

AUGUST 6, 2024

Second Quarter 2024 Earnings Call



Myriad
genetics®

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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.



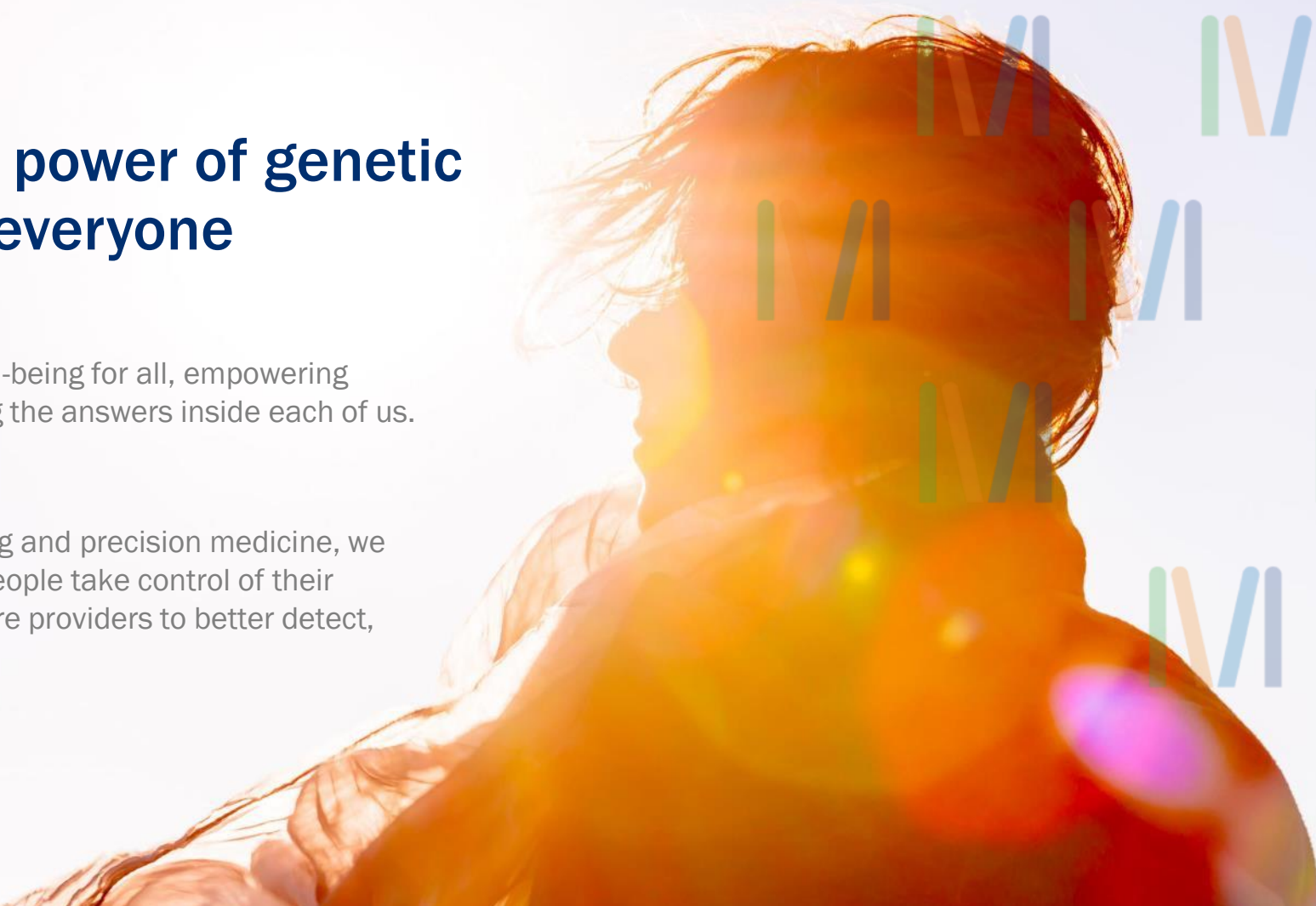
Revealing the power of genetic science – for everyone

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

Second quarter 2024 operating and recent highlights



Strong Top-Line Growth

+15% YOY revenue growth for Q2 '24 and LTM

+9% YOY volume

+6% YOY average revenue per test

Significant improvement in average revenue per test across majority of portfolio

Increasing Profitability

+17% YOY Gross Profit

\$0.05 Adj. EPS compared to \$(0.08) in Q2 '23

Adj. EBITDA of \$12 million improved from \$(4) million in Q2 '23

Execution of Near-Term Strategic Priorities

Launched Foresight Universal Plus

Progress on GeneSight coverage (Medicaid and commercial)

Progress with Labs of the Future initiative, large account EMR integrations

Received 2nd Molecular Residual Disease (MRD) patent YTD; entered MRD cross-licensing agreement with Personalis

Raising 2024 Guidance; Increasing Long-Term Revenue Growth Target

Increasing 2024 revenue growth guidance to 11% - 12%

Raising 2024 Adj. EBITDA and Adj. EPS guidance and we continue to invest in future growth potential

Raising long-term revenue growth target to 12%

Myriad Strategy distilled, cornerstones of future growth and innovation

4 strategic pillars



Science and innovation

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



Elevated customer experience and commercial execution

Strong digitally enabled customer service ordering and reporting tech platform



Technology enabled operations

Automated, scalable and cost-effective laboratory operations and technology platform

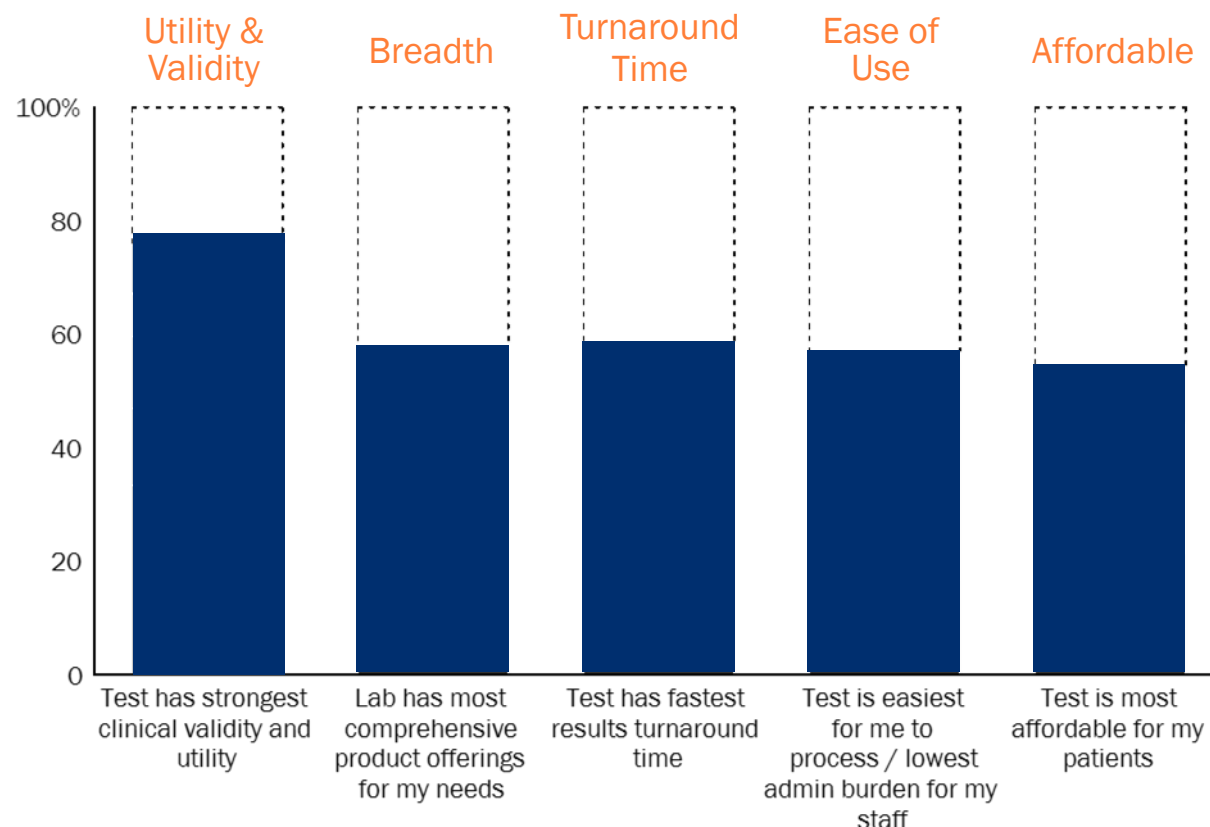


Scalable enterprise, lab and commercial operations, and administrative support services to support profitable growth and innovation

Business management, regulatory operations, reimbursement and revenue cycle capabilities

Top 5 test provider requirements

Germline Providers (ranked by importance)



Source: proprietary report from third party consulting firm, 2023.

Mark Verratti

Chief Commercial Officer

Accelerating hereditary cancer revenue growth

Roadmap of expected highlights

2024 MyRisk patient portal

MyRisk Medical Management
Tool Enhancements

RiskScore studies

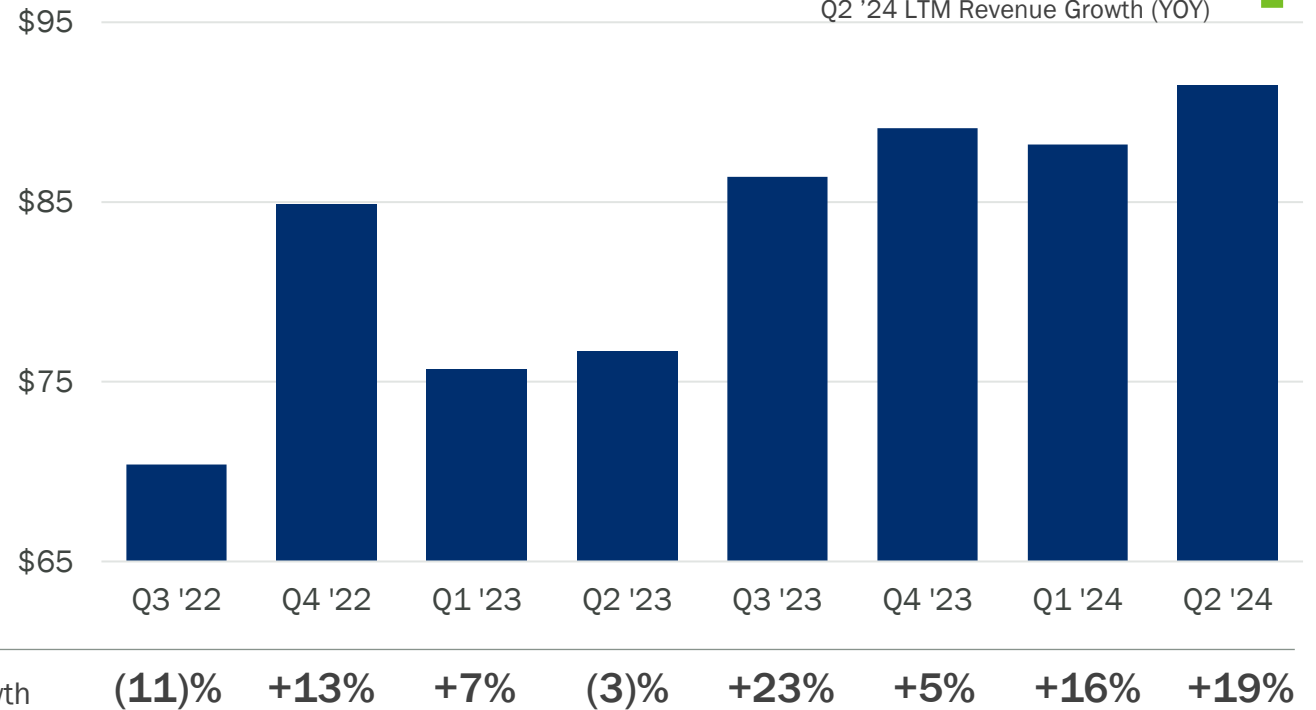
Breast Cancer Risk
Assessment Program

2025 BRAC CDx to NGS

Hereditary cancer test revenue

Figures in millions

+15%* 
Q2 '24 LTM Revenue Growth (YOY)



* Calculated at the increase from the 12 months ended June 30, 2024, as compared to the 12 months ended June 30, 2023. For detail of our quarterly hereditary cancer revenue by quarter please see our current and prior earnings releases.

The prenatal market continues to grow with potential tailwinds from guideline expansion

Prequel®
Prenatal Screen

Foresight®
Carrier Screen

	Actionable market size (US only) ¹	Market penetration ¹	Market growth ²	MYGN market share ¹
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

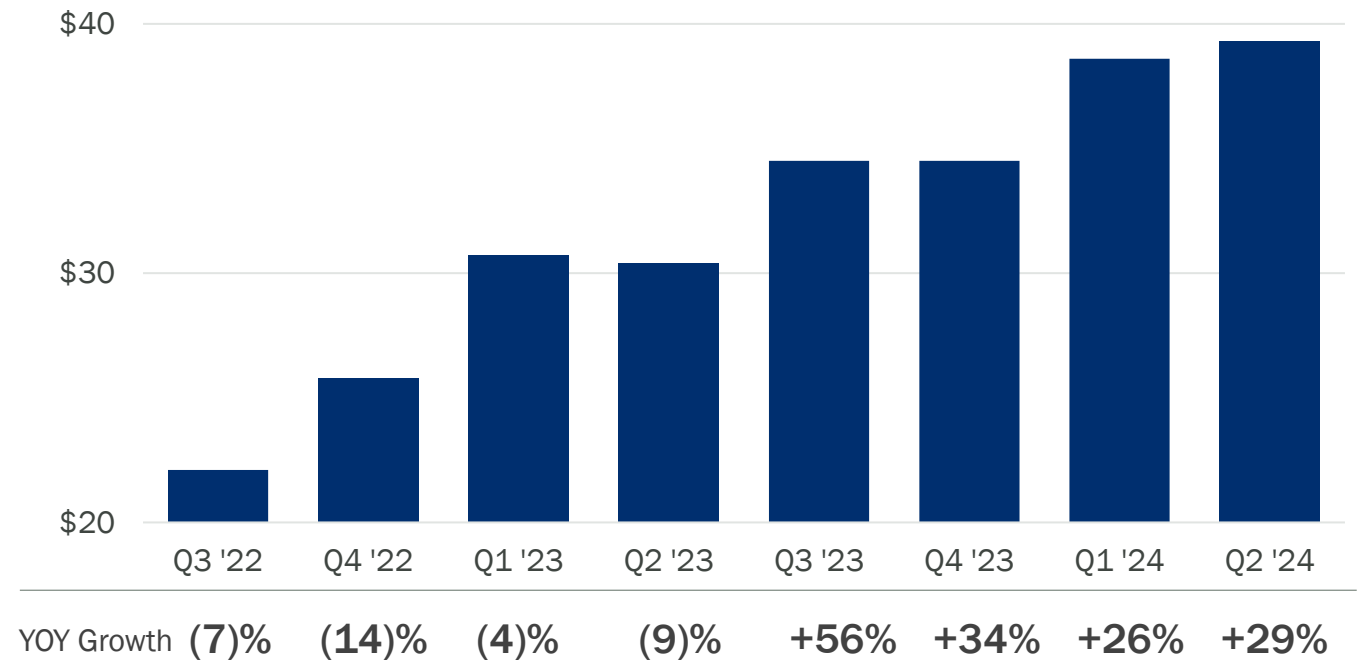
¹ Data as of 2022 from third-party global consulting firm and internal Company estimates

² Expected

Prenatal test revenue excl. SneakPeek

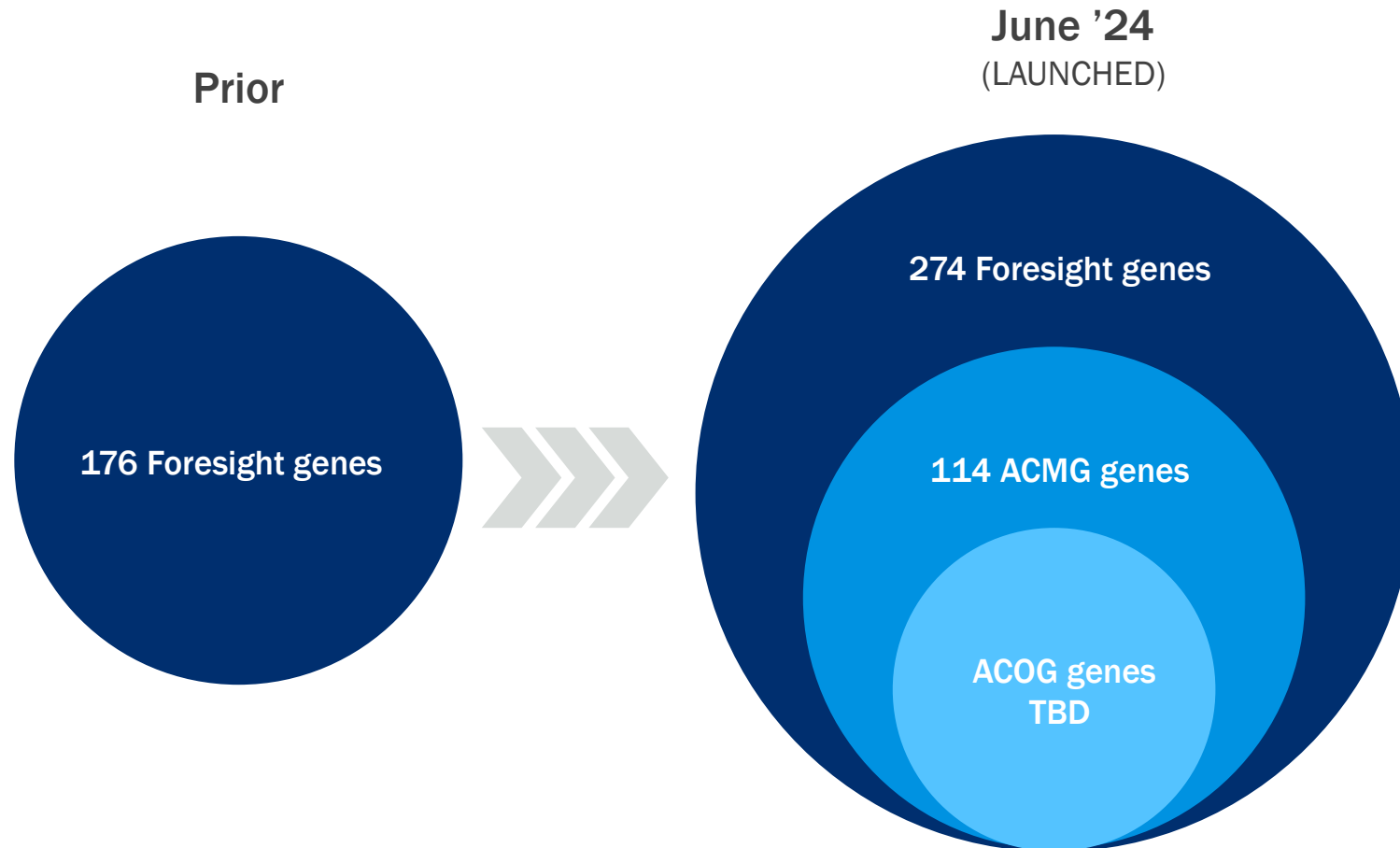
Figures in millions

+35%* 
Q2 '24 LTM Revenue Growth (YOY)



* Calculated at the increase from the 12 months ended June 30, 2024, as compared to the 12 months ended June 30, 2023. For detail of our quarterly prenatal revenue please see our current and prior earnings releases. The prenatal revenue numbers presented here exclude SneakPeek revenue of \$21.3M and \$13.9M for the twelve months ended June 30, 2024 and 2023, respectively.

Foresight Universal Plus designed to meet anticipated medical-society guidelines



Foresight Developments:

Platform upgrade designed to harmonize workflow and cost advantages

Guideline expansion and potential payer coverage of an expanded panel to support average revenue per test increase with minimal additional cost per test

With guideline expansion, majority of carrier screen testing market expected to shift to an expanded panel

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

Actionable market size (US only)¹

~\$5B

Market penetration¹

15%

Market growth²

Mid teens

MYGN market share¹

55-60%

Roadmap of expected highlights

2024 Health Economic Outcome Research (HEOR) study³

Significant opportunity to improve payor coverage and average revenue per test (e.g., biomarker legislation)

2025 Postpartum Clin Dev Protocol & Study

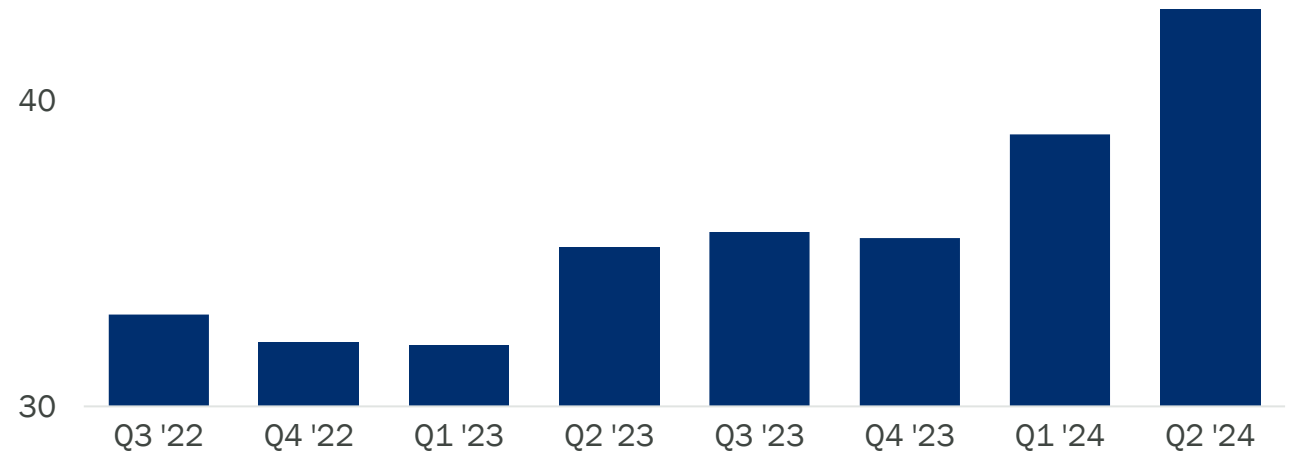
GeneSight test revenue

Figures in millions

50

+16%* ↑

Q2 '24 LTM Revenue Growth (YOY)



YOY Growth +37% +9% +9% +6% +8% +11% +21% +22%

* Calculated at the increase from the 12 months ended June 30, 2024, as compared to the 12 months ended June 30, 2023. For detail of our quarterly Pharmacogenomics revenue please see our current and prior earnings releases.

¹ Data as of 2022 from third-party global consulting firm and internal Company estimates

² Expected

³ 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.

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

Precise Oncology Solutions

Precise™ Tumor

Robust tumor profiling & therapy selection

Pan-cancer comprehensive genomic profiling test; may serve as first-line offering

 Commercialized

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

Precise™ MRD

Molecular residual disease monitoring

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

Women's Health

Foresight™

Expanded carrier screen

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

 Launched

FirstGene™

Multiple prenatal screening

Integrated assay for NIPS + carrier screen + fetal recessive status + fetomaternal blood compatibility

Sam Raha

Chief Operating Officer

Second quarter 2024 operational highlights supporting our growth

Team Engagement



84%

Of our team rate Myriad as a “Great Place To Work” (2024)



10%

Employee turnover

Turnover at healthy level to enable continuity and growth

Perception



72

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



Myriad Genetics recognized as one of America’s best midsize companies of 2024

Efficiency & Productivity



87%

Samples processed within what we believe are industry-leading turn-around-times to support providers making treatment decisions



+21%

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

Revenue Cycle



+6%

Average Revenue per Test

YOY increase (Q2 '24 vs. Q2 '23) Increase driven by expanding payor coverage and Revenue Cycle Management (RCM) progress

All data as of second quarter, 2024, except as otherwise noted.

Advancing the *Labs of the Future* program

Objective

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

Q2 '24 Highlights

Salt Lake City (“Campus West”)

- NY State Lab permit granted
- Prolaris and Precise MRD volume ramp underway
- Precise Tumor move and validation progressing

South San Francisco (“Nexus”)

- Prequel validation completed, transition underway
- Foresight validation completed, transition planned in Q4
- NY State inspection scheduled

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

Accelerator of long-term growth and profitability

Molecular Residual Disease (MRD) program highlights



Pre-2024



- ✓ Core intellectual property (IP) portfolio
- ✓ Established research collaborations



2024



- ✓ Strengthened IP portfolio
- ✓ Early look at data
- ✓ Added global research collaborations



2025+



- ✓ Expanding number of prospective and retrospective studies and publications
budgeted through 2026
- ✓ Target commercial launch

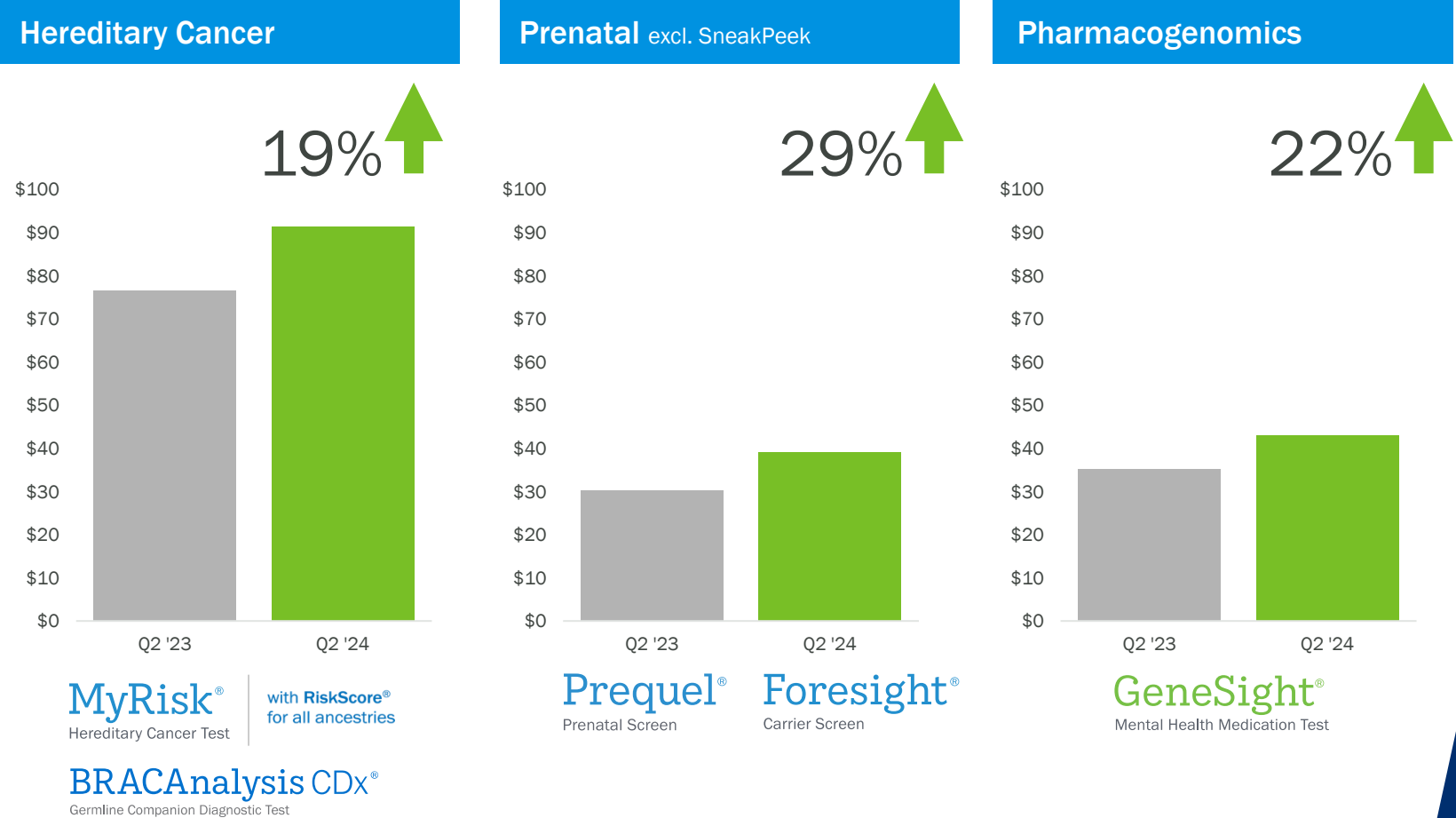
Scott Leffler

Chief Financial Officer

Hereditary cancer, Prenatal and GeneSight test revenue drive performance in Q2 '24

Select test revenue and growth rates

All figures in millions, except growth rates



Prenatal testing highlights:

Q2 '24 volume* YOY growth of 18% well above prenatal market growth estimates

*Excludes SneakPeek volume

Launched Foresight Universal Plus, an expanded carrier screening panel

Positive average revenue per test environment in 2024; Sustainable improvements going forward



Revenue cycle process improvements

AI-enhanced insights;
Accelerate EMR integrations

Deploy Unified Order Management to reduce friction



Invested in revenue cycle and pre-authorization team

Added headcount and integrated Robotic Process Automation (RPA) to off-load repetitive tasks



Ongoing payor engagement

State biomarker legislation leading to new coverage opportunities

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

Industry developments



Favoring positive pricing environment

Increased industry consolidation activity

Increased public focus on payor behavior

Q2 average revenue per test +6% improvement YOY reflecting expanded payer coverage and momentum of RCM initiatives

Estimated annual P&L impact of international restructuring and divestiture

Estimated Annual Impact of Restructuring and Divestiture

Revenue	\$	11.0
COGS		4.8
Gross Margin		6.3
OPEX		10.5
Operating Income	\$	(4.3)

All figures in U.S. dollars and in millions

Transactions benefits

Streamlined international operations increases enterprise profitability

Simplified International business enhances efficiency and agility of commercial teams and support functions

Q2 '24 spotlight on US strength and international restructuring

US / ROW total revenue and growth rates

All figures in millions, except growth rates

US total revenue:



ROW total revenue:



US highlights:

25% Hereditary cancer revenue growth YOY

25% Prenatal revenue growth YOY

22% Pharmacogenomics revenue growth YOY

ROW highlights:

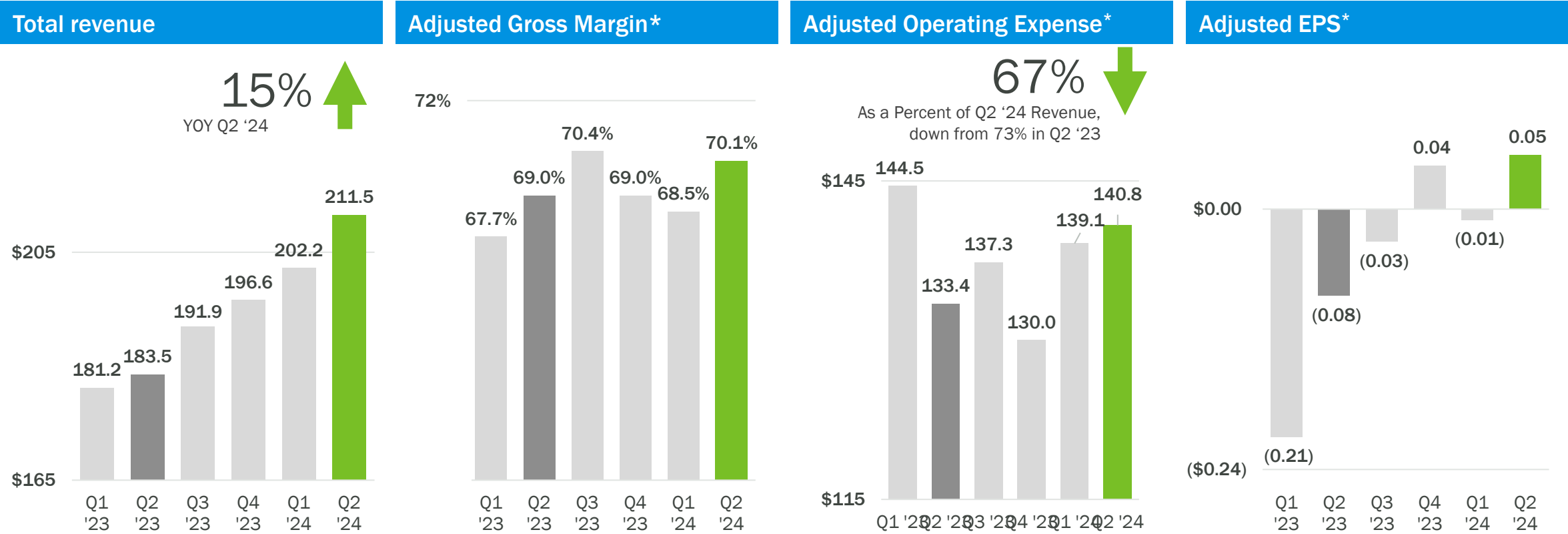
HCT revenue declined due to Japanese Yen depreciation

Transitory issues - EU reorganization

Continue to see opportunities for focused profitable growth in Japan

Financial progression by quarter (2023 – Q2 '24)

All figures in millions, except per share amounts and percentages



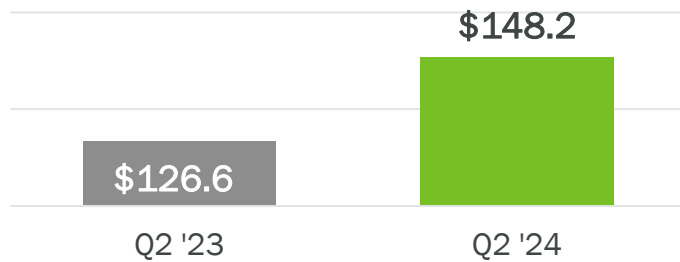
*GAAP to non-GAAP reconciliations can be found in the appendix.

Healthy gross profit growth and positive trend in Adjusted EBITDA in Q2 '24

Adjusted Gross Profit*

\$ in millions

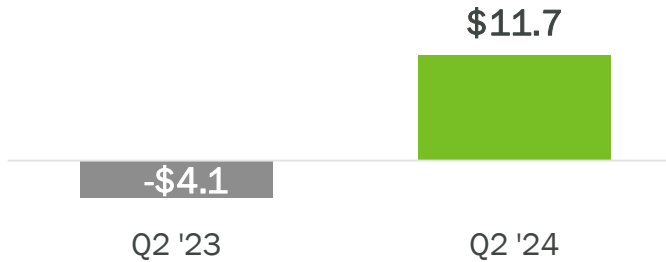
17% ↑
YOY Second Quarter 2024



Adjusted EBITDA*

\$ in millions

\$16 million ↑
YOY Second Quarter 2024



Q2 '24 adj. operating cash flow was \$16.4 million; continue to expect positive adj. operating cash flow for remainder of 2024

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

Raising 2024 financial guidance

All figures in millions, except per share amounts and percentages

2024 financial guide			
	PRIOR	NEW	Expected YOY Change
Total revenue	\$820 - \$840	\$835 - \$845	11% - 12%
Gross margin %	69.5% - 70.5%	70.0% - 70.5%	100 - 150 bps
Adjusted operating expenses*	\$572 - \$582	\$575 - \$585	6% - 8%
Adjusted EBITDA*	\$20 - \$30	\$25 - \$35	\$36 - \$46
Adjusted EPS*	\$0.00 - \$0.05	\$0.08 - \$0.12	+\$0.35 - \$0.39



*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 August 6, 2024.

Believe well positioned to take advantage of future market opportunities

	Long-term annual revenue growth expected to accelerate to 12%	Year-to-date revenue growth of 13% up from 11% last year, enabled by double digit volume growth and improving average revenue per test landscape, supports an improved long-term revenue growth outlook of 12%
	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

Appendix

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 percentages)

	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	\$ 148.2	\$ 126.6	\$ 286.7	\$ 249.2
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	\$ 140.8	\$ 133.4	\$ 279.9	\$ 277.9

(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.

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 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)	\$ 7.4	\$ (6.8)	\$ 6.8	\$ (28.7)

	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)	\$ 4.5	\$ (6.4)	\$ 4.0	\$ (23.8)
Weighted average shares outstanding:				
Basic	90.6	81.7	90.3	81.5
Diluted	91.5	81.7	91.5	81.5
Adjusted Earnings 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.

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 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	\$ 11.7	\$ (4.1)	\$ 15.7	\$ (23.1)

(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	\$ 7.5	\$ (12.9)	\$ (10.4)	\$ (61.5)

Reconciliation of GAAP to Non-GAAP Financial Measures for the Three and Six Months ended June 30, 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. 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 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.

Reconciliation of GAAP to Non-GAAP Financial Measures for the Three and Six Months ended June 30, 2024 and 2023

- 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.