

## Statement regarding use of non-GAAP financial measures

In this press release, 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 schedules below 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.

The company does not forecast GAAP operating expenses, net income (loss) or earnings per share because it cannot predict certain elements that are included in reported GAAP results. Please see above under "Financial Guidance" for a full explanation.

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.
- Equity compensation – non-cash equity-based compensation provided to Myriad Genetics employees and directors.
- Real estate optimization – costs related to real estate initiatives. Prior to the fourth quarter 2023 reporting period, these costs were included in the transformation initiatives category. With respect to the adjusted free cash flow reconciliation, the cash flow effect of real estate optimizations excludes non-cash items such as accelerated depreciation. These costs include the following:
  - For the three months ended March 31, 2024, additional rent as a result of the build-out of our new laboratories in Salt Lake City, Utah and South Francisco, California, while maintaining our current laboratories in those locations, costs associated with the voluntary termination of a lease, testing and set-up costs for equipment in our new facilities, and impairment in connection with the ceased use of one of our facilities.
  - For the three months ended March 31, 2023, additional rent as a result of the build-out of our new laboratories in Salt Lake City, Utah and South San Francisco, California, while

maintaining our current laboratories in those locations, and accelerated depreciation in connection with our decision to cease the use of our former corporate headquarters in Salt Lake City, Utah.

- Transformation initiatives – costs related to transformation initiatives including:
  - For the three months ended March 31, 2024, consulting and professional fees.
  - For the three months ended March 31, 2023, consulting and professional fees and severance costs related to restructuring.
- Legal charges, net of insurance reimbursement – one-time legal expenses, net of insurance reimbursement. With respect to the adjusted free cash flow reconciliation, the cash flow effect includes cash paid for settlements in the related period.
- Other adjustments – other one-time non-recurring expenses including:
  - For the three months ended March 31, 2024, primarily includes a gain recognized on acquisition, changes in the fair value of contingent consideration related to acquisitions from prior years, the reclassifications of cumulative translation adjustments to income upon liquidation of an investment in a foreign entity, and costs incurred in connection with executive personnel changes.
  - For the three months ended March 31, 2023, primarily includes consulting and professional fees and changes in the fair value of contingent consideration related to acquisitions from prior years.
  - For purposes of adjusted EBITDA, other adjustments include the items listed above as well as amounts included in Other income/expense in the financial statements.
- Depreciation expense - depreciation expense recognized on our fixed assets.
- Tax adjustments – tax expense/(benefit) due to non-GAAP adjustments, differences between stock compensation recorded for book purposes as compared to the allowable tax deductions, and valuation allowance recognized against federal and state deferred tax assets in the United States.
  - As of March 31, 2024, a valuation allowance of \$57.0 million was not recognized for non-GAAP purposes given our historical and forecasted positive earnings performance.
  - As of March 31, 2023, a valuation allowance of \$11.6 million was not recognized for non-GAAP purposes given our historical and forecasted positive earnings performance.
  - For purposes of adjusted EBITDA, the income tax expense adjustment includes the income tax expense (benefit) recognized in the financial statements.

**Reconciliation of GAAP to Non-GAAP Financial Measures**  
**for the Three Months Ended March 31, 2024 and 2023**  
*(unaudited data in millions, except per share amounts)*

	Three months ended March 31,	
	2024	2023
<b>Adjusted Gross Margin</b>		
GAAP Gross Profit <sup>(1)</sup>	\$ 137.6	\$ 122.0
Acquisition - amortization of intangible assets	0.3	0.3
Equity compensation	0.3	0.3
Other adjustments	0.3	—
Adjusted Gross Profit	<u>\$ 138.5</u>	<u>\$ 122.6</u>
Adjusted Gross Margin	<u>68.5%</u>	<u>67.7%</u>

(1) Consists of total revenues less cost of testing revenue from the Condensed Consolidated Statements of Operations.

	Three months ended March 31,	
	2024	2023
<b>Adjusted Operating Expenses</b>		
GAAP Operating Expenses <sup>(1)</sup>	\$ 165.5	\$ 174.2
Acquisition - amortization of intangible assets	(10.4)	(10.3)
Equity compensation	(11.6)	(7.1)
Real estate optimization	(1.2)	(7.5)
Transformation initiatives	(1.9)	(4.1)
Legal charges, net of insurance reimbursement	0.1	(0.3)
Other adjustments	(1.4)	(0.4)
Adjusted Operating Expenses	<u>\$ 139.1</u>	<u>\$ 144.5</u>

(1) Consists of research and development expense and selling, general and administrative expense from the Condensed Consolidated Statements of Operations.

	Three months ended March 31,	
	2024	2023
<b>Adjusted Operating Income (Loss)</b>		
GAAP Operating Loss	\$ (27.9)	\$ (52.2)
Acquisition - amortization of intangible assets	10.7	10.6
Equity compensation	11.9	7.4
Real estate optimization	1.2	7.5
Transformation initiatives	1.9	4.1
Legal charges, net of insurance reimbursement	(0.1)	0.3
Other adjustments	1.7	0.4
Adjusted Operating Loss	<u>\$ (0.6)</u>	<u>\$ (21.9)</u>

	Three months ended March 31,	
	2024	2023
<b>Adjusted Net Income (Loss) <sup>(1)</sup></b>		
GAAP Net Loss	\$ (26.0)	\$ (54.7)
Acquisition - amortization of intangible assets	10.7	10.6
Equity compensation	11.9	7.4
Real estate optimization	1.2	7.5
Transformation initiatives	1.9	4.1
Legal charges, net of insurance reimbursement	(0.1)	0.3
Other adjustments	0.2	0.4
Tax adjustments	(0.3)	7.0
Adjusted Net Loss	<u>\$ (0.5)</u>	<u>\$ (17.4)</u>
Weighted average shares outstanding:		
Basic	89.9	81.3
Diluted	89.9	81.3
Adjusted Earnings Per Share		
Basic	\$ (0.01)	\$ (0.21)
Diluted	\$ (0.01)	\$ (0.21)

(1) To determine Adjusted Earnings (Loss) Per Share, or adjusted EPS.

	Three months ended March 31,	
	2024	2023
<b>Adjusted EBITDA</b>		
GAAP Net Loss	\$ (26.0)	\$ (54.7)
Acquisition - amortization of intangible assets	10.7	10.6
Depreciation expense	4.5	3.0
Equity compensation	11.9	7.4
Real estate optimization <sup>(1)</sup>	1.2	7.5
Transformation initiatives	1.9	4.1
Legal charges, net of insurance reimbursement	(0.1)	0.3
Interest expense, net of interest income <sup>(2)</sup>	(0.1)	(0.2)
Other adjustments	(0.1)	1.2
Income tax expense	0.1	2.0
Adjusted EBITDA	<u>\$ 4.0</u>	<u>\$ (18.8)</u>

(1) Real estate optimization includes \$0.5 million and \$5.8 million of depreciation expense for the three months ended March 31, 2024 and 2023, respectively.

(2) Derived from interest expense and interest income from the Condensed Consolidated Statements of Operations.

**Adjusted Free Cash Flow Reconciliation**  
**for the Three Months Ended March 31, 2024 and 2023**  
*(unaudited data in millions)*

	Three months ended March 31,	
	2024	2023
<b>Cash flow from operations</b>	\$ (18.6)	\$ (33.2)
Real estate optimization	6.2	1.8
Transformation initiatives	1.9	4.1
Legal charges, net of insurance reimbursement	—	1.8
Other adjustments	1.2	0.4
Adjusted operating cash flow	\$ (9.3)	\$ (25.1)
Capital expenditures	(6.7)	(23.5)
Capitalization of internal-use software costs	(1.9)	—
Adjusted free cash flow	<u>\$ (17.9)</u>	<u>\$ (48.6)</u>