

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 June 30, 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 and testing and set-up costs for equipment in our new facilities.

- For the three months ended June 30, 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.
- For the six months ended June 30, 2024, 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 testing and set-up costs for equipment in our new facilities, lease terminations gains, net of lease termination losses, impairment charges and other abandonment costs.
- For the six months ended June 30, 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 and six months ended June 30, 2024, consulting and professional fees.
 - For the three and six months ended June 30, 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 June 30, 2024, changes in the fair value of contingent consideration related to acquisitions from prior years, severance, and other consulting costs.
 - For the three months ended June 30, 2023, primarily includes changes in the fair value of contingent consideration related to acquisitions from prior years.
 - For the six months ended June 30, 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, severance, and costs incurred in connection with executive personnel changes.
 - For the six months ended June 30, 2023, consulting and professional fees related to prior year acquisitions 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.

- Goodwill and long-lived asset impairment charges – for the three and six months ended June 30, 2024, primarily the impairment of assets held for sale related to the sale of the EndoPredict business to Eurobio Scientific.
- Contingent consideration payment – for the three months ended June 30, 2024, the payment of contingent consideration related to the previous acquisition of Sividon Diagnostics GmbH.
- 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 June 30, 2024, a valuation allowance of \$63.3 million was not recognized for non-GAAP purposes given our historical and forecasted positive earnings performance.
 - As of June 30, 2023, a valuation allowance of \$37.2 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 and Six Months Ended June 30, 2024 and 2023**

(unaudited data in millions, except per share amounts)

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Adjusted Gross Margin				
Gross Profit ⁽¹⁾	\$ 147.1	\$ 125.7	\$ 284.8	\$ 247.7
Acquisition - amortization of intangible assets	0.3	0.3	0.6	0.6
Equity compensation	0.6	0.4	0.9	0.7
Transformation initiatives	—	0.2	—	0.2
Other adjustments	0.2	—	0.4	—
Adjusted Gross Profit	<u>\$ 148.2</u>	<u>\$ 126.6</u>	<u>\$ 286.7</u>	<u>\$ 249.2</u>
Adjusted Gross Margin	70.1 %	69.0 %	69.3 %	68.3 %

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

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Adjusted Operating Expenses				
Operating Expenses ⁽¹⁾	\$ 183.6	\$ 239.4	\$ 349.2	\$ 413.6
Acquisition - amortization of intangible assets	(10.2)	(10.3)	(20.6)	(20.6)
Goodwill and long-lived asset impairment charges	(11.6)	—	(11.6)	—
Equity compensation	(14.0)	(10.8)	(25.6)	(17.9)
Real estate optimization	(2.3)	(3.5)	(3.5)	(11.0)
Transformation initiatives	(2.0)	(2.7)	(4.0)	(6.8)
Legal charges, net of insurance reimbursement	(0.5)	(77.9)	(0.4)	(78.2)
Other adjustments	(2.2)	(0.8)	(3.6)	(1.2)
Adjusted Operating Expenses	<u>\$ 140.8</u>	<u>\$ 133.4</u>	<u>\$ 279.9</u>	<u>\$ 277.9</u>

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

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Adjusted Operating Income (Loss)				
Operating Loss	\$ (36.5)	\$ (113.7)	\$ (64.4)	\$ (165.9)
Acquisition - amortization of intangible assets	10.4	10.7	21.1	21.3
Goodwill and long-lived asset impairment charges	11.6	—	11.6	—
Equity compensation	14.6	11.1	26.5	18.5
Real estate optimization	2.3	3.5	3.5	11.0
Transformation initiatives	2.1	2.9	4.0	7.0
Legal charges, net of insurance reimbursement	0.6	77.9	0.5	78.2
Other adjustments	2.3	0.8	4.0	1.2
Adjusted Operating Income (Loss)	<u>\$ 7.4</u>	<u>\$ (6.8)</u>	<u>\$ 6.8</u>	<u>\$ (28.7)</u>

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Adjusted Net Income (Loss) ⁽¹⁾				
Net Loss	\$ (36.7)	\$ (116.1)	\$ (62.7)	\$ (170.8)
Acquisition - amortization of intangible assets	10.4	10.7	21.1	21.3
Goodwill and long-lived asset impairment charges	11.6	—	11.6	—
Equity compensation	14.6	11.1	26.5	18.5
Real estate optimization	2.3	3.5	3.5	11.0
Transformation initiatives	2.1	2.9	4.0	7.0
Legal charges, net of insurance reimbursement	0.6	77.9	0.5	78.2
Other adjustments	2.3	0.8	2.5	1.2
Tax adjustments	(2.7)	2.8	(3.0)	9.8
Adjusted Net Income (Loss)	<u>\$ 4.5</u>	<u>\$ (6.4)</u>	<u>\$ 4.0</u>	<u>\$ (23.8)</u>
Weighted average shares outstanding:				
Basic	90.6	81.7	90.3	81.5
Diluted	91.5	81.7	91.5	81.5
Adjusted Earnings (Loss) Per Share				
Basic	\$ 0.05	\$ (0.08)	\$ 0.04	\$ (0.29)
Diluted	\$ 0.05	\$ (0.08)	\$ 0.04	\$ (0.29)

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

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Adjusted EBITDA				
Net Loss	\$ (36.7)	\$ (116.1)	\$ (62.7)	\$ (170.8)
Acquisition - amortization of intangible assets	10.4	10.7	21.1	21.3
Depreciation expense	4.3	2.7	8.8	5.6
Goodwill and long-lived asset impairment charges	11.6	—	11.6	—
Equity compensation	14.6	11.1	26.5	18.5
Real estate optimization ⁽¹⁾	2.3	3.5	3.5	11.0
Transformation initiatives	2.1	2.9	4.0	7.0
Legal charges, net of insurance reimbursement	0.6	77.9	0.5	78.2
Interest expense, net of interest income ⁽²⁾	0.4	—	0.3	(0.2)
Other adjustments	2.6	3.2	2.5	4.2
Income tax (benefit) expense ⁽³⁾	(0.5)	—	(0.4)	2.1
Adjusted EBITDA	<u>\$ 11.7</u>	<u>\$ (4.1)</u>	<u>\$ 15.7</u>	<u>\$ (23.1)</u>

(1) Real estate optimization includes \$0.4 million and \$0.9 million for the three and six months ended June 30, 2024, respectively, and \$5.8 million of depreciation expense for the six months ended June 30, 2023. No depreciation expense was included for the three months ended June 30, 2023.

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

(3) Derived from income tax (benefit) from the Condensed Consolidated Statement of Operations.

Adjusted Free Cash Flow Reconciliation
for the Three Months Ended June 30, 2024 and 2023
(unaudited data in millions)

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Cash flow from operations	\$ 2.6	\$ (0.9)	\$ (16.0)	\$ (34.1)
Real estate optimization	3.0	3.5	9.2	11.0
Transformation initiatives	2.1	2.9	4.0	1.3
Legal charges, net of insurance reimbursement	0.6	0.4	0.6	2.2
Contingent consideration payment	5.8	—	5.8	—
Other adjustments	2.3	—	3.5	0.4
Adjusted operating cash flow	\$ 16.4	\$ 5.9	\$ 7.1	\$ (19.2)
Capital expenditures	(5.2)	(18.8)	(11.9)	(42.3)
Capitalization of internal-use software costs	(3.7)	—	(5.6)	—
Adjusted free cash flow	<u>\$ 7.5</u>	<u>\$ (12.9)</u>	<u>\$ (10.4)</u>	<u>\$ (61.5)</u>