

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 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.

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 Genetics employees and directors.
- Transformation initiatives – transitory costs such as consulting and professional fees related to transformation initiatives and additional rent as a result of the build-out of our new laboratories in Salt Lake City, Utah and in South San Francisco, California, while maintaining our current laboratories in those locations.
- Gain on sale — gain recognized in our divestitures of Myriad RBM, Inc. and the Myriad myPath, LLC laboratory.
- Divestiture-related costs — non-recurring costs associated with our divestitures of the Myriad myPath, LLC laboratory, Myriad RBM, Inc., and the Myriad Autoimmune business.
- Acquisition-related costs - non-recurring costs associated with our acquisition of Gateway Genomics, LLC.
- Legal charges, net of insurance reimbursement – one-time legal expenses, net of insurance reimbursement. For the year ended December 31, 2021, we accrued \$48.0 million for the settlement of the qui tam lawsuit and \$14.0 million for settlement of the Abelli lawsuit.
- Other adjustments – other one-time non-recurring expenses including changes in the fair value of contingent consideration related to acquisitions from prior years and severance costs for the three months and year ended December 31, 2022. For the three months and year ended December 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 of 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 and year ended December 31, 2021, the CARES Act legislation.

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

(unaudited data in millions, except per share amounts)

	Three months ended December 31,		Year ended December 31,	
	2022	2021	2022	2021
Adjusted Gross Margin				
GAAP Gross Profit ⁽¹⁾	\$ 123.9	\$ 115.0	\$ 476.4	\$ 493.0
Equity compensation	0.4	0.4	1.4	1.4
Acquisition - amortization of intangible assets	0.2	—	0.2	—
Acquisition-related costs	0.1	—	0.1	—
Other adjustments	—	—	—	1.3
Adjusted Gross Profit	\$ 124.6	\$ 115.4	\$ 478.1	\$ 495.7
Adjusted Gross Margin	70.1%	71.8%	70.5%	71.8%

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

	Three months ended December 31,		Year ended December 31,	
	2022	2021	2022	2021
Adjusted Operating Expenses				
GAAP Operating Expenses ⁽¹⁾	\$ 176.1	\$ 158.1	\$ 617.0	\$ 683.5
Acquisition - amortization of intangible assets	(10.3)	(9.8)	(40.7)	(50.1)
Goodwill and long-lived asset impairment charges	(6.1)	—	(16.8)	(1.8)
Equity compensation	(7.8)	(8.0)	(36.5)	(34.9)
Transformation initiatives	(5.6)	(6.0)	(17.8)	(24.8)
Divestiture-related costs	—	—	—	(1.8)
Acquisition-related costs	(4.8)	—	(5.0)	—
Legal charges, net of insurance reimbursement	(1.5)	(14.0)	11.4	(62.0)
Other adjustments	(1.4)	(5.0)	(0.7)	(21.4)
Adjusted Operating Expenses	\$ 138.6	\$ 115.3	\$ 510.9	\$ 486.7

(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 December 31,		Year ended December 31,	
	2022	2021	2022	2021
Adjusted Operating Income (Loss)				
GAAP Operating Loss	\$ (52.2)	\$ (43.1)	\$ (140.6)	\$ (190.5)
Acquisition - amortization of intangible assets	10.5	9.8	40.9	50.1
Goodwill and long-lived asset impairment charges	6.1	—	16.8	1.8
Equity compensation	8.2	8.4	37.8	36.3
Transformation initiatives	5.7	6.0	17.9	24.8
Divestiture-related costs	—	—	—	1.9
Acquisition-related costs	4.9	—	5.1	—
Legal charges, net of insurance reimbursement	1.5	14.0	(11.4)	62.0
Other adjustments	1.4	5.0	0.7	22.7
Adjusted Operating Income (Loss)	\$ (13.9)	\$ 0.1	\$ (32.8)	\$ 9.1

	Three months ended December 31,		Year ended December 31,	
	2022	2021	2022	2021
Adjusted Net Income (Loss) ⁽¹⁾				
GAAP Net Loss Attributable to Myriad Genetics, Inc. Stockholders	\$ (42.3)	\$ (7.6)	\$ (112.0)	\$ (27.2)
Acquisition - amortization of intangible assets	10.5	9.8	40.9	50.1
Goodwill and long-lived asset impairment charges	6.1	—	16.8	1.8
Equity compensation	8.2	8.4	37.8	36.3
Transformation initiatives	5.7	6.0	17.9	24.8
Gain on sale	—	—	—	(151.6)
Divestiture-related costs	—	—	—	14.5
Acquisition-related costs	4.9	—	5.1	—
Legal charges, net of insurance reimbursement	1.5	14.0	(11.4)	62.0
Other adjustments	1.4	5.0	0.7	21.9
Tax impact of non-GAAP adjustments	(5.7)	(37.2)	(20.0)	(31.2)
Adjusted Net Income (Loss)	\$ (9.7)	\$ (1.6)	\$ (24.2)	\$ 1.4
Weighted average shares outstanding:				
Basic	81.5	79.9	80.6	78.0
Diluted	81.5	79.9	80.6	80.2
Adjusted Net Earnings Per Share				
Basic	\$ (0.12)	\$ (0.02)	\$ (0.30)	\$ 0.02
Diluted	\$ (0.12)	\$ (0.02)	\$ (0.30)	\$ 0.02

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

Adjusted Free Cash Flow Reconciliation
for the Three Months and Year Ended December 31, 2022 and 2021
(unaudited data in millions)

	Three months ended December 31,		Year ended December 31,	
	2022	2021	2022	2021
Cash flow from operations	\$ (7.7)	\$ (9.5)	\$ (106.3)	\$ 18.6
Capital expenditures	(14.6)	(3.4)	(45.3)	(18.0)
Free cash flow	\$ (22.3)	\$ (12.9)	\$ (151.6)	\$ 0.6
Transformation initiatives	5.7	6.0	17.9	24.4
Legal charges, net of insurance reimbursement	—	—	49.9	—
Acquisition-related costs	4.9	—	5.1	—
Other adjustments	—	5.0	—	10.2
Adjusted free cash flow¹	\$ (11.7)	\$ (1.9)	\$ (78.7)	\$ 35.2

(1) The Company revised its Adjusted Free Cash Flow metric in the quarter ended June 30, 2022 to exclude the tax impact, if any, associated with non-GAAP adjustments