

## **Statement regarding use of non-GAAP financial measures**

The company's financial results and financial guidance are provided in accordance with accounting principles generally accepted in the United States (GAAP) and using certain non-GAAP financial measures. Management believes that presentation of operating results using non-GAAP financial measures provides useful supplemental information to investors and facilitates the analysis of the company's core operating results and comparison of operating results across reporting periods. Management also uses non-GAAP financial measures to establish budgets and to manage the company's business. A reconciliation of the GAAP financial results to non-GAAP financial results is included in the attached schedules and a description of the adjustments made to the GAAP financial measures is included at the end of the schedules.

The company encourages investors to carefully consider its results under GAAP, as well as its supplemental non-GAAP information and the reconciliation between these presentations, to more fully understand its business. Non-GAAP financial results are reported in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP.

Following is a description of the adjustments made to GAAP financial measures:

- Acquisition – amortization of intangible assets – represents recurring amortization charges resulting from the acquisition of intangible assets.
- Goodwill and long-lived asset impairment charges – impairment charges on long-lived assets and goodwill.
- Equity compensation – non-cash equity-based compensation provided to Myriad employees and directors.
- Transformation initiatives – transitory costs such as consulting and professional fees related to transformation initiatives.
- Legal charges, net of insurance reimbursement – one-time legal expenses, net of insurance reimbursement received for legal expenses.
- Other adjustments – other one-time non-recurring expenses including changes in the fair value of contingent consideration related to acquisitions from prior years for the three months ended March 31, 2022. For the three months ended March 31, 2021, the other one-time non-recurring expenses included expenses related to leadership transition, expenses related to non-recurring severance and retention agreements, non-recurring legal expenses and potential future consideration related to acquisitions from prior years.
- Tax impact associated with non-GAAP adjustments – tax expense/(benefit) due to non-GAAP adjustments and differences between stock compensation recorded for book purposes as

compared to the allowable tax deductions and, for the three months ended March 31, 2021, the CARES Act legislation.

**Reconciliation of GAAP to Non-GAAP Financial Measures  
for the Three Months ended March 31, 2022 and 2021**

*(unaudited data in millions, except per share amount)*

	Three months ended March 31,	
	2022	2021
<b>Adjusted Gross Margin</b>		
GAAP Gross Profit <sup>(1)</sup>	\$ 116.9	\$ 122.8
Equity compensation	0.3	0.3
Other adjustments	—	0.6
Adjusted Gross Profit	\$ 117.2	\$ 123.7
Adjusted Gross Margin	71%	71%

(1) Consists of total revenues less cost of molecular diagnostic testing and cost of pharmaceutical and clinical services from the Consolidated Statements of Operations.

	Three months ended March 31,	
	2022	2021
<b>Adjusted Operating Expenses</b>		
GAAP Operating Expenses <sup>(1)</sup>	\$ 142.5	\$ 169.5
Acquisition - amortization of intangible assets	(10.2)	(15.2)
Goodwill and long-lived asset impairment charges	(10.7)	—
Equity compensation	(9.8)	(8.5)
Transformation initiatives	(4.0)	(7.5)
Legal charges, net of insurance reimbursement	11.3	—
Other adjustments	0.9	(11.3)
Adjusted Operating Expenses	\$ 120.0	\$ 127.0

(1) Consists of research and development expense, selling, general, and administrative expense, and goodwill and long-lived asset impairment charges from the Consolidated Statements of Operations.

	Three months ended March 31,	
	2022	2021
<b>Adjusted Operating Loss</b>		
GAAP Operating Loss	\$ (25.6)	\$ (46.7)
Acquisition - amortization of intangible assets	10.2	15.2
Goodwill and long-lived asset impairment charges	10.7	—
Equity compensation	10.1	8.8
Transformation initiatives	4.0	7.5
Legal charges, net of insurance reimbursement	(11.3)	—
Other adjustments	(0.9)	11.9
Adjusted Operating Loss	\$ (2.8)	\$ (3.3)

	Three months ended March 31,	
	2022	2021
<b>Adjusted Net Loss <sup>(1)</sup></b>		
GAAP Net Loss Attributable to Myriad Genetics, Inc. Stockholders	\$ (20.5)	\$ (39.5)
Acquisition - amortization of intangible assets	10.2	15.2
Goodwill and long-lived asset impairment charges	10.7	—
Equity compensation	10.1	8.8
Transformation initiatives	4.0	7.5
Legal charges, net of insurance reimbursement	(11.3)	—
Other adjustments	(0.9)	11.9
Tax impact of non-GAAP adjustments	(5.1)	(8.8)
Adjusted Net Loss	\$ (2.8)	\$ (4.9)
Weighted average shares outstanding:		
Basic and diluted	80.1	76.0
Adjusted Net Loss Per Share		
Basic and diluted	\$ (0.03)	\$ (0.06)

(1) To determine Adjusted Net Loss Per Share, or adjusted LPS.

### Adjusted Free Cash Flow Reconciliation for the Three Months Ended March 31, 2022 and 2021

(unaudited data in millions)

	Three months ended March 31,	
	2022	2021
<b>Cash flow from operations</b>	\$ (46.5)	\$ 71.8
Capital expenditures	(6.3)	(7.1)
Free cash flow	\$ (52.8)	\$ 64.7
Transformation initiatives	4.0	7.1
Legal charges, net of insurance reimbursement	2.9	—
Other adjustments	—	0.2
Tax impact associated with non-GAAP adjustments	(1.7)	(1.8)
Adjusted free cash flow	\$ (47.6)	\$ 70.2