MAY 7, 2024

First Quarter 2024 Earnings Call

Myriad genetics®

Forward-looking statements and Non-GAAP financial measures

Some of the information presented here today contains projections or other forward-looking statements regarding future events or the future financial performance of the Company.

FORWARD-LOOKING STATEMENTS AND DISCLAIMERS

These statements are based on management's current expectations and the actual events or results may differ materially and adversely from these expectations. We refer you to the documents the Company files from time to time with the Securities and Exchange Commission, specifically, the Company's annual report on Form 10-K, its quarterly reports on Form 10-Q, and its current reports on Form 8-K. These documents identify important risk factors that could cause the actual results to differ materially from those contained in the Company's projections or forward-looking statements. All third-party marks—® and ™—are the property of their respective owners. Certain market and industry data has been obtained from third-party sources, which the Company believes are reliable, but the Company has not independently verified the information provided by third-party sources. Unless otherwise noted, market growth rates used in this presentation are estimates based on Company and third-party industry research.

NON-GAAP FINANCIAL MEASURES

In this presentation, 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. Definitions of the non-GAAP financial measures and a reconciliation of the GAAP to non-GAAP financial results are provided in the Appendix to this presentation.

The Company does not provide forward-looking guidance on a GAAP basis for the measures on which it provides forward-looking non-GAAP guidance as the Company is unable to provide a quantitative reconciliation of forward-looking non-GAAP measures to the most directly comparable forward-looking GAAP measure, without unreasonable effort, because of the inherent difficulty in accurately forecasting the occurrence and financial impact of the various adjusting items necessary for such reconciliations that have not yet occurred, are dependent on various factors, are out of the company's control, or cannot be reasonably predicted. Such adjustments include, but are not limited to, real estate optimization and transformation initiatives, certain litigation charges and loss contingencies, costs related to acquisitions/divestitures and the related amortization, impairment and related charges, and other adjustments. For example, stock-based compensation may fluctuate based on the timing of employee stock transactions and unpredictable fluctuations in the Company's stock price. Any associated estimate of these items and its impact on GAAP performance could vary materially.

Myriad genetics®

Myriad genetics®

Revealing the power of genetic science – for everyone

Mission

We advance health and well-being for all, empowering every individual by revealing the answers inside each of us.

Vision

As a leader in genetic testing and precision medicine, we provide insights that help people take control of their health and enable healthcare providers to better detect, treat and prevent disease.

Moving from transformation to innovation and growth

First quarter 2024 operating and financial highlights

Achieved Double Digit Revenue Growth; Average Selling Price (ASP) Improvements

+12% YOY revenue growth*

+9% volume YOY

+2% ASP YOY

ASP improvement across majority of test portfolio

Increasing Profitability Momentum

$4 million Adj. EBITDA

significantly improved from $(19) million in Q1 ’23

$(0.01) Adj. EPS

also improved compared to $(0.21) in Q1 ‘23

On-Going Execution of Near-Term Strategic Priorities

Early wins (both Prenatal and Oncology) from competitor dislocation

IPG assets (acq’d Q1 ‘24) - integration progressing

Reorganization of int’l ops

Labs of the Future plan on-track

Acceleration of investment in clinical validation studies and EMR

Expected New Products in 2025 Support Long-Term Growth

Upcoming Launches

- Foresight Universal Plus
- FirstGene
- Precise Liquid
- Molecular Residual Disease (MRD)

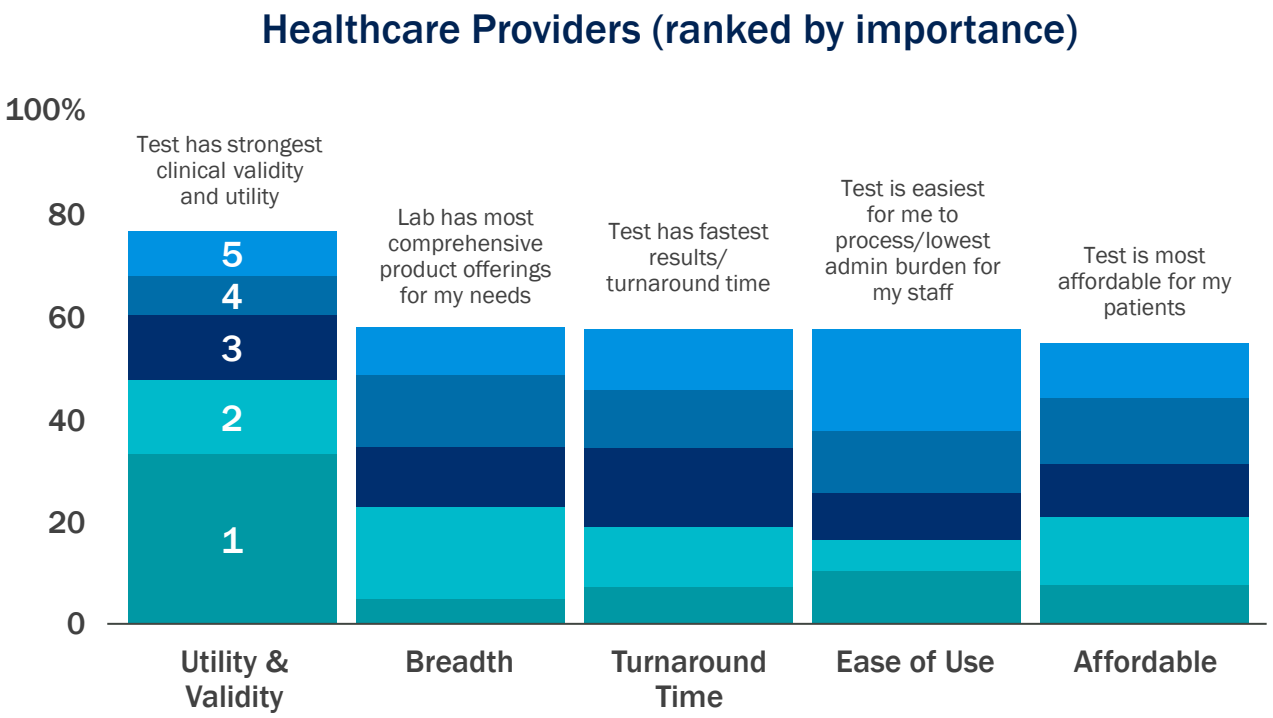
Myriad-led Publications

- 6 manuscripts published so far in 2024
- 5 abstracts and 3 posters to be presented at ACOG
- 7 studies and 3 posters to be presented at ASCO

**Percentages do not sum due to rounding*

Strategic areas of focus anchored in customer requirements

Top 5 test provider requirements



4 strategic pillars

Pillars of long-term growth and profitability

Science and innovation

Top-tier science delivering products that are clinically validated and demonstrate proven utility (quality, access and cost) in real world clinical settings

Elevated customer experience and commercial execution

Strong digitally enabled commercial platform

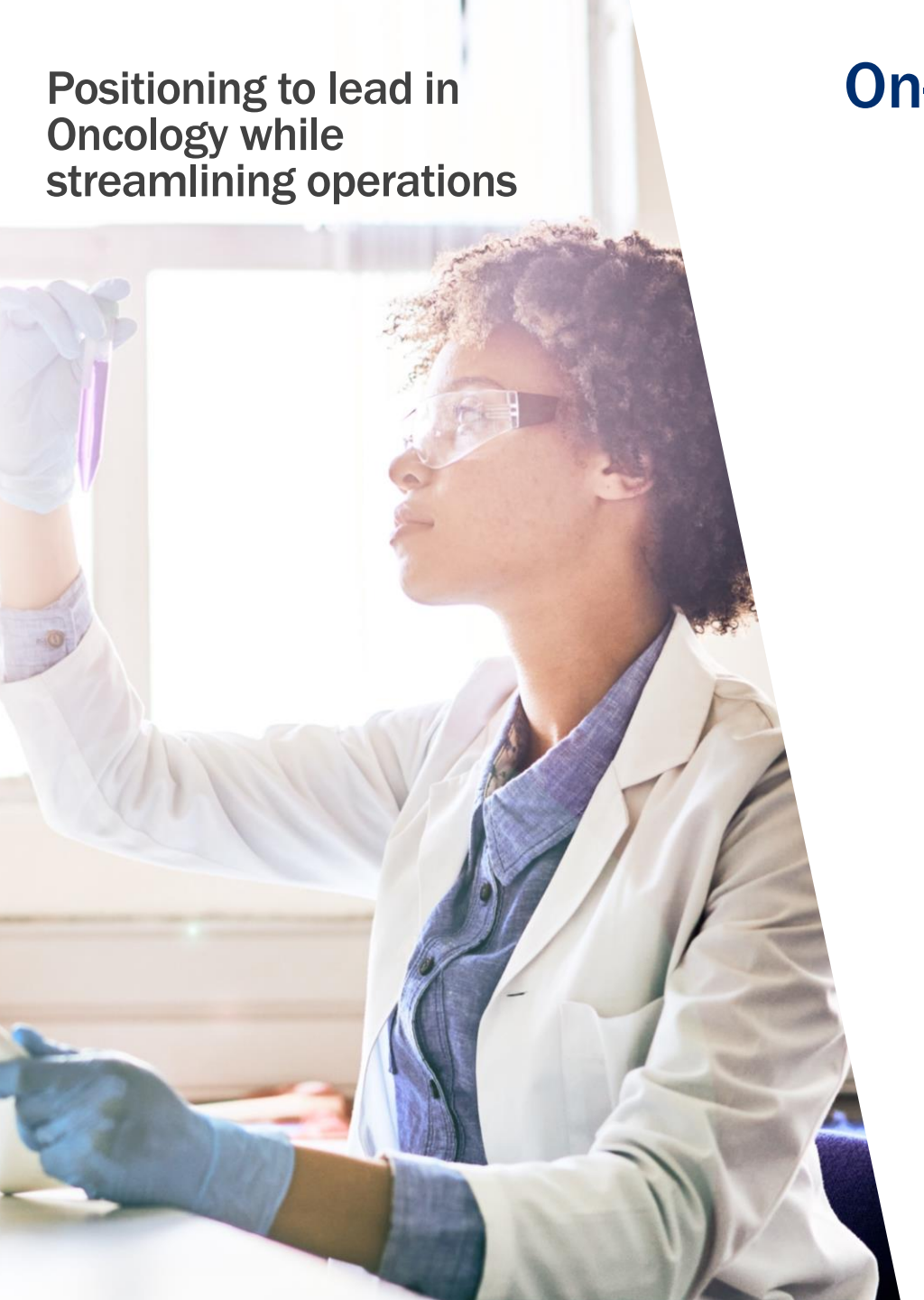
Technology enabled lab operations

Automated, scalable and cost-effective laboratory operations compliant with FDA Quality Management System requirements

Scalable commercial, information system technology and administrative support services

Advanced regulatory, reimbursement, and revenue cycle capabilities

Positioning to lead in Oncology while streamlining operations



On-going optimization of our Oncology portfolio

Acquisition of Intermountain Precision Genomics lab completed Feb 2024

- Acquired Precise Tumor and Liquid assay and associated lab operations to support the launch of Precise MRD
- Expanded strategic relationship with a large, leading healthcare system

Reorganization of European Operations and Sale of EndoPredict Business

- Align resources to domestic opportunities while continuing to serve biopharma partners
- Continue to grow through more efficient strategic partnerships, including licensing and distribution agreements
- Entered into agreement to sell EndoPredict business and license the right to sell Prolaris in vitro diagnostic (IVD) kits outside the U.S. to Eurobio Scientific
- Myriad will continue to produce and sell EndoPredict as a LDT in the U.S.

Mark Verratti

Chief Commercial Officer

Myriad genetics®

Analytics, incentives and RCM support Q1 ‘24 revenue growth (and ASPs)

Highlights

Advanced analytics have enabled:

- Better segmentation of markets across Oncology, Women’s Health, Pharmacogenomics
- More efficiently align resources with commercial activities
- Team to provide higher value services to customers, potentially leading to higher attachment rates and improved product mix overall

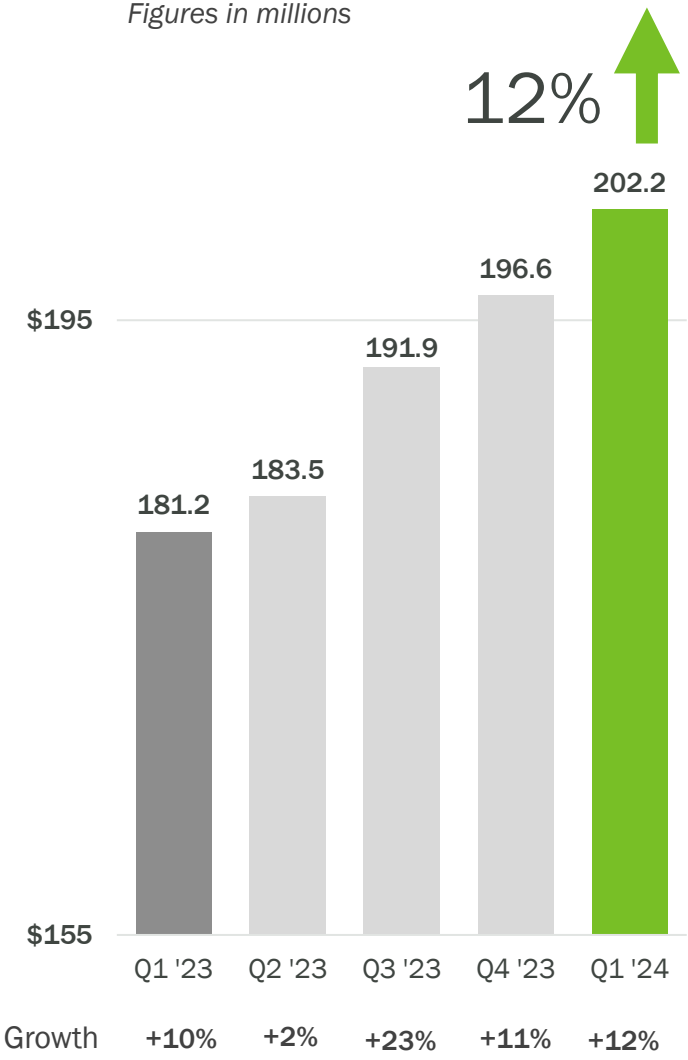
Aligning commercial incentives:

- Shift to revenue-based targets (from volume)
- Incentives better aligned to achieve corporate goal of reducing no-pay rates

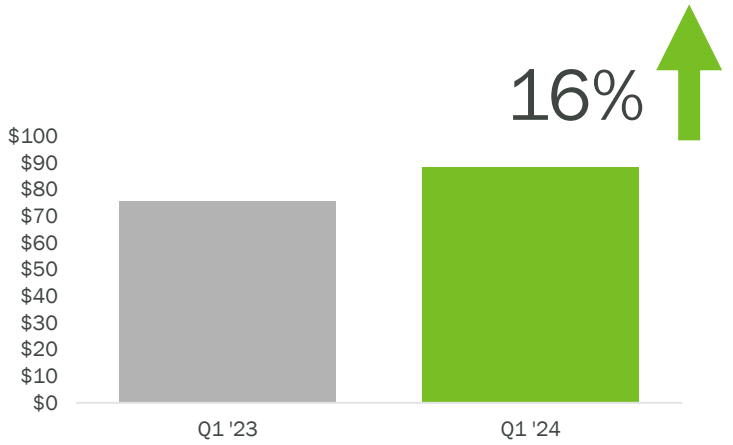
Revenue cycle management (RCM) initiatives

Total revenue

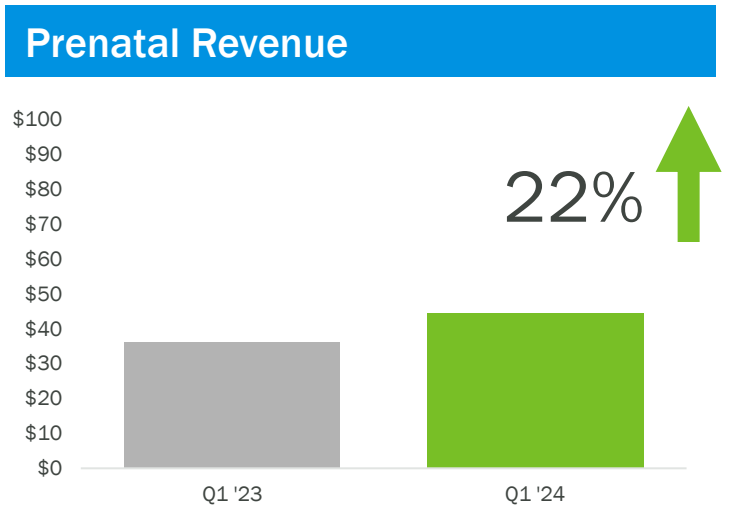
Figures in millions



Hereditary Cancer Revenue



Prenatal Revenue



Myriad genetics®

Significant opportunity to accelerate MyRisk growth across Women's Health, Imaging, Oncology and Urology

MyRisk®
Hereditary Cancer Test

Roadmap of expected highlights

2024

- MyRisk patient portal
- MyRisk Medical Management Tool Enhancements
- RiskScore studies
- Breast Cancer Risk Assessment Program

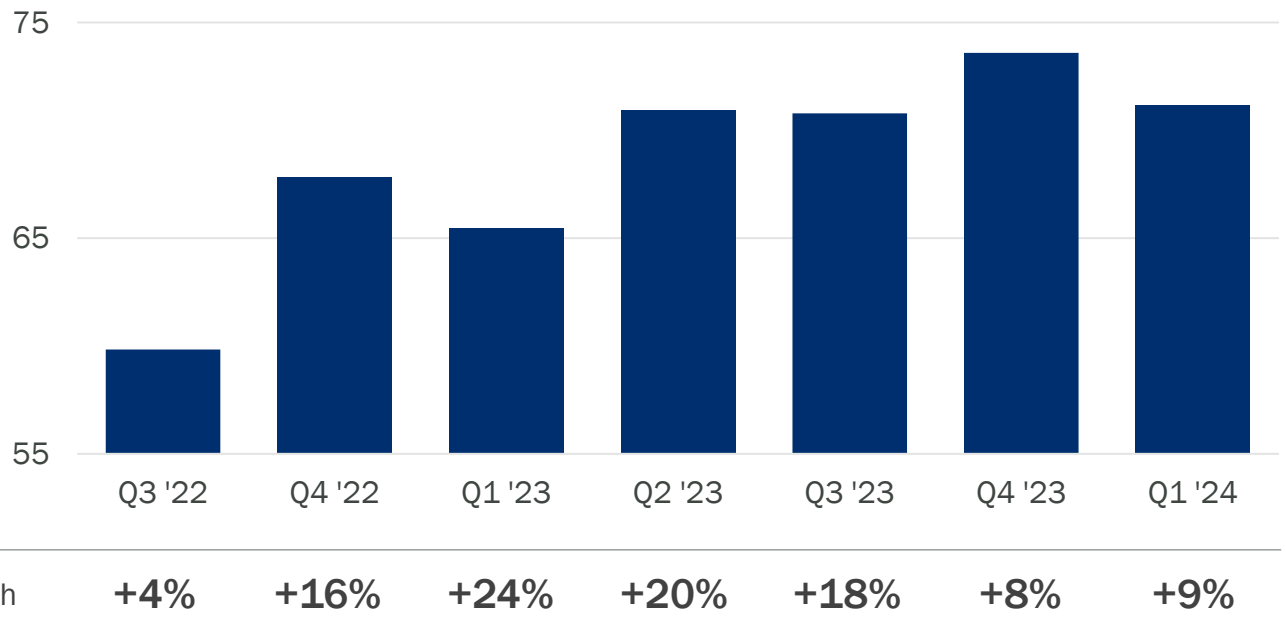
2025

- Panel Expansion | WES (whole exome sequencing)
- BRAC CDx to NGS

Hereditary cancer test volume

Figures in thousands

+14%
Q1'24 LTM Volume Growth (YOY)



	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24
YOY Growth	+4%	+16%	+24%	+20%	+18%	+8%	+9%

Myriad genetics®

MyRisk addresses the needs of large and growing markets

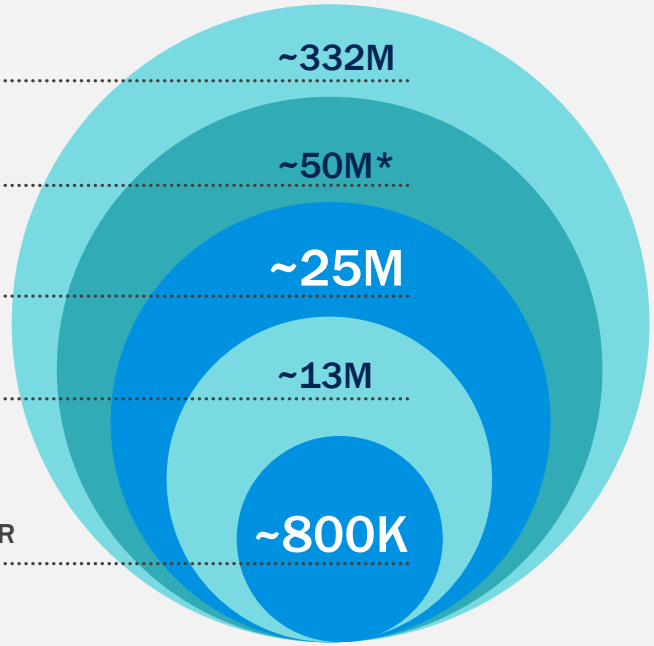
MyRisk®
Hereditary Cancer Test

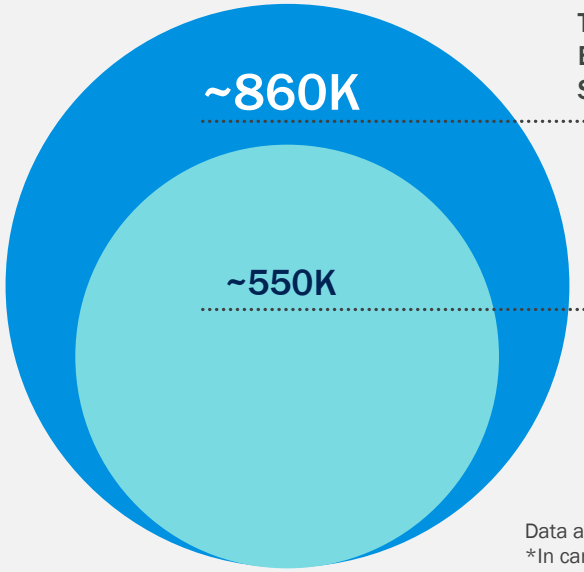
Unaffected Market – Hereditary Screening

Actionable market size (US only)	Market penetration	Market growth	MYGN market share
~$3B	15%	High single digits	30% - 35%

Affected Market – Germline Screening

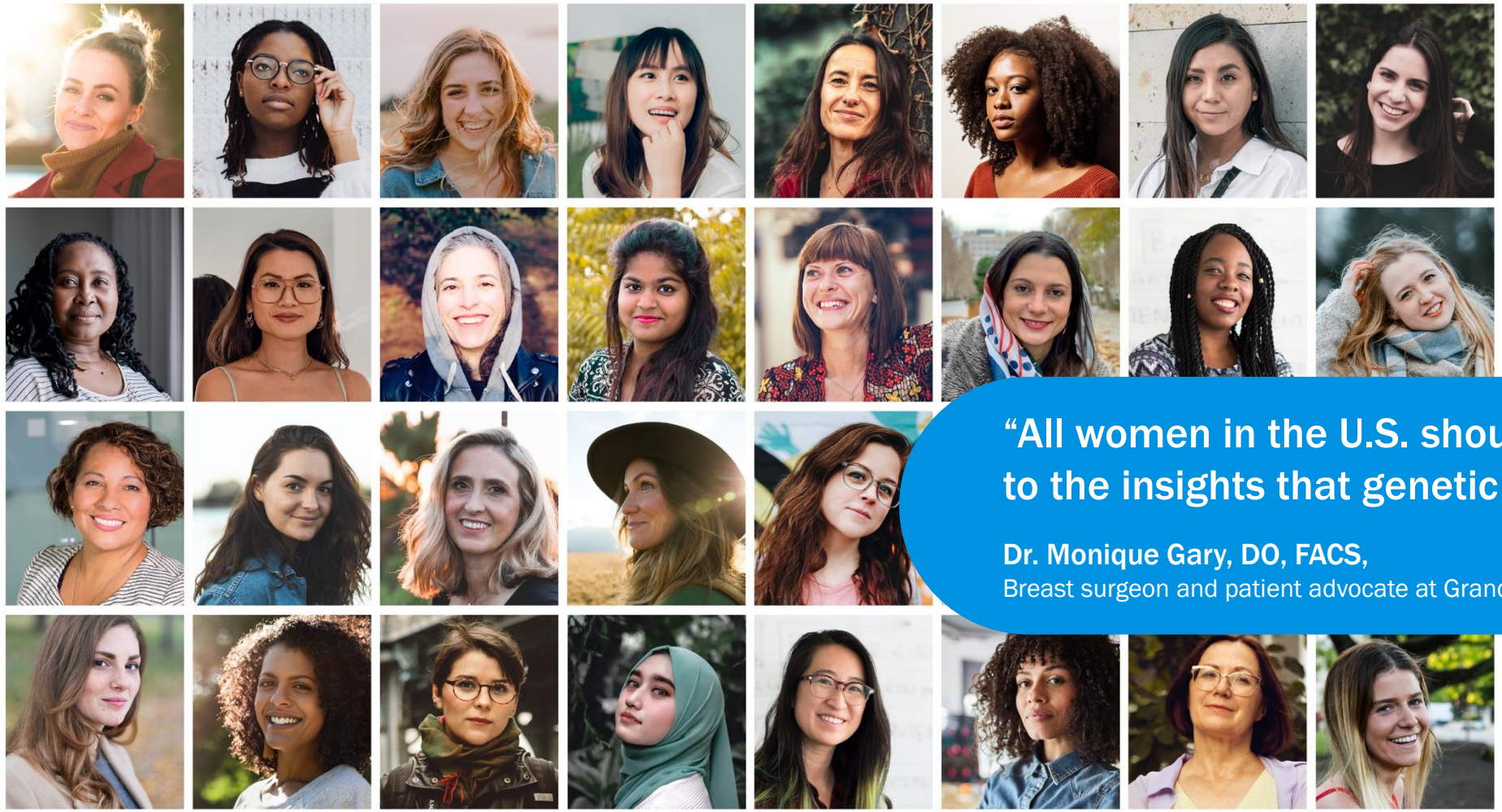
Actionable market size (US only)	Market penetration	Market growth	MYGN market share
~$1.2B	65%	Mid single digits	~20%





Data as of 2022, source: Third party global consulting firm
*In cancers of focus
All numbers shown are 2022 estimates

Myriad's Breast Cancer Risk Assessment Program
MyRisk with RiskScore® a clinically differentiated Hereditary Cancer Test



More than 50%
of unaffected patients* tested with MyRisk® with RiskScore ® will qualify for a change to their medical management.

"All women in the U.S. should have equal access to the insights that genetic testing provides."

Dr. Monique Gary, DO, FACS,
Breast surgeon and patient advocate at Grand View Health in Sellersville, PA

*Source: Myriad internal data based on MyRisk tests reported between 9/1/2021 and 02/01/2023 ordered for unaffected patients by OBGYN & Primary Care healthcare providers.

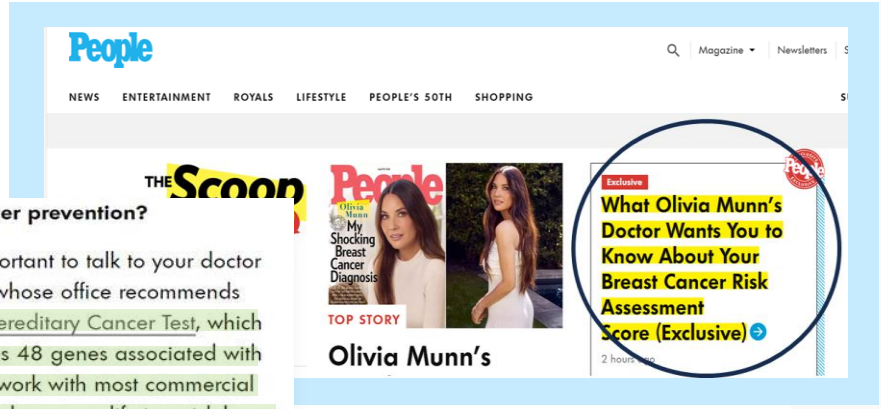
Myriad genetics®

Celebrity Cancer Diagnosis Journey Elevates the Importance of Genetic Testing Nationally

Actress **Olivia Munn** is sharing her recent breast cancer diagnosis journey with national audiences to elevate the **importance of understanding lifetime breast cancer risk.**

Through a media partnership, **MyRisk® testing has been noted by Olivia Munn's provider as the genetic test she used to identify her cancer risk.**

We are **driving people to the MyRisk page** for virtual care or to connect with us to work with their provider.



What else should I know about breast cancer prevention?

If you have a family history of cancer, "it's important to talk to your doctor about genetic cancer testing," says Aliabadi, whose office recommends patients starting at age 25 take the MyRisk Hereditary Cancer Test, which includes free genetic counseling and evaluates 48 genes associated with hereditary cancer risk. The test, which is in-network with most commercial insurance plans according to its site, also calculates your lifetime risk breast cancer score.

"...and with Olivia, I used a test from Myriad called MyRisk."

– Dr. Thaïs Aliabadi, KTLA Los Angeles

"RiskScore is Tyrer-Cuzick plus little genetic markers in your DNA that individually cannot hurt you, but if you have a lot of those markers, it can push your lifetime risk up."

– Dr. Thaïs Aliabadi, Lipstick on the Rim podcast

Notable #s*

2.5x web traffic WoW

3x leads generated WoW

67% traffic increase MoM

Coverage to date

KTLA-TV
People
Lipstick on the Rim podcast
SheMD podcast

What's next?

Additional coverage expected

**Statistics are as of March 25 – April 30, 2024*

Myriad genetics®

A market that continues to grow with potential tailwinds from guideline expansion

Prequel®
Prenatal Screen

Foresight®
Carrier Screen

	Actionable market size (US only)*	Market penetration*	Market growth**	MYGN market share*
PREQUEL	~$1.3B	45-55%	Low single digits	Low-to-mid teens
FORESIGHT	~$950M	40-50%	Low single digits	Mid teens

Roadmap of expected highlights

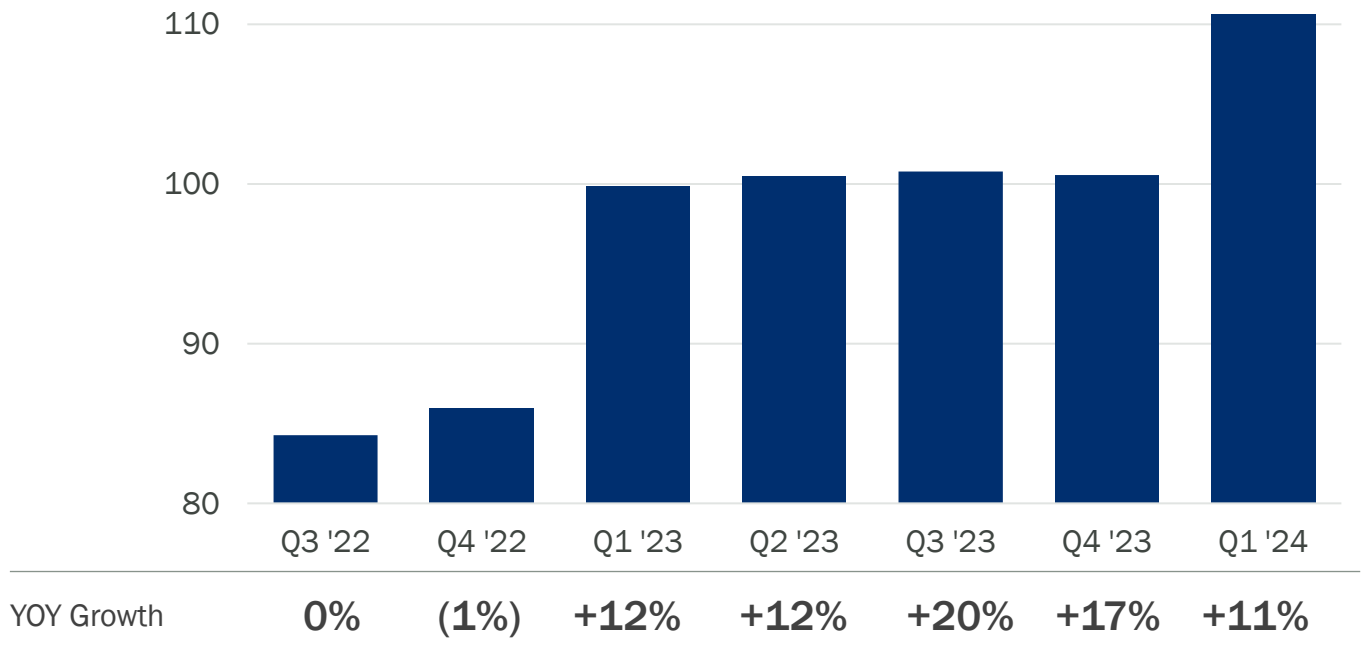
2024 Foresight on NovaSeq
Various Prequel studies
Foresight Universal Plus

2025 FirstGene Launch

Prenatal test volume excl. SneakPeek

Figures in thousands

+15%
Q1'24 LTM Volume Growth (YOY)



	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24
YOY Growth	0%	(1%)	+12%	+12%	+20%	+17%	+11%

*Data as of 2022 from third-party global consulting firm and internal Company estimates
**Expected

Myriad genetics®

Strong commercial execution driving significant volume growth in the last twelve months

GeneSight®
Mental Health Medication Test

Actionable market size (US only)*	Market penetration*	Market growth**	MYGN market share*
~$5B	15%	Mid teens	55-60%

Roadmap of expected highlights

2024

Health Economic Outcome Research (HEOR) study***

Significant opportunity to improve payor coverage and ASP

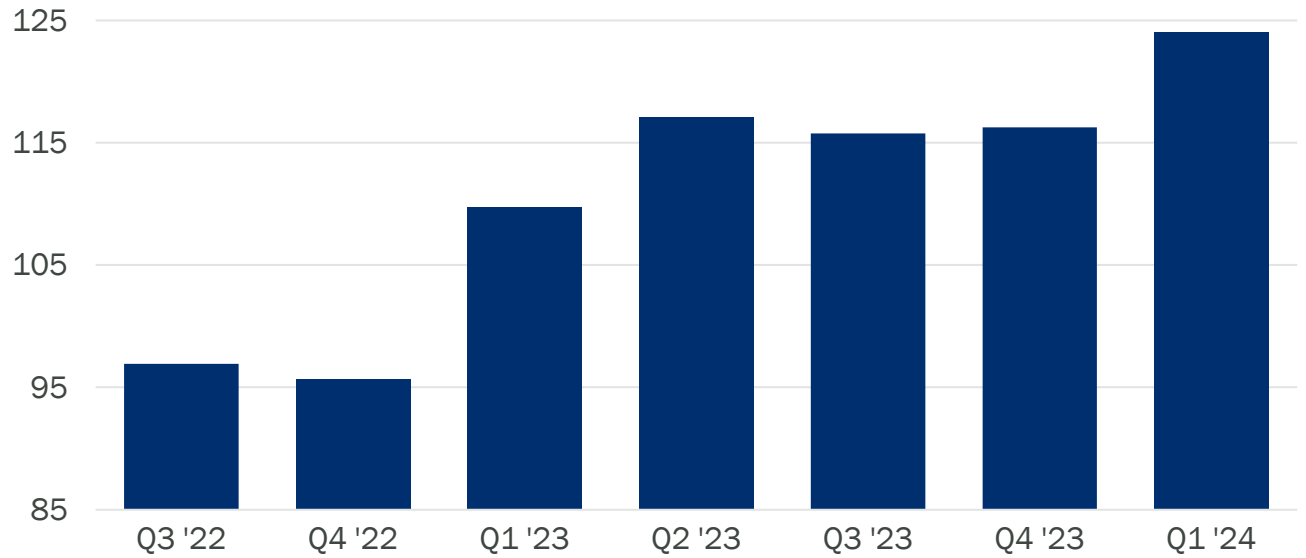
2025

Postpartum Clin Dev Protocol & Study

GeneSight test volume

Figures in thousands

+19%
Q1'24 LTM Volume Growth (YOY)



	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24
YOY Growth	+34%	+22%	+31%	+23%	+19%	+21%	+13%

*Data as of 2022 from third-party global consulting firm and internal Company estimates
**Expected

***This study used data from the Optum Labs Data Warehouse, composed of de-identified administrative claims data for both commercially insured and Medicare Advantage enrollees. The claims data were linked on a de-identified basis with PGx test results.

Myriad genetics®

Active expansion of high-quality testing pipeline, addressing real-world community needs

Women's Health

FirstGene™
Multiple prenatal screening

Integrated assay for NIPS + carrier screen + fetal recessive status + feto-maternal blood compatibility on a single blood draw on one person

- Faster turnaround time
- Estimated 3x lower cost of goods
- Established reimbursement

Foresight™
Expanded carrier screen

Pioneering expanded carrier screen that uses NGS to find pathogenic variants underlying recessive disease

- Merged couple reporting
- Fully automated lab workflow drives low COGS

Oncology

Precise™ Tumor
Robust tumor profiling & therapy selection

Pan-cancer comprehensive genomic profiling test using Illumina TruSight Oncology 500; may serve as first-line offering

- Panel size ~2x size (500 genes) of lead competitor; uses both DNA/RNA; ease of use as part of Precise Oncology Solutions
- Established reimbursement path

Precise™ Liquid
Robust tumor profiling & therapy selection

Comprehensive genomic profiling test; may serve as first-line offering or as reflex if solid tumor is insufficient

- Panel size ~2x size (500 genes) of lead competitor; uses DNA; ease of use as part of Precise Oncology Solutions
- Established reimbursement path

Precise™ MRD
Molecular residual disease monitoring

Monitoring test based on whole genome sequencing to deeply interrogate tumor, detect recurrence earlier and help guide treatment decisions

- Targets 10x variants
- Known path to reimbursement

Sam Raha

Chief Operating Officer

Myriad genetics®

Advancing the *Labs of the Future* program

Objective

To drive innovation and operational excellence at scale to deliver high quality results with shortened turnaround times and lower COGs

Q1 '24 Highlights

On-track, executing against our strategy

- Passed NY State Clinical Laboratory Inspection (SLC)
- Completed phase 1 of MRD move (SLC)
- Completed CA and CLIA inspections (SSF)
- Completed Prequel validation (SSF)

Advanced R&D
Incubate / advance new technologies

65k
square feet

Walter Gilbert Innovation Center
SOUTH SAN FRANCISCO

Scaled Operations
Process high volume products

235k
square feet

Myriad Genetics HQ and Central Lab Operations
SALT LAKE CITY

Myriad genetics®

Intermountain Precision Genomics
On track with integration

Q1

Deal announced
January 18th

Deal closed
February 1st

Myriad acquires:
- Select assets of Intermountain Precision Genomics
- Precise Tumor and Liquid Assays

Q2

- Employee retention
- Testing continuity and improvement
- Lab move planning and initiation

Q3

- Continue lab move
- Systems integration and validation
- Start processing samples

Q4

- Complete lab move
- Monitor & improve sample processing and reporting
- Pre-launch preparation for Precise Liquid

Myriad genetics®

Positioned to Succeed in an Increasingly Regulated Environment

This document is scheduled to be published in the Federal Register on 05/06/2024 and available online at https://federalregister.gov/d/2024-08935, and on https://govinfo.gov

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FDA NEWS RELEASE

FDA Takes Action Aimed at Helping to Ensure the Safety and Effectiveness of Laboratory Developed Tests

At Myriad Genetics, we view patient safety and increasing patient access to diagnostic tests as essential to our mission of advancing health and well-being for all

Myriad Genetics Initial Perspective on FDA Ruling on LDT Oversight

Well-positioned to meet FDA requirements

- Portfolio of molecular diagnostics tests meets CAP, CLIA and NY State requirements
- Strong Quality Assurance and Regulatory Affairs Organization

Deep experience with the FDA, including:

- Collaborating with FDA on regulatory submissions and achieving product approvals
- Building and maintaining a robust, FDA-compliant Quality Management System (QMS)

Plan to proactively engage with the FDA

- Facilitate timely regulatory feedback across product portfolio

Myriad genetics®

First Quarter 2024 Operational highlights fueling our growth

Team Engagement

86%

Of our team rate Myriad as a **"Great Place To Work" (2023)**

<9%

Employee turnover, approximately half of what it was in 2021

Market Perception and Customer Service Levels

74

Net Promoter Score among current Myriad providers ordering across our testing portfolio (Feb '24)

47%

Of genetic counselors surveyed in 2023 had a **more positive impression of Myriad** because of our contributions to ClinVar*

Efficiency & Productivity

< 6.0 days

Rapid turn-around times critical for patients making time-sensitive care decisions

+11.5%

YOY Commercial productivity increase with improved sales planning, automation and process optimization

Revenue Cycle

ASP +2%

YOY increase (Q1 '24 vs. Q1 '23)
ASP increase driven by expanding payer coverage and RCM progress

52 Days

Industry leading Days Sales Outstanding (DSO) **improved 1 day** from Q4 '23

All data as of first quarter, 2024, except as otherwise noted

* Brand Equity Research 2023. How does knowing that Myriad Genetics has begun sharing variant data classifications to public database ClinVar affect how you feel about Myriad compared to their competitors?

Myriad genetics®

Scott Leffler

Chief Financial Officer

Myriad genetics®

Hereditary cancer test, Prenatal and GeneSight revenue drive performance in Q1 ‘24

Select test revenue and growth rates

All figures in millions, except growth rates

Hereditary Cancer

16%

MyRisk®
Hereditary Cancer Test

with RiskScore®
for all ancestries

Prenatal

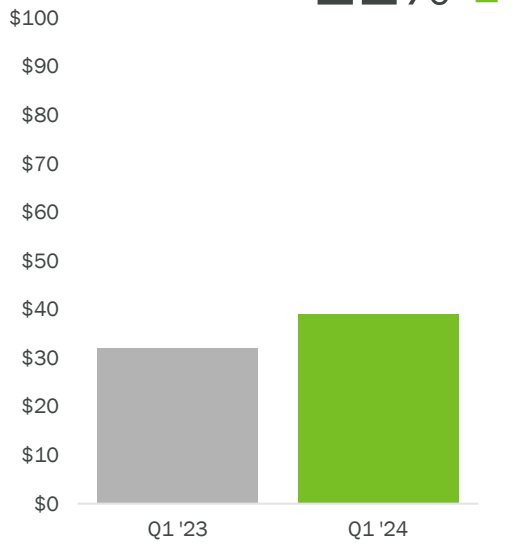
22%

Prequel®
Prenatal Screen

Foresight®
Carrier Screen

Pharmacogenomics

21%



GeneSight®
Mental Health Medication Test

Hereditary cancer testing highlights:

Seventh consecutive quarter of YOY growth in test volumes

7% YOY growth in Q1 ‘24 HCT volumes in Women’s Health

10% YOY growth in Q1 ‘24 HCT volumes in Oncology

Myriad genetics®

Focused efforts designed to drive near-term improvement in no-pay rate

Focus on the ground game

Payor compliance to current guidelines

01 State biomarker laws leading to new coverage opportunities

02 Bolster “go-to-market” messaging and targeting for *GeneSight*

Process improvements

Revenue cycle operations

01 Accelerate large-scale EMR integrations to mitigate issues with missing data

02 Deploy Unified Order Management to reduce friction for Billing

03 AI-enhanced insights to rapidly surface and resolve emerging payment hot spots

04 Optimize customer journey for Direct Pay for those who don’t meet guidelines or don’t have coverage

Augment the pre-auth team

Hire and add robotic processing (RPA)

01 Invest in added team members to keep up with double-digit growth and associated increased authorizations

02 Add RPA to off-load repetitive tasks

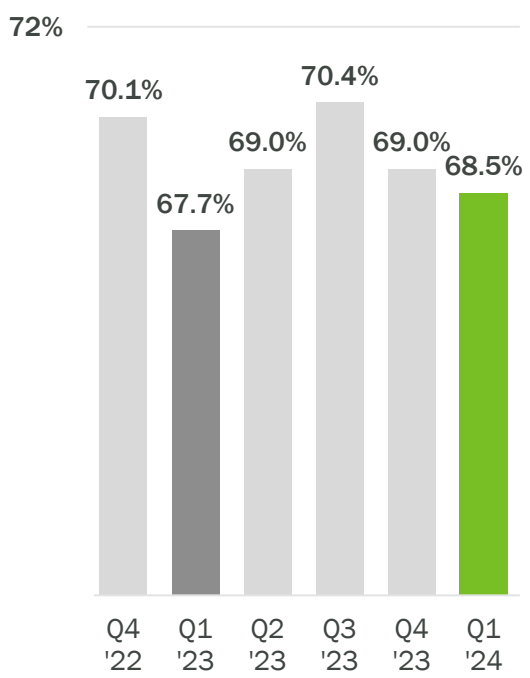
Q1 ASP +2% improvement YOY reflecting expanded payer coverage and momentum of RCM initiatives

2023 and Q1 ‘24 financial progression by quarter

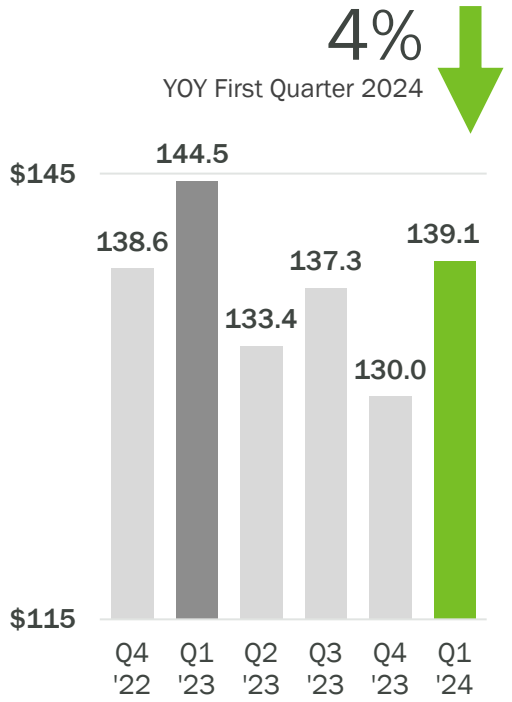
All figures in millions, except per share amounts and percentages

Total revenue

Adjusted Gross Margin*



Adjusted Operating Expense*



Adjusted EPS*

*GAAP to non-GAAP reconciliations can be found in the appendix.

Myriad genetics®

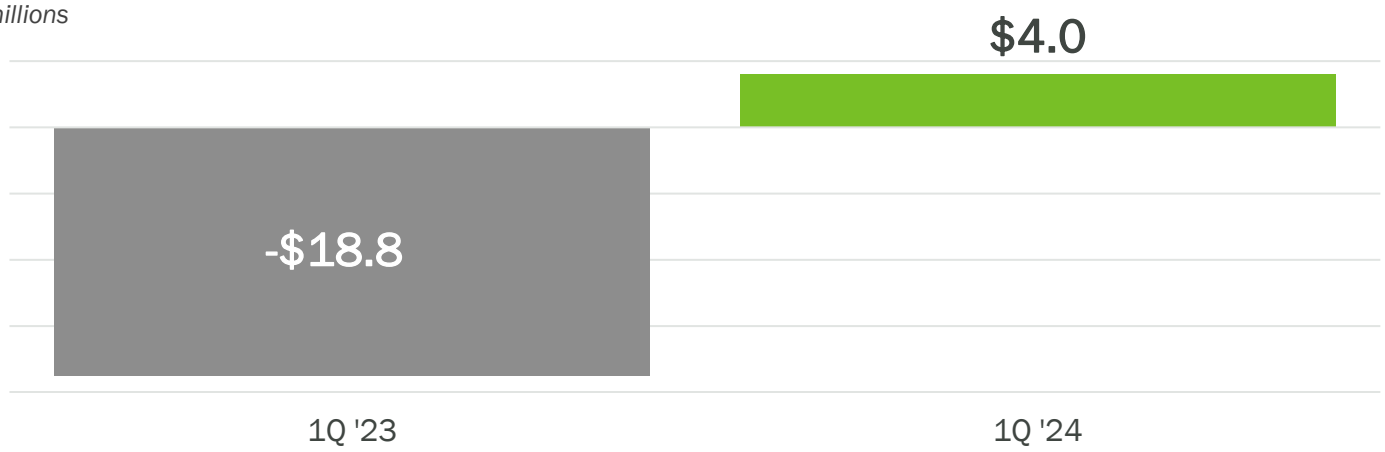
Positive adjusted EBITDA in Q1 ’24 and solid financial flexibility

$ in millions

Total cash, cash equivalents and marketable investment securities at end of first quarter of 2024	$104.3
Amount available to draw under the asset-based credit facility*	41.3
Estimated total available cash and cash equivalents and availability under credit facility at end of first quarter of 2024	**$145.6**

Adjusted EBITDA

$ in millions



The availability under the ABL facility as of March 31, 2024 was $41.3 million, subject to minimum availability requirements of $25 million.

Q1 ‘24 adjusted EBITDA of $4.0 million versus $(18.8) million in Q1’23

Expected 2024 cash burn concentrated in seasonally-high Q1; Q1 ‘24 Adj. operating cash flow of $(9.3) million vs. $(25.1) million in Q1 ‘23

Operating cash flow expected to be positive for remainder of 2024

Myriad genetics®

Reiterate 2024 financial guidance

All figures in millions, except per share amounts and percentages

	2024 FINANCIAL GUIDANCE	EXPECTED YEAR-OVER-YEAR CHANGE
Total revenue	$820 - $840	9% - 11%
Gross margin %	69.5% - 70.5%	50 – 150 bps
Adjusted operating expenses*	$572 - $582	5% - 7%
Adjusted EBITDA*	$20 - $30	$31 - $41
Adjusted EPS*	$0.00 - $0.05	+$0.27 - $0.32

*The company does not forecast GAAP operating expenses, earnings before interest, tax, depreciation, or amortization (EBITDA), and earnings per share because it cannot predict certain elements that are included in reported GAAP results. See the statement on Non-GAAP Financial Measures at the beginning of this presentation and the Appendix to this presentation for more information about the use of non-GAAP financial measures

Assumes currency rates as of May 7, 2024

Myriad genetics®

Well positioned to take advantage of future market opportunities

Annual revenue growth expected to accelerate to 10%+ in '24–'26	Reiterate 2024 full-year revenue guidance of $820 - $840 million reflecting expected annual growth of 9-11% over 2023
Right to win with core products driving market share gains	Enhanced commercial execution generating volume growth as adoption rates and competitive position improves
Pipeline addresses large growth markets	Robust and differentiated product pipeline expected to open access to incremental multi-billion-dollar markets
Operating leverage, profitability, and positive cash flow	Strength of business model, technology platform and enhanced laboratory capabilities expected to drive operating leverage, adjusted profitability and positive adjusted cash flow in 2024–2026
Ongoing Portfolio Repositioning and Capital deployment	Disciplined capital deployment; continue to invest in high ROI opportunities within core channels

Q&A

Myriad genetics®

Appendix

Reconciliation of GAAP to Non-GAAP Financial Measures for the Three Months ended March 31, 2024 and 2023

(unaudited data in millions, except percentages)

	Three months ended March 31,	
	2024	2023
Adjusted Gross Margin		
GAAP Gross Profit [1]	$ 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	$ 138.5	$ 122.6
Adjusted Gross Margin	68.5%	67.7%

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

	Three months ended March 31,	
	2024	2023
Adjusted Operating Expenses		
GAAP Operating Expenses [1]	$ 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	$ 139.1	$ 144.5

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

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
Adjusted Operating Income (Loss)		
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	$ (0.6)	$ (21.9)

	Three months ended March 31,	
	2024	2023
Adjusted Net Income (Loss) [1]		
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	$ (0.5)	$ (17.4)
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.

Myriad genetics®

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
Adjusted EBITDA		
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[1]	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[2]	(0.1)	(0.2)
Other adjustments	(0.1)	1.2
Income tax expense	0.1	2.0
Adjusted EBITDA	$ 4.0	$ (18.8)

(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
Cash flow from operations	$ (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	$ (17.9)	$ (48.6)

Reconciliation of GAAP to Non-GAAP Financial Measures for the Three Months ended March 31, 2024 and 2023

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 in prior period reporting. 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.