their years of service prior to the amendment for vesting purposes.

Upon a participant's death or permanent disability, the full amount of the Company's contributions become 100% vested.

Payment of Benefits

Upon termination of service due to death, disability, or retirement, in accordance with the Plan document, each participant is eligible to receive a distribution equal to the value of the participant's vested interest in his or her account. Participants may also elect to rollover their account to another tax deferred account or remain in the Plan until they are legally required to begin taking distributions. Participants who are current employees and over age 59.5 can elect to receive distributions. During 2018, the Plan was amended to allow installment benefit payments as well as partial balance payments, in addition to the lump-sum payments, which were previously allowed.

1. DESCRIPTION OF PLAN (continued)

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum of $50,000. The loan may not exceed 50 percent of the participant's vested account balance. The loans are collateralized by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan Administrator for a period not to exceed ten years. Principal and interest is paid ratably through semi-monthly payroll deductions. Interest rates on borrowings were between 4.50% and 6.50% for the years ended December 31, 2019 and 2018, with various maturities through September 2029.

Forfeited Accounts

Forfeited nonvested amounts are used first to reduce future employer contributions, with any remaining amounts used to reduce the Plan's ordinary and necessary administrative expenses. As of December 31, 2019 and 2018, there were forfeited non-vested accounts of $0 and $57,103, respectively. During the year ended December 31, 2019, the Plan used $103,604 of Plan forfeitures to reduce employer matching contributions.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan Administrator determines the Plan's valuation policies utilizing information provided by the investment advisers and trustee. See Note 6 for discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of financial statements and related schedules in conformity with GAAP requires management, the Plan Administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of additions to, and deductions from, net assets during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Shares of mutual funds and the money market fund are valued at the net asset value of shares held by the Plan at year-end. Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized gains (losses) are computed using the average cost method. The net realized and unrealized gains and losses are reflected in the statement of changes in net assets available for benefits as net appreciation or depreciation in fair value of investments. See Note 6 for further discussion of fair value measurements.

The Plan's exposure to losses in the event of nonperformance of investments is limited to the carrying value of such instruments. The Plan's concentrations of risk are dictated by the Plan's provisions as well as those of ERISA and the participants' investment preference.

Risks and Uncertainties

Investment securities are exposed to various risks such as interest rate, market, and credit. Due to the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the various risk factors, in the near term, could materially affect participant's account balances and the amounts reported in the accompanying Plan financial statements.

Notes Receivable from Participants

Notes receivable from participants reflected in the accompanying statements of net assets available for benefits are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis.

A participant's loan is considered in default if any scheduled repayment remains unpaid as of the last business day of the calendar quarter following the calendar quarter in which the loan is initially considered past due. In such event, the entire principal and accrued interest are immediately due and payable, and are deemed distributions to participants. There were no loans considered to be in default at December 31, 2019 or 2018.

Payment of Benefits

Benefits are recorded when paid.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Administrative Expenses

Certain administrative expenses are paid by the Company and, accordingly, are not reflected in the accompanying financial statements of the Plan. Certain transaction processing fees and investment related expenses are charged to the participants' account balances and are reflected in the accompanying statement of changes in net assets available for benefits as net appreciation or depreciation in fair value of investments and qualify as party-in-interest transactions (See Note 4).

Subsequent Events

The Plan evaluated subsequent events for their potential impact on the financial statements and disclosures through October 14, 2020, which is the date the financial statements were available to be issued.

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally. In March of 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. This pandemic has adversely affected global economic activity and greatly contributed to significant deterioration and instability in financial markets. As a result, the Plan's investment portfolio has, at times, significantly declined in fair value since December 31, 2019. Because the values of the Plan's individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in subsequent periods, if any, and related impact on the Plan's liquidity cannot be determined at this time.

Subsequent to December 31, 2019, the Plan adopted three provisions within the CARES Act relating to benefit plans which included (i) COVID-19 related distributions with no early withdrawal penalty as well as tax and withholding flexibility (ii) delayed loan repayment options and (iii) required minimum distributions waivers for the 2020 plan year, however did not adopt higher maximum loan limits.

3. INFORMATION CERTIFIED TO AND PROVIDED BY THE TRUSTEES

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Accordingly, the Plan Administrator has obtained certifications from the Trustee certifying that the following information included in the accompanying financial statements and supplemental schedules is complete and accurate:

- Investments at fair value, and notes receivable from participants as reflected in the statements of net assets available for benefits as of December 31, 2019 and 2018.

3. INFORMATION CERTIFIED TO AND PROVIDED BY THE TRUSTEES (continued)

- Net appreciation in fair value of investments, interest and dividend income, and interest income from notes receivable from participants as reflected in the statement of changes in net assets available for the year ended December 31, 2019.
- Investments and notes receivable from participants as reflected in Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2019.

Section 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA states, in part, that any statement of information prepared and certified by the Plan's Trustees need not be audited or reported on by an independent public accountant. Pursuant to that regulation, the Plan Administrator has instructed its independent auditors, Squar Milner LLP, not to perform any auditing procedures with respect to information certified by the Trustee.

4. PARTY-IN-INTEREST AND PROHIBITED TRANSACTIONS

The Plan allows for transactions with certain parties who may perform services or have fiduciary responsibilities to the Plan. Certain Plan assets are invested in investments managed by the Trustees. Therefore, these transactions qualify as party-in-interest transactions. Administrative fees paid by the Plan to the Trustees for services rendered during the year ended December 31, 2019 totaled $61,354.

During 2020, Plan management became aware that the Company was miscalculating post-tax employee contributions and, therefore, had not been properly withholding and remitting such contributions in accordance with participant elections. Accordingly, during 2018 and 2019 approximately $3,534 and $67,960, respectively, of miscalculated contributions were recorded by the Plan as corrective contributions receivable on the statement of net assets available for benefits as of December 31, 2019. As Plan management is currently working with the Company to resolve this matter, this amount is an estimate and is, therefore, subject to change.

5. TAX STATUS OF THE PLAN

The volume submitter prototype for the Plan has received a favorable determination letter, dated March 31, 2014 from Fidelity Trust Management Company, from the Internal Revenue Service ("IRS") indicating that the Plan is qualified under Section 401(a) of the IRC. Although the Plan has been amended since receiving the determination letters, the Plan Administrator believes that the Plan is designed and is currently in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the accompanying Plan's financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2019 and 2018, there are no uncertain positions taken or expected to be taken that would require recognition of the liability (or asset) or disclosure in the

5. TAX STATUS OF THE PLAN (continued)

financial statements. The Plan is subject to routine audits by taxing jurisdictions and the Plan could be subject to income tax if certain issues were found by the IRS that could result in the disqualification of the Plan's tax-exempt status; however, there are currently no audits for any tax periods in progress. With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for years before 2016.

6. FAIR VALUE MEASUREMENTS

The Plan adopted the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*, or ASC 820, with respect to its investments. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date.

ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs.

The level in the fair value hierarchy is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The three levels of inputs used to measure fair value are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and supported by little or no market activity and are significant to the fair value measurement.

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy into the three levels of inputs.

6. FAIR VALUE MEASUREMENTS (continued)

Mutual Funds and Interest-bearing Cash – Money Market Fund

Mutual funds and the money market fund, considered to be interest-bearing cash, are valued at quoted market prices in an exchange and active markets, which represent the net asset values of shares held by the Plan at year-end and are classified as Level 1 investments.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table represents financial assets that have been measured at fair value on a recurring basis. These assets are classified in accordance with the fair value hierarchy set forth in ASC 820:

	December 31, 2019		December 31, 2018	
	Level 1	Total	Level 1	Total
Interest-bearing cash – money market fund	$ 1,117,796	$ 1,117,796	$ –	$ –
Mutual funds	29,179,129	29,179,129	17,762,195	17,762,195
Total at fair value	$ 30,296,925	$ 30,296,925	$ 17,762,195	$ 17,762,195

During the years ended December 31, 2019 and 2018, there were no investment transfers between Levels 1, 2 or 3. There were no changes in methodologies used to determine fair value at December 31, 2019 and 2018.

7. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per financial statements at December 31, 2019 and 2018 to Form 5500:

	2019	2018
Net assets available for plan benefits per financial statements	$ 30,816,467	$ 17,993,111
Employer contributions receivable	(193,316)	(118,665)
Corrective contributions receivable	(71,494)	–
Net assets available for plan benefits per Form 5500 – Schedule H	$ 30,551,657	$ 17,874,446

7. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (continued)

The following is a reconciliation of net increase in net assets available for benefits per financial statements for the year ended December 31, 2019 to Form 5500:

Net increase in net assets available for benefits per financial statements	$ 12,823,356
Employer contributions receivable – prior year	118,665
Employer contributions receivable – current year	(193,316)
Corrective contributions receivable	(71,494)
Increase in net assets per Form 5500 Schedule H	$ 12,677,211

SUPPLEMENTAL SCHEDULE

AMBRY GENETICS 401(k) PLAN
SCHEDULE H, LINE 4i SCHEDULE OF ASSETS (HELD AT END OF YEAR)
Employer I.D – 33 – 0892453
Plan Number 001
December 31, 2019

(a)	(b) Identity of Issue, Borrower or Similar Party	(c) Description of Investment	(d) Cost	(e) Current Value
Interest-bearing cash – money market fund:				
	Vanguard	Vanguard Federal Money Market Fund	**	$ 1,117,796
Mutual Funds:				
	American Funds	American Funds EuroPacific Growth R6	**	233,861
	Baird	Baird Core Plus Bond Fund Class I	**	692,449
	BlackRock	BlackRock Health Sciences Opp Fund Class K	**	1,057,967
	Carillon	Carillon Eagle Mid Cap Growth R6	**	569,981
	Dimensional Fund Advisors	DFA United States Large Cap Value Portfolio	**	1,000,009
	Dimensional Fund Advisors	DFA United States Targeted Value Portfolio Class I	**	646,411
	Janus Henderson	Janus Henderson Triton Fund Class I	**	931,134
	JP Morgan	JPMorgan Intrepid Growth Fund Class R6	**	2,757,089
	Prudential	PGIM High Yield Fund Class R6	**	486,665
	Vanguard	Vanguard 500 Index Fund	**	1,285,875
	Vanguard	Vanguard Emerging Markets Stock Index Fund	**	700,509
	Vanguard	Vanguard Mid-Cap Index Fund	**	580,013
	Vanguard	Vanguard Selected Value Fund	**	453,451
	Vanguard	Vanguard Small-Cap Index Fund	**	815,144
	Vanguard	Vanguard Target Retirement 2015 Fund	**	138,985
	Vanguard	Vanguard Target Retirement 2020 Fund	**	206,818
	Vanguard	Vanguard Target Retirement 2025 Fund	**	455,423
	Vanguard	Vanguard Target Retirement 2030 Fund	**	798,133
	Vanguard	Vanguard Target Retirement 2035 Fund	**	1,010,903
	Vanguard	Vanguard Target Retirement 2040 Fund	**	3,036,331
	Vanguard	Vanguard Target Retirement 2045 Fund	**	3,895,407
	Vanguard	Vanguard Target Retirement 2050 Fund	**	3,113,089
	Vanguard	Vanguard Target Retirement 2055 Fund	**	1,482,885
	Vanguard	Vanguard Target Retirement 2060 Fund	**	368,852
	Vanguard	Vanguard Target Retirement 2065 Fund	**	9,744
	Vanguard	Vanguard Target Retirement Income Fund	**	7,600
	Vanguard	Vanguard Total Bond Market Index Fund	**	296,713
	Vanguard	Vanguard Total International Stock Index Fund	**	238,585
	Vanguard	Vanguard Total Stock Market Index Fund	**	1,909,103
		Total		30,296,925
*	Participant Loans	Rates from 4.50% to 6.50% with maturities through September 2029	**	254,732
				$ 30,551,657

* A party-in-interest as defined by ERISA for which a statutory exemption exists

** Cost information may be omitted with respect to participant-directed investment

AMBRY GENETICS 401(k) PLAN
SCHEDULE H, LINE 4A – SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
Employer I.D – 33 – 0892453
Plan Number 001
As of December 31, 2019

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: ☐	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
Year ended December 31, 2018, which consisted of several miscalculated contributions which were not timely withheld and remitted	$ 3,534	$ –	$ –	$ –
Year ended December 31, 2019, which consisted of several miscalculated contributions which were not timely withheld and remitted	$ 67,960	$ –	$ –	$ –



Certified Public Accountants
and Financial Advisors

Ambry Genetics 401(k) Plan

Financial Statements and
Supplemental Schedules
December 31, 2019 and 2018

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

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Statements of Net Assets Available for Benefits –
December 31, 2019 and 2018 3

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For the Year Ended December 31, 2019 4

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Supplemental Schedules*

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Schedule H, Line 4a – Schedule of Delinquent Participant Contributions 15

* Note: Schedules other than that listed above have been omitted because the information is otherwise disclosed, not applicable or not required by 29 CFR 2520.103-10 of the Department of Labor Rules and Regulations for Reporting under the Employee Retirement Income Security Act of 1974

squarmilner
Certified Public Accountants
and Financial Advisors

Squar Milner LLP

INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
Ambry Genetics 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Ambry Genetics 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2019 and 2018, and the related statement of changes in net assets available for benefits for the year ended December 31, 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. The Plan administrator has obtained certifications from the trustee as of December 31, 2019 and 2018, and for the year ended December 31, 2019, that the information provided to the Plan administrator by the trustees is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the preceding *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these accompanying financial statements.

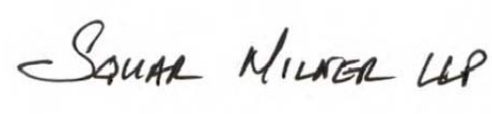
Other Matter

The supplemental schedules, Schedule H, line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2019, and Schedule H, Line 4a – Schedule of Delinquent Participant Contributions for the year ended December 31, 2019, are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of Plan's management. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph above, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, has been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

SQUAR MILNER LLP



Irvine, California
October 14, 2020

AMBRY GENETICS 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2019 and 2018

	2019	2018
ASSETS		
Investments:		
Interest-bearing cash – money market fund	$ 1,117,796	$ –
Investments, at fair value	29,179,129	17,762,195
Total investments	30,296,925	17,762,195
Receivables:		
Employer contributions	193,316	118,665
Corrective contributions	71,494	–
Total receivables	264,810	118,665
Notes receivable from participants	254,732	112,251
NET ASSETS AVAILABLE FOR BENEFITS	$ 30,816,467	$ 17,993,111

See independent auditors' report and accompanying notes.

AMBRY GENETICS 401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Year Ended December 31, 2019

ADDITIONS	
Investment income:	
Net appreciation in fair value of investments	$ 3,986,792
Interest and dividend income	1,001,352
Total investment income	4,988,144
Interest income from notes receivable from participants	4,971
Contributions:	
Employee	5,201,243
Employer	2,456,145
Rollovers	2,592,815
Corrective	71,494
Total contributions	10,321,697
Total additions	15,314,812
DEDUCTIONS	
Benefits paid to participants	2,428,250
Administrative expenses	61,354
Corrective distributions	1,852
Total deductions	2,491,456
NET INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS	12,823,356
NET ASSETS AVAILABLE FOR BENEFITS – beginning of year	17,993,111
NET ASSETS AVAILABLE FOR BENEFITS – end of year	$ 30,816,467

See independent auditors' report and accompanying notes.

1. DESCRIPTION OF PLAN

The following description of the Ambry Genetics 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan which was originally established on January 1, 2006. The Plan was subsequently restated to comply with current law pursuant to Section 401(k) of the Internal Revenue Code ("IRC" or "Code") and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The Plan's day-to-day operations are administered by Ambry Genetics Corporation and Progeny Genetics LLC (collectively, either the "Company" or "Plan Sponsor" or "Plan Administrator"). The accounting records are maintained by Fidelity Management Trust Company, a record keeper and third party administrator ("Fidelity"). Fidelity is also responsible for administering the Plan investments and maintaining the individual participant account balances. Overall responsibility for administering the Plan rests with the Plan Administrator.

Eligibility

All qualified employees of the Company over the age of 18 are eligible to participate in the Plan.

Investment Options

Upon enrollment in the Plan, participants direct the investment of their contributions and employer contributions into various investment options offered by the Plan. Participants may change their investment options or transfer funds based upon policies established by the Plan. Such policy currently allows participants to change their options at any time.

Participant Contributions

Each year, participants may contribute up to 100% of their pretax annual compensation, as defined in the Plan, and up to 100% of compensation as an after-tax contribution, up to a maximum amount as allowed under the Code. During 2019, the Plan was amended to restrict contributions to 85% of eligible compensation and also to allow Roth after-tax contributions. The maximum contribution allowed by the Plan in accordance with the Code for 2019 was $19,000. In addition, participants over the age 50 are allowed to defer an additional catch-up amount in excess of the maximum contribution. For the 2019 plan year, the maximum catch-up contribution was $6,000. Participants may also contribute (rollover) amounts representing distributions from other qualified defined benefit and defined contribution plans.

1. DESCRIPTION OF PLAN (continued)

Employer Contributions

The Plan has a safe harbor matching program whereby employees will be matched dollar-for-dollar up to the first 4% of compensation each payroll period. For the Plan year ended December 31, 2019, the Company made $2,456,145 of safe harbor matching contributions, which are included in employer contributions in the accompanying statement of changes in net assets available for benefits, of which $193,316 are true-up matching contributions receivable at December 31, 2019. The Company can make additional discretionary matching contributions in accordance with the Plan document; however, for the year ended December 31, 2019, no such additional discretionary matching contributions were made.

Participant Accounts

Each participant's account is credited with the participant's and Company's contributions and allocations of Plan earnings and administrative expenses. Allocations of Plan earnings are made according to participants' account balances, as defined. Participants direct the investment of their contributions and employer contributions into various investment options offered by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. The Company matching contributions are subject to a six year evenly-graded vesting schedule, beginning after the first full year of service, as defined by the Plan document, and for each following year of service. In 2016, the Plan was amended to allow the employees of the newly adopted participating employer, Progeny Genetics LLC, to be credited with their years of service prior to the amendment for vesting purposes.

Upon a participant's death or permanent disability, the full amount of the Company's contributions become 100% vested.

Payment of Benefits

Upon termination of service due to death, disability, or retirement, in accordance with the Plan document, each participant is eligible to receive a distribution equal to the value of the participant's vested interest in his or her account. Participants may also elect to rollover their account to another tax deferred account or remain in the Plan until they are legally required to begin taking distributions. Participants who are current employees and over age 59.5 can elect to receive distributions. During 2018, the Plan was amended to allow installment benefit payments as well as partial balance payments, in addition to the lump-sum payments, which were previously allowed.

1. DESCRIPTION OF PLAN (continued)

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum of $50,000. The loan may not exceed 50 percent of the participant's vested account balance. The loans are collateralized by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan Administrator for a period not to exceed ten years. Principal and interest is paid ratably through semi-monthly payroll deductions. Interest rates on borrowings were between 4.50% and 6.50% for the years ended December 31, 2019 and 2018, with various maturities through September 2029.

Forfeited Accounts

Forfeited nonvested amounts are used first to reduce future employer contributions, with any remaining amounts used to reduce the Plan's ordinary and necessary administrative expenses. As of December 31, 2019 and 2018, there were forfeited non-vested accounts of $0 and $57,103, respectively. During the year ended December 31, 2019, the Plan used $103,604 of Plan forfeitures to reduce employer matching contributions.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan Administrator determines the Plan's valuation policies utilizing information provided by the investment advisers and trustee. See Note 6 for discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of financial statements and related schedules in conformity with GAAP requires management, the Plan Administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of additions to, and deductions from, net assets during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Shares of mutual funds and the money market fund are valued at the net asset value of shares held by the Plan at year-end. Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized gains (losses) are computed using the average cost method. The net realized and unrealized gains and losses are reflected in the statement of changes in net assets available for benefits as net appreciation or depreciation in fair value of investments. See Note 6 for further discussion of fair value measurements.

The Plan's exposure to losses in the event of nonperformance of investments is limited to the carrying value of such instruments. The Plan's concentrations of risk are dictated by the Plan's provisions as well as those of ERISA and the participants' investment preference.

Risks and Uncertainties

Investment securities are exposed to various risks such as interest rate, market, and credit. Due to the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the various risk factors, in the near term, could materially affect participant's account balances and the amounts reported in the accompanying Plan financial statements.

Notes Receivable from Participants

Notes receivable from participants reflected in the accompanying statements of net assets available for benefits are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis.

A participant's loan is considered in default if any scheduled repayment remains unpaid as of the last business day of the calendar quarter following the calendar quarter in which the loan is initially considered past due. In such event, the entire principal and accrued interest are immediately due and payable, and are deemed distributions to participants. There were no loans considered to be in default at December 31, 2019 or 2018.

Payment of Benefits

Benefits are recorded when paid.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Administrative Expenses

Certain administrative expenses are paid by the Company and, accordingly, are not reflected in the accompanying financial statements of the Plan. Certain transaction processing fees and investment related expenses are charged to the participants' account balances and are reflected in the accompanying statement of changes in net assets available for benefits as net appreciation or depreciation in fair value of investments and qualify as party-in-interest transactions (See Note 4).

Subsequent Events

The Plan evaluated subsequent events for their potential impact on the financial statements and disclosures through October 14, 2020, which is the date the financial statements were available to be issued.

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally. In March of 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. This pandemic has adversely affected global economic activity and greatly contributed to significant deterioration and instability in financial markets. As a result, the Plan's investment portfolio has, at times, significantly declined in fair value since December 31, 2019. Because the values of the Plan's individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in subsequent periods, if any, and related impact on the Plan's liquidity cannot be determined at this time.

Subsequent to December 31, 2019, the Plan adopted three provisions within the CARES Act relating to benefit plans which included (i) COVID-19 related distributions with no early withdrawal penalty as well as tax and withholding flexibility (ii) delayed loan repayment options and (iii) required minimum distributions waivers for the 2020 plan year, however did not adopt higher maximum loan limits.

3. INFORMATION CERTIFIED TO AND PROVIDED BY THE TRUSTEES

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Accordingly, the Plan Administrator has obtained certifications from the Trustee certifying that the following information included in the accompanying financial statements and supplemental schedules is complete and accurate:

- Investments at fair value, and notes receivable from participants as reflected in the statements of net assets available for benefits as of December 31, 2019 and 2018.

3. INFORMATION CERTIFIED TO AND PROVIDED BY THE TRUSTEES (continued)

- Net appreciation in fair value of investments, interest and dividend income, and interest income from notes receivable from participants as reflected in the statement of changes in net assets available for the year ended December 31, 2019.
- Investments and notes receivable from participants as reflected in Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2019.

Section 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA states, in part, that any statement of information prepared and certified by the Plan's Trustees need not be audited or reported on by an independent public accountant. Pursuant to that regulation, the Plan Administrator has instructed its independent auditors, Squar Milner LLP, not to perform any auditing procedures with respect to information certified by the Trustee.

4. PARTY-IN-INTEREST AND PROHIBITED TRANSACTIONS

The Plan allows for transactions with certain parties who may perform services or have fiduciary responsibilities to the Plan. Certain Plan assets are invested in investments managed by the Trustees. Therefore, these transactions qualify as party-in-interest transactions. Administrative fees paid by the Plan to the Trustees for services rendered during the year ended December 31, 2019 totaled $61,354.

During 2020, Plan management became aware that the Company was miscalculating post-tax employee contributions and, therefore, had not been properly withholding and remitting such contributions in accordance with participant elections. Accordingly, during 2018 and 2019 approximately $3,534 and $67,960, respectively, of miscalculated contributions were recorded by the Plan as corrective contributions receivable on the statement of net assets available for benefits as of December 31, 2019. As Plan management is currently working with the Company to resolve this matter, this amount is an estimate and is, therefore, subject to change.

5. TAX STATUS OF THE PLAN

The volume submitter prototype for the Plan has received a favorable determination letter, dated March 31, 2014 from Fidelity Trust Management Company, from the Internal Revenue Service ("IRS") indicating that the Plan is qualified under Section 401(a) of the IRC. Although the Plan has been amended since receiving the determination letters, the Plan Administrator believes that the Plan is designed and is currently in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the accompanying Plan's financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2019 and 2018, there are no uncertain positions taken or expected to be taken that would require recognition of the liability (or asset) or disclosure in the

5. TAX STATUS OF THE PLAN (continued)

financial statements. The Plan is subject to routine audits by taxing jurisdictions and the Plan could be subject to income tax if certain issues were found by the IRS that could result in the disqualification of the Plan's tax-exempt status; however, there are currently no audits for any tax periods in progress. With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for years before 2016.

6. FAIR VALUE MEASUREMENTS

The Plan adopted the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*, or ASC 820, with respect to its investments. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date.

ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs.

The level in the fair value hierarchy is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The three levels of inputs used to measure fair value are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and supported by little or no market activity and are significant to the fair value measurement.

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy into the three levels of inputs.

6. FAIR VALUE MEASUREMENTS (continued)

Mutual Funds and Interest-bearing Cash – Money Market Fund

Mutual funds and the money market fund, considered to be interest-bearing cash, are valued at quoted market prices in an exchange and active markets, which represent the net asset values of shares held by the Plan at year-end and are classified as Level 1 investments.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table represents financial assets that have been measured at fair value on a recurring basis. These assets are classified in accordance with the fair value hierarchy set forth in ASC 820:

	December 31, 2019		December 31, 2018	
	Level 1	Total	Level 1	Total
Interest-bearing cash – money market fund	$ 1,117,796	$ 1,117,796	$ –	$ –
Mutual funds	29,179,129	29,179,129	17,762,195	17,762,195
Total at fair value	$ 30,296,925	$ 30,296,925	$ 17,762,195	$ 17,762,195

During the years ended December 31, 2019 and 2018, there were no investment transfers between Levels 1, 2 or 3. There were no changes in methodologies used to determine fair value at December 31, 2019 and 2018.

7. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per financial statements at December 31, 2019 and 2018 to Form 5500:

	2019	2018
Net assets available for plan benefits per financial statements	$ 30,816,467	$ 17,993,111
Employer contributions receivable	(193,316)	(118,665)
Corrective contributions receivable	(71,494)	–
Net assets available for plan benefits per Form 5500 – Schedule H	$ 30,551,657	$ 17,874,446

7. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (continued)

The following is a reconciliation of net increase in net assets available for benefits per financial statements for the year ended December 31, 2019 to Form 5500:

Net increase in net assets available for benefits per financial statements	$ 12,823,356
Employer contributions receivable – prior year	118,665
Employer contributions receivable – current year	(193,316)
Corrective contributions receivable	(71,494)
Increase in net assets per Form 5500 Schedule H	$ 12,677,211

SUPPLEMENTAL SCHEDULE

AMBRY GENETICS 401(k) PLAN
SCHEDULE H, LINE 4i SCHEDULE OF ASSETS (HELD AT END OF YEAR)
Employer I.D – 33 – 0892453
Plan Number 001
December 31, 2019

(a)	(b) Identity of Issue, Borrower or Similar Party	(c) Description of Investment	(d) Cost	(e) Current Value
Interest-bearing cash – money market fund:				
	Vanguard	Vanguard Federal Money Market Fund	**	$ 1,117,796
Mutual Funds:				
	American Funds	American Funds EuroPacific Growth R6	**	233,861
	Baird	Baird Core Plus Bond Fund Class I	**	692,449
	BlackRock	BlackRock Health Sciences Opp Fund Class K	**	1,057,967
	Carillon	Carillon Eagle Mid Cap Growth R6	**	569,981
	Dimensional Fund Advisors	DFA United States Large Cap Value Portfolio	**	1,000,009
	Dimensional Fund Advisors	DFA United States Targeted Value Portfolio Class I	**	646,411
	Janus Henderson	Janus Henderson Triton Fund Class I	**	931,134
	JP Morgan	JPMorgan Intrepid Growth Fund Class R6	**	2,757,089
	Prudential	PGIM High Yield Fund Class R6	**	486,665
	Vanguard	Vanguard 500 Index Fund	**	1,285,875
	Vanguard	Vanguard Emerging Markets Stock Index Fund	**	700,509
	Vanguard	Vanguard Mid-Cap Index Fund	**	580,013
	Vanguard	Vanguard Selected Value Fund	**	453,451
	Vanguard	Vanguard Small-Cap Index Fund	**	815,144
	Vanguard	Vanguard Target Retirement 2015 Fund	**	138,985
	Vanguard	Vanguard Target Retirement 2020 Fund	**	206,818
	Vanguard	Vanguard Target Retirement 2025 Fund	**	455,423
	Vanguard	Vanguard Target Retirement 2030 Fund	**	798,133
	Vanguard	Vanguard Target Retirement 2035 Fund	**	1,010,903
	Vanguard	Vanguard Target Retirement 2040 Fund	**	3,036,331
	Vanguard	Vanguard Target Retirement 2045 Fund	**	3,895,407
	Vanguard	Vanguard Target Retirement 2050 Fund	**	3,113,089
	Vanguard	Vanguard Target Retirement 2055 Fund	**	1,482,885
	Vanguard	Vanguard Target Retirement 2060 Fund	**	368,852
	Vanguard	Vanguard Target Retirement 2065 Fund	**	9,744
	Vanguard	Vanguard Target Retirement Income Fund	**	7,600
	Vanguard	Vanguard Total Bond Market Index Fund	**	296,713
	Vanguard	Vanguard Total International Stock Index Fund	**	238,585
	Vanguard	Vanguard Total Stock Market Index Fund	**	1,909,103
		Total		30,296,925
*	Participant Loans	Rates from 4.50% to 6.50% with maturities through September 2029	**	254,732
				$ 30,551,657

* A party-in-interest as defined by ERISA for which a statutory exemption exists

** Cost information may be omitted with respect to participant-directed investment

AMBRY GENETICS 401(k) PLAN
SCHEDULE H, LINE 4A – SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
Employer I.D – 33 – 0892453
Plan Number 001
As of December 31, 2019

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: ☐	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
Year ended December 31, 2018, which consisted of several miscalculated contributions which were not timely withheld and remitted	$ 3,534	$ –	$ –	$ –
Year ended December 31, 2019, which consisted of several miscalculated contributions which were not timely withheld and remitted	$ 67,960	$ –	$ –	$ –