

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): January 10, 2024

MYRIAD GENETICS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

0-26642
(Commission
File Number)

87-0494517
(IRS Employer
Identification No.)

322 North 2200 West
Salt Lake City, Utah 84116
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (801) 584-3600

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	MYGN	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02 Results of Operations and Financial Condition.

On January 10, 2024, Myriad Genetics, Inc. (the “Company”) provided a presentation to investors at the 42nd Annual J.P. Morgan Healthcare Conference, which presentation was previously announced by press release and was available via simultaneous webcast. In connection with the presentation and based on the Company’s preliminary results for the quarter and full year ended December 31, 2023, the Company reaffirmed its fiscal year 2023 revenue and non-GAAP guidance previously provided on November 6, 2023 during its third quarter 2023 earnings call. In addition, the Company reaffirmed its guidance that it is on track to achieve positive adjusted operating cash flow in the fourth quarter 2023 and provided guidance on estimated cash, cash equivalents and available credit as of the end of 2023. The full text of the presentation is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

The Company also disclosed preliminary financial data for the fourth quarter of 2023, specifically that the Company expects fourth quarter 2023 revenue of between approximately \$196 and \$197 million, diluted GAAP earnings per share of between (\$0.35) and (\$0.36), adjusted earnings per share of between \$0.02 and \$0.03, and GAAP and adjusted gross margin of approximately 70%. The Company further disclosed that it expects revenue growth in fiscal year 2023 of at least 10% year-over-year and prenatal volume growth in the fourth quarter of 2023 of at least 10% year-over-year. Preliminary fourth quarter 2023 non-GAAP results begin with the comparable GAAP financial measure and exclude the estimated impact of stock-based compensation expense of approximately \$10.3 million, non-cash amortization associated with acquisitions of approximately \$10.7 million, costs related to transformation initiatives and other one-time costs of approximately \$14.1 million, legal settlement costs of approximately \$0.6 million, and tax adjustments of approximately \$2.0 million.

The Company is in the process of finalizing its financial results for the quarter and full year ended December 31, 2023, and the foregoing financial guidance, data, and other information is based on available information to date and is derived from preliminary, unaudited internal financial reports. This preliminary, unaudited financial information and data may change in connection with the finalization of the Company’s year-end closing and reporting processes and financial statements for the quarter and full year ended December 31, 2023, and therefore, the foregoing financial guidance, data, and other information may not represent the Company’s actual financial results for the quarter and full year ended December 31, 2023.

FORWARD-LOOKING STATEMENTS

This Current Report on Form 8-K and Exhibit 99.1 contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, the Company’s fiscal year 2023 financial guidance, preliminary fourth quarter 2023 financial and operating results, 2024 revenue guidance and long-term financial targets through 2026, the Company’s expectation to achieve positive adjusted operating cash flow in the fourth quarter of 2023, the Company’s expectation of 10%+ revenue growth in 2024 through 2026, the Company’s estimated total available cash and credit at year end 2023, roadmaps of expected business highlights in 2024 and 2025, the expected timeline to complete certain enterprise infrastructure and capability investments, and the expected timing of the launch or enhancement of certain new or existing products. These “forward-looking statements” are management’s present expectations of future events as of the date hereof and are subject to a number of known and unknown risks and uncertainties that could cause actual results, conditions, and events to differ materially and adversely from those anticipated. These risks include, but are not limited to: the risk that sales and profit margins of the Company’s existing tests may decline or that the Company may not be able to operate its business on a profitable basis; risks related to the Company’s ability to achieve certain revenue growth targets and generate sufficient revenue from its existing product portfolio or in launching and commercializing new tests to be profitable; risks related to changes in governmental or private insurers’ coverage and reimbursement levels for the Company’s tests or the Company’s ability to obtain reimbursement for its new tests at comparable levels to its existing tests; risks related to increased competition and the development of new competing tests; the risk that the Company may be unable to develop or achieve commercial success for additional tests in a timely manner, or at all; the risk that the Company may not successfully develop new markets or channels for its tests, including the Company’s ability to successfully generate substantial revenue outside the United States; the risk that licenses to the technology underlying the Company’s tests and any future tests are terminated or cannot be maintained on satisfactory terms; risks related to delays or other problems with constructing and operating the Company’s laboratory testing facilities; risks related to public concern over genetic testing in general or the Company’s tests in particular; risks related to regulatory requirements or enforcement in the United States and foreign countries and changes in the structure of the healthcare system or healthcare payment systems; risks related to the Company’s ability to obtain new corporate collaborations or licenses and acquire or develop new technologies or businesses on satisfactory terms, if at all; risks related to the Company’s ability to successfully integrate and derive benefits from any technologies or businesses that it licenses, acquires or develops; the risk that the Company is not able to secure additional financing to fund its business, if needed, in a timely manner or on favorable terms, if it all; risks related to the Company’s projections or estimates about the potential market opportunity for the Company’s current and future products; the risk that the Company or its licensors may be unable to protect or that third parties will infringe the proprietary technologies underlying the Company’s tests; the risk of patent-infringement claims or challenges to the validity of the Company’s patents; risks related to changes in intellectual property laws covering the Company’s tests, or patents or enforcement, in the United States and foreign countries; risks related to security breaches, loss of data and other disruptions, including from cyberattacks; risks of new, changing and competitive technologies in the United

States and internationally and that the Company may not be able to keep pace with the rapid technology changes in its industry, or properly leverage new technologies to achieve or sustain competitive advantages in its products; the risk that the Company may be unable to comply with financial operating covenants under the Company’s credit or lending agreements; risks related to the Company’s inability to achieve and maintain effective disclosure controls and procedures and internal control over financial reporting; risks related to current and future investigations, claims or lawsuits, including derivative claims, product or professional liability claims, and other factors discussed under the heading “Risk Factors” contained in Item 1A of the Company’s Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (SEC) on March 1, 2023 as updated in the Company’s Quarterly Reports on Form 10-Q filed with the SEC on May 4, 2023, August 4, 2023 and November 7, 2023, as well as any further updates to those risk factors filed from time to time in the Company’s Current Reports on Form 8-K. The Company is not under any obligation, and it expressly disclaims any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise except as required by law.

ITEM 9.01 Financial Statements and Exhibits.

Exhibit Number	Description
99.1	Investor Presentation dated January 10, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

The exhibit(s) may contain hypertext links to information on our website or other parties’ websites. The information on our website and other parties’ websites is not incorporated by reference into this Current Report on Form 8-K and does not constitute a part of this Form 8-K.

In accordance with General Instruction B-2 of Form 8-K, the information set forth in Item 2.02 and in Exhibit 99.1 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MYRIAD GENETICS, INC.

Date: January 16, 2024

By: /s/ R. Bryan Riggsbee
R. Bryan Riggsbee
Chief Financial Officer

JANUARY 10, 2024

42nd Annual J.P. Morgan Healthcare Conference

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.



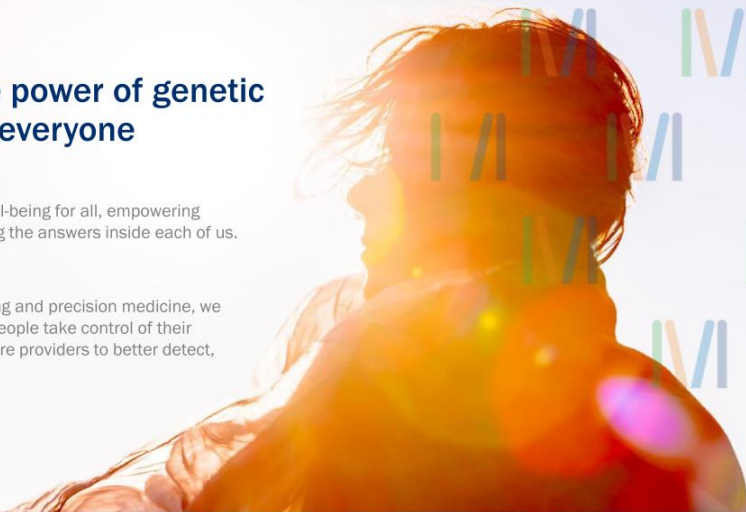
Revealing the power of genetic science – for everyone

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

Myriad Genetics at-a-glance



- A leader in genetic testing**
Established franchises in hereditary cancer, pharmacogenomics, and prenatal testing
- 30+ years of scientific and commercial achievements**
1,000+ scientific publications and counting
- 45,000+** active ordering healthcare providers¹ | **69** net promoter score¹ | **~2,700** employees²
- 10%+ annual revenue growth for fourth consecutive quarter³**
Commercial execution driving volume growth; price stability
- Market-leading gross margins; healthy balance sheet**
- Innovation in '24 and beyond**
Expect to launch multiple differentiated tests in prenatal and oncology through 2026

1. As of September 2023
2. As of year-end 2023
3. As of third quarter 2023 and excludes contribution from change of revenue estimates

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 operations

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



Scalable commercial, lab operations and administrative support services

Advanced regulatory, reimbursement, and revenue cycle capabilities

Myriad
genetics®

3 focus areas: Oncology, Women's Health and Pharmacogenomics

	Oncology	Women's Health	Pharmacogenomics
Business	Clarifying cancer treatment with genetic and genomic insights and companion diagnostic tests that are designed to work with corresponding drugs and treatments.	A leader in health and wellness with differentiated genetic insights for women of all ancestries, assessing cancer risk and offering prenatal solutions.	Using genetic insights to help physicians understand how genetic alterations impact patient response to antidepressants and other drugs.
Actionable Market Size*	\$23 Billion	\$5 Billion	\$5 Billion
Channel Customer	Oncologist Surgeon Urologist Genetic Counselor	OB/GYN Maternal Fetal Medicine Primary Care Genetic Counselor	Psychiatrist Primary Care Nurse Practitioner/Physician Assistant
	<div>MyRisk[®] Hereditary Cancer Test</div> <div>Prolaris[®] Prostate Cancer Prognostic Test</div> <div>EndoPredict[®] Breast Cancer Prognostic Test 2024E Launch expected</div> <div>Precise[®] Liquid Molecular Profile Test</div> <div>MyChoice[®] CDx Myriad HRD Companion Diagnostic Test</div> <div>BRACAnalysis CDx[®] Germline Companion Diagnostic Test</div> <div>Precise[®] Tumor Molecular Profile Test 2025E Launch expected</div> <div>Precise[®] MRD Minimal Residual Disease Monitoring</div> <div>MyRisk[®] Hereditary Cancer Test</div> <div>with RiskScore[®] for all ancestries</div> <div>Foresight[®] Carrier Screen</div> <div>SneakPeek[®]</div> <div>2024E Launch expected</div> <div>FirstGene[™] Multiple Prenatal Screen</div> <div>Prequel[®] Prenatal Screen</div> <div>GeneSight[™] Mental Health Medication Test</div>		

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

Diversified portfolio within large, fragmented, actionable markets

	Oncology					Women's Health		PGx
	AFFECTED HCT + GERMLINE	TUMOR PROFILING ³	MRD	HRD ²	UROLOGY	PRENATAL	UNAFFECTED HCT	PGx
Actionable Market Opp. ¹	\$1.2B	\$500M	\$20B+	\$350M	\$600M	\$2.3B	\$3B	\$5B
Market Penetration	~65%	~45%	<5%	~40%	~35%	~50%	<15%	~15%
Myriad Products	MyRisk [®] Hereditary Cancer Test BRACAnalysis CDx [®] Germline Comparison Diagnostic Test	Precise [®] Tumor Multicancer Profile Test Precise [®] Liquid Multicancer Profile Test	Precise [®] MRD Minimal Residual Disease Monitoring	MyChoice [®] CDx Myriad HRD Comparison Diagnostic Test	Prolaris [®] Prostate Cancer Prognostic Test	Foresight [®] Cancer Screen Prequel [®] Prenatal Screen SneakPeek [®]	MyRisk [®] Hereditary Cancer Test BRACAnalysis CDx [®] Germline Comparison Diagnostic Test	GeneSight [®] Mental Health Medication Test

>\$30B

of actionable market opportunity

<40%

average market penetration across all categories

<20%

of market share concentrated among Top 3 participants

Myriad holds

Top 3 position

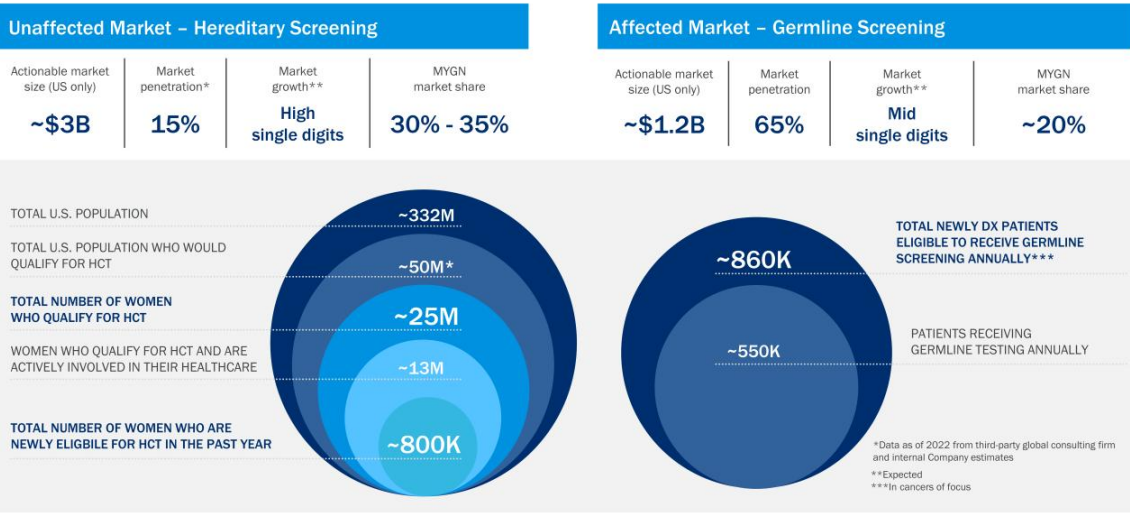
in 6 out of 7 active product categories

1: Actionable market indicated against cancers of commercial focus

2: In ovarian, breast, prostate, pancreatic cancers only

3: Reflective of IHC partnership

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



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

📖 Roadmap of expected highlights

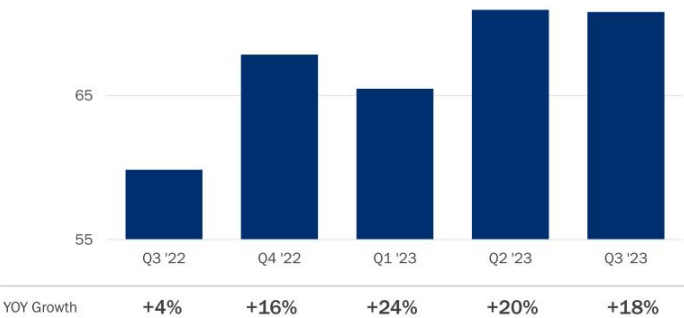
- 2024 MyRisk patient portal
- MyRisk Medical Management Tool Enhancements
- RiskScore studies
- Breast Cancer Risk Assessment Program

- 2025 Panel Expansion | WES (whole exome sequencing)
- BRAC CDx to NGS

Hereditary cancer test volume

Figures in thousands

+19% ↑
Q3'23 LTM Volume Growth (YOY)



GeneSight®
Mental Health Medication Test

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

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

Roadmap of expected highlights

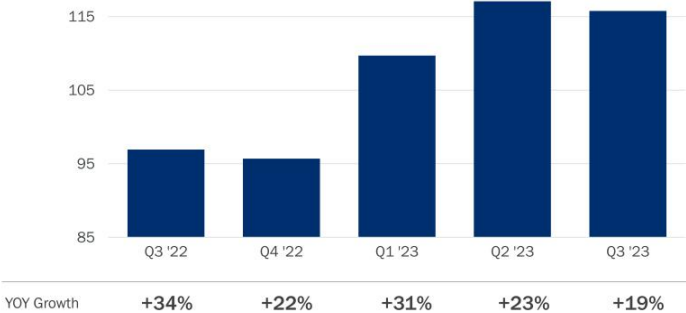
- 2024
- Health Economic Outcome Research (HEOR) study***
Significant opportunity to improve payor coverage and ASP
- 2025
- Postpartum Clin Dev Protocol & Study

* 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.

GeneSight test volume

Figures in thousands

+24% ↑
Q3'23 LTM Volume Growth (YOY)



Polaris designed to help determine optimal treatment planning for patients with localized prostate cancer

Polaris utilizes **two validated thresholds** to identify men that are:

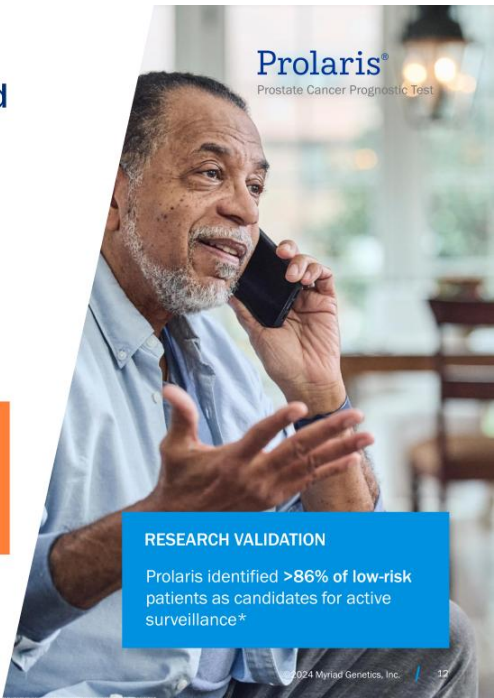
- Safe for active surveillance (low-risk patients)
- Candidates for a singular type of therapy (medium-risk patients)
- Candidates for multiple types of therapy at once (high-risk patients)



*Hu, J. C., et al. Clinical Utility of Gene Expression Classifiers in Men With Newly Diagnosed Prostate Cancer. JCO Precision Oncology, 2018; 1-15
doi:10.1200/po.18.00163

Myriad genetics

Polaris®
Prostate Cancer Prognostic Test



RESEARCH VALIDATION

Polaris identified **>86% of low-risk patients** as candidates for active surveillance*

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Strong runway for Prolaris with an opportunity to capture more market share with compelling updates

Actionable market size (US only)*	Market penetration*	Market growth**	MYGN market share*
~\$600M	35%	Low teens	~40%

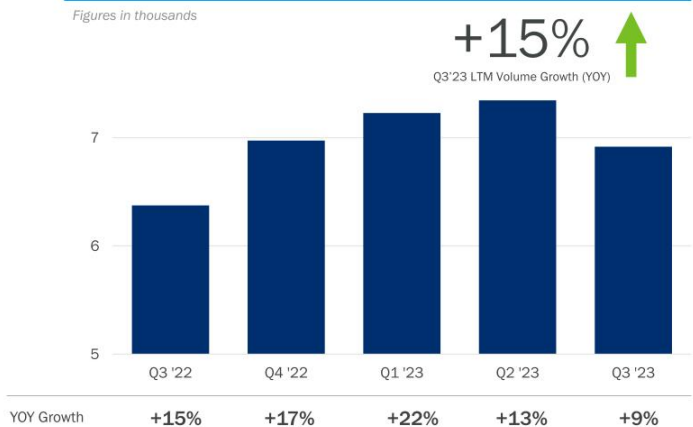
📖 Roadmap of expected highlights

- 2024
- Expanded coverage from UnitedHealthcare
ARR (Absolute Risk Reduction) report
Publish 3-yr Metastasis study
- 2025
- Prolaris Post-RP launch

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

Prolaris test volume

Figures in thousands



Comprehensive prenatal care with differentiated products and reliable technology

Prequel® Prenatal Screen

Shown to deliver accurate answers to patients regardless of age, ancestry, or body mass index—the Prequel Prenatal Screen with AMPLIFY™ helps determine a pregnancy's risk for a variety of chromosomal conditions.



AMPLIFY fetal fraction amplification delivers first-time accurate results to >99.9% of patients at 10 weeks.*



Industry-low screening failure rate** reduces the chance of repeat screens or unnecessary, invasive diagnostics such as amniocentesis.

Foresight® Carrier Screen

Foresight identifies couples at risk of passing down serious, inherited conditions to their children to guide informed planning, preparation and care.



Highest published at-risk couple detection rate for serious conditions (1 in 22 couples)***



>99% detection rate for the vast majority of genes in couples across all ancestries

*Welker et al. High-throughput fetal fraction amplification increases analytical performance of noninvasive prenatal screening. Genet Med 23, 443–450 (2021)
** Hancock et al. 2020. Clinical experience across the fetal-fraction spectrum of a non-invasive prenatal screening approach with low test-failure rate. Ultrasound Obstet Gynecol. 2020 Sep;56(3):422-430
***Hogan et al. Validation of an Expanded Carrier Screen that Optimizes Sensitivity via Full-Exon Sequencing and Panel-wide Copy Number Variant Identification. Clinical Chemistry 2018;doi:10.1373/clinchem.2018.286823



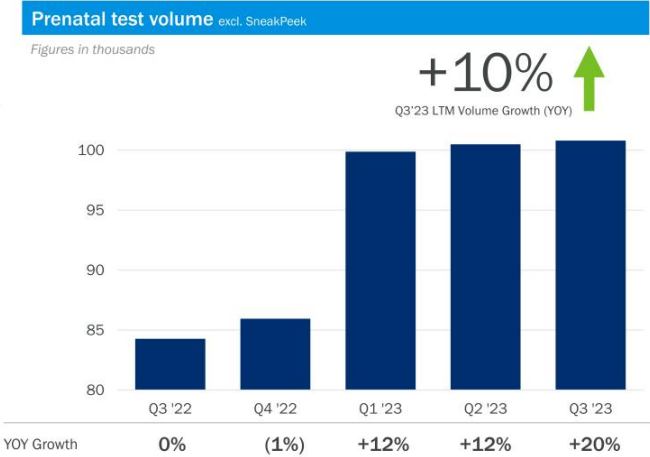
A market that continues to grow with potential tailwinds from guideline expansion

	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






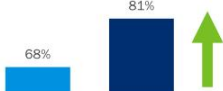






Roadmap of expected highlights

- 2024
- Foresight on NovaSeq
 - FirstGene Launch
 - Various Prequel studies
 - Foresight Universal Plus

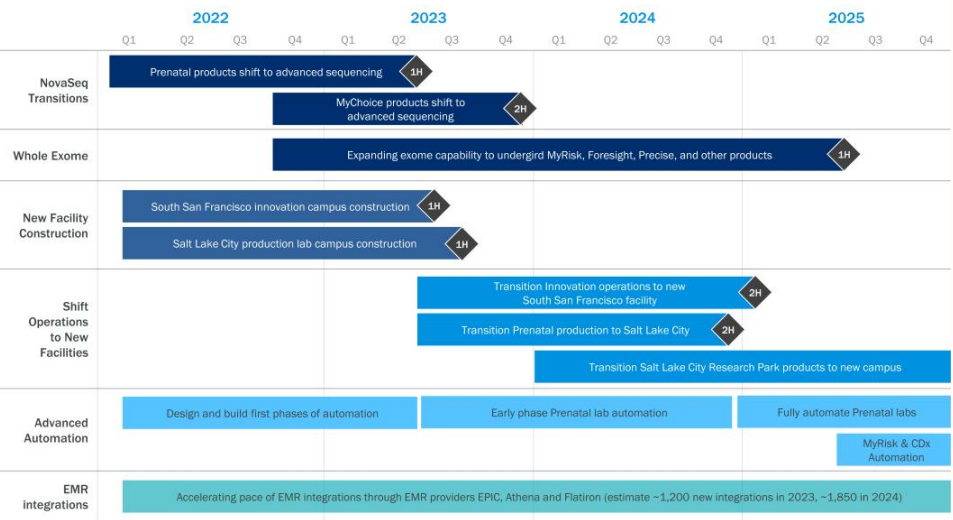
*Data as of 2022 from third-party global consulting firm and internal Company estimates
**Expected



Operational highlights fueling our growth

Team Engagement	Market Perception and Customer Service Levels	Efficiency & Speed	Revenue Cycle
<div></div> <div>86% Of our team rate Myriad as a "Great Place To Work"</div> <div>9% Employee turnover, approximately half of what it was in 2021</div>	<div>69% Net Promoter Score among current Myriad providers ordering across our testing portfolio</div> <div>+1300 bps Favorable consideration among providers aware of our efforts to share data with ClinVar*</div> <div></div>	<div>5.7 days Rapid turn-around times critical for patients making time-sensitive care decisions</div> <div>8% YOY reduction in COGS per test scaling with growth, quality and regulatory requirements**</div> <div>+20% YOY sales productivity increase with structural optimization, automation and accelerating marketing demand</div>	<div>+\$58M Increase in collections from 2021 to 2023 with fully automated revenue cycle platform</div> <div>54 Days Industry leading Days Sales Outstanding (DSO) improved 7 days from Q3 '22</div> <div>+\$40M Estimated revenue opportunity through 2026 from improving revenue cycle operations</div>

Enterprise infrastructure and capability investments

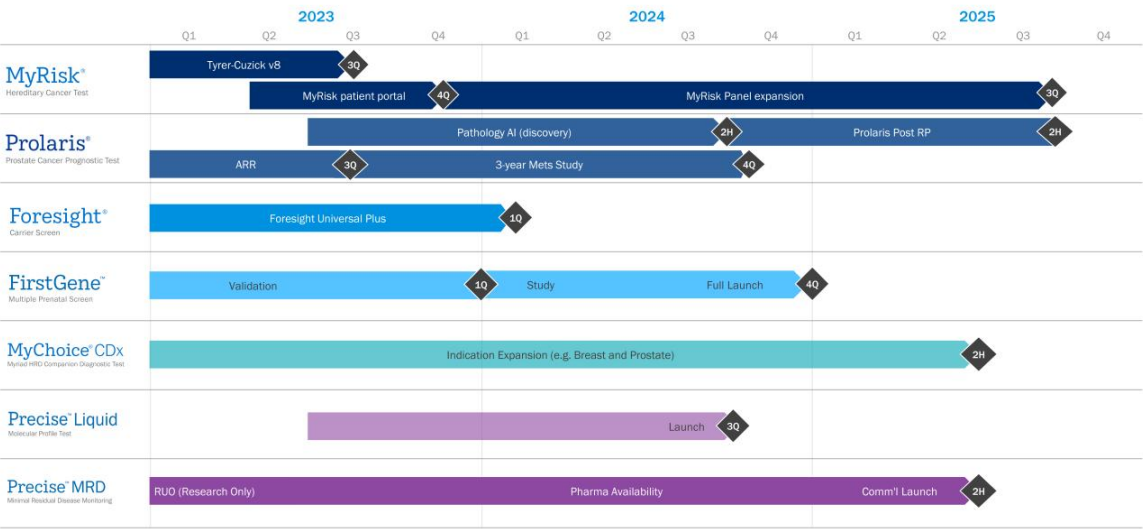


Myriad genetics* * >85% of investment is estimated to be capitalizable expense

\$80M*
investment in modern labs

\$12M
annual savings starting in 2025

Product roadmap summary

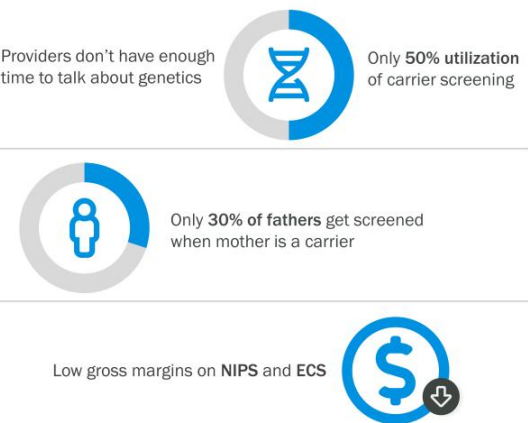


Active pipeline to better serve patients and providers

Women's Health		Oncology		
FirstGene™ Multiple prenatal screen	Foresight™ Universal Plus Expanded carrier screen	Precise™ Tumor Robust tumor profiling & therapy selection	Precise™ Liquid Robust tumor profiling & therapy selection	Precise™ MRD Minimal residual disease monitoring
What is It? Integrated assay for NIPS + carrier screen + fetal recessive status + feto-maternal blood compatibility on a single blood draw on one person	What is It? Pioneering expanded carrier screen that uses NGS to find pathogenic variants underlying recessive disease. 274 gene expansion in ACOG guidelines (anticipated.)	What is It? Pan-cancer comprehensive genomic profiling test using Illumina TruSight Oncology 500; may serve as first-line offering	What is It? Comprehensive genomic profiling test; may serve as first-line offering or as reflex if solid tumor is insufficient	What is It? Monitoring test based on whole genome sequencing to deeply interrogate tumor, detect recurrence earlier and help guide treatment decisions
Key advantages <ul style="list-style-type: none">• Faster turnaround time• 3x lower cost of goods• Established reimbursement	Key advantages <ul style="list-style-type: none">• Merged couple reporting• Fully automated lab workflow drives low COGS	Key Advantages <ul style="list-style-type: none">• 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	Key Advantages <ul style="list-style-type: none">• Panel size ~2x size (500 genes) of lead competitor; uses DNA; ease of use as part of Precise Oncology Solutions• Established reimbursement path	Key Advantages <ul style="list-style-type: none">• Targets 10x variants• Known path to reimbursement

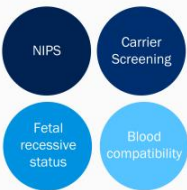
FirstGene: Transformative prenatal screen running multiple tests at once

Current PROBLEMS with prenatal genetic screening



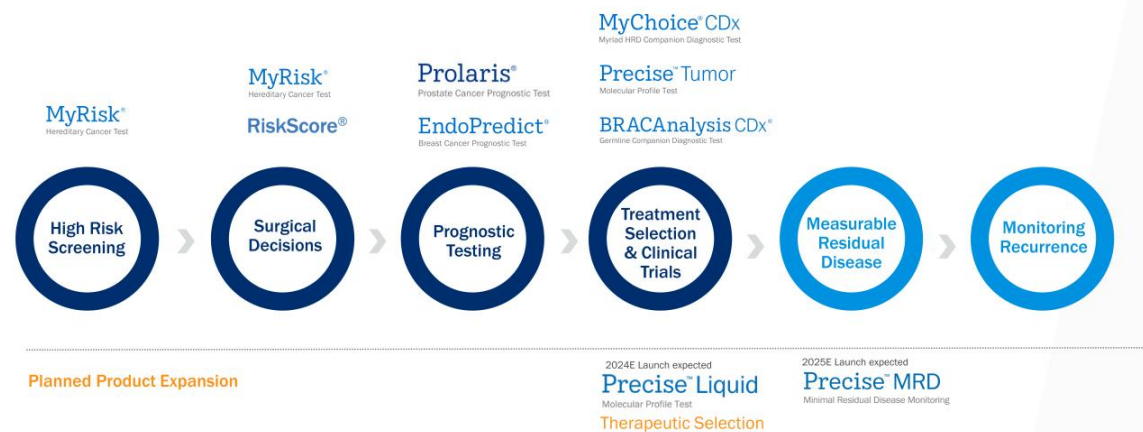
New SOLUTION

FirstGene™
Multiple Prenatal Screen

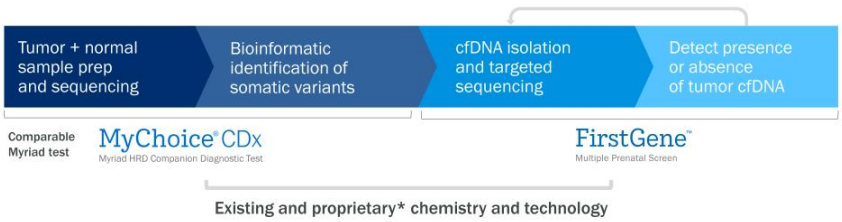


- Easier for providers to administer integrated offering
- No need to screen the father
- Estimated 30-40% higher gross margins compared to Foresight or Prequel alone

Oncology: Expanding breadth of portfolio
addressing real-world community needs



High-definition MRD: Differentiation built upon existing competencies



*patents pending

Myriad genetics

- Higher sensitivity: detection at 10x lower tumor levels
- 100x more of the genome explored
- Over 60x more targeted sites
- Earlier detection of recurrence

Precise MRD: Partnerships with world-leading collaborators



We anticipate the **MRD test from Myriad will be more sensitive and specific than many other ctDNA offerings** for monitoring the response and, therefore, may more accurately identify the patients who will or will not benefit from certain therapies. Importantly, some of these patients may go undetected on a less-sensitive MRD test.”

Dr. Pedram Razavi

Director of Liquid Biopsy & Genomics
Memorial Sloan Kettering Cancer Center

Memorial Sloan Kettering

Breast cancer: Two-phase study of 100 patients with metastatic breast cancer in neoadjuvant and adjuvant setting

MD Anderson Cancer Center

Renal cancer: Testing 120 patients with recurrent RCC to assess clinical validity on Radiation + MRD

Financial Highlights

Myriad genetics

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2023 revenue, adjusted gross margin, adjusted opex and adjusted EPS by quarter

All figures in millions, except per share amounts



*Fiscal year 2023 non-GAAP guidance begins with the comparable GAAP financial measure and excludes the estimated impact of stock-based compensation expense of approximately \$40 million, non-cash amortization associated with acquisitions of approximately \$48 million and special items such as costs related to transformation initiatives of approximately \$24 million, legal settlement costs of approximately \$114 million, and tax adjustments of approximately \$8 million
Q4 '23E figures reflect the amount to achieve the mid-point of the 2023 guidance range

Reaffirm 2023 revenue and non-GAAP financial guidance and long-term financial targets

All figures in millions, except per share amounts

	2023 FINANCIAL GUIDANCE	2023 COMMENTS	2024 - 2026 COMMENTARY	ADDITIONAL COMMENTS
Total revenue	\$747 - \$753	2023 annual growth between 10% - 11% over 2022.	10%+ CAGR	Target total revenue of over \$1 billion in 2026. This revenue target includes modest contribution from planned new products and no contribution from future M&A.
Gross margin %	69% - 70%	GM expected to fluctuate in any quarter given seasonality.	70%+	GM expected to fluctuate in any quarter given product mix, pricing trends and seasonality.
Adjusted operating expenses*	\$548 - \$553		5-6% CAGR	Balance ongoing investment in R&D with ongoing cost controls in SG&A.
Adjusted EPS*	\$(0.33) - \$(0.28)	Adjusted EPS is expected to reach positive adjusted profitability and adjusted operating cash flow in Q4 '23.	Positive adjusted operating income and adjusted cash flow	Target adjusted operating income of approximately \$100 million in 2026**, or 10% of total revenue in 2026. Adjusted operating cash flow is expected to be in-line with adjusted operating income trend.

Assumes currency rates as of November 6, 2023

* Fiscal year 2023 non-GAAP guidance begins with the comparable GAAP financial measure and excludes the estimated impact of stock-based compensation expense of approximately \$40 million, non-cash amortization associated with acquisitions of approximately \$48 million and special items such as costs related to transformation initiatives of approximately \$24 million, legal settlement costs of approximately \$114 million, and tax adjustments of approximately \$8 million

** 2026 adjusted operating income target begins with the comparable GAAP financial measure and excludes the estimated impact of stock-based compensation expense of approximately \$46.0 million, non-cash amortization associated with acquisitions of approximately \$43.0 million and special items such as costs related to transformation initiatives of approximately \$4.0 million

Increased financial flexibility; On-track to achieve positive adjusted operating cash flow in Q4 '23

Total cash and cash equivalents at end of third quarter of 2023*	\$86.3
Amount available to draw under the asset-based credit facility**	28.2
Net proceeds from follow-on equity offering	117.6
Cash payment of securities class action settlement and first Ravgen installment in Q4 2023	(62.5)
Estimated capital expenditures, capitalization of internal-use software costs and cash flow from operations in Q4 '23	(7.0)
Estimated total available cash and cash equivalents and availability under credit facility at year end 2023	\$162.6

* Cash and cash equivalents at the end of the Q3 '23 reflects the initial cash payment of \$20 million for the securities class action settlement

* * The amount available to draw under the ABL facility is based on the ABL facility of \$115 million. In October 2023, Myriad increased the size of the ABL facility by \$25 million to \$115 million



Raised net \$118 million in upsized and oversubscribed equity offering

Increased size of asset-based credit facility to \$115 million from \$90 million.

Well positioned to take advantage of future market opportunities

	Revenue growth expected to accelerate 10%+ in '24-'26	Provided 2024 full-year revenue guidance of \$815 - \$835 million reflecting annual growth of 9-11% over midpoint of 2023 revenue guidance range
	Right to win with core products driving market share gains	Enhanced commercial execution generating double-digit volume growth as adoption rates and competitive position improves
	Pipeline addresses large growth markets	Robust and differentiated product pipeline opens access to incremental multi-billion-dollar markets
	Operating leverage, profitability, and positive cash flow	Strength of business model, technology platform and enhanced laboratory capabilities to drive operating leverage, profitability and cash flow in 2024-2026
	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 and Nine Months ended September 30, 2023 and 2022

(unaudited data in millions, except per share amounts)

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Adjusted Gross Margin				
GAAP Gross Profit ⁽¹⁾	\$ 134.3	\$ 106.0	\$ 382.0	\$ 352.5
Acquisition - amortization of intangible assets	0.4	—	1.0	—
Equity compensation	0.4	0.4	1.1	1.0
Transformation initiatives	—	—	0.2	—
Adjusted Gross Profit	<u>\$ 135.1</u>	<u>\$ 106.4</u>	<u>\$ 384.3</u>	<u>\$ 353.5</u>
Adjusted Gross Margin	70.4%	68.0%	69.0%	70.6%

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

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Adjusted Operating Expenses				
GAAP Operating Expenses ⁽¹⁾	\$ 194.4	\$ 151.0	\$ 608.0	\$ 440.9
Acquisition - amortization of intangible assets	(10.3)	(10.1)	(31.0)	(30.4)
Goodwill and long-lived asset impairment charges	—	—	—	(10.7)
Equity compensation	(11.3)	(9.0)	(29.2)	(28.7)
Transformation initiatives	(2.8)	(4.7)	(20.6)	(12.4)
Legal charges, net of insurance reimbursement	(35.1)	—	(113.3)	12.9
Other adjustments	2.4	(0.2)	1.6	0.7
Adjusted Operating Expenses	<u>\$ 137.3</u>	<u>\$ 127.0</u>	<u>\$ 415.5</u>	<u>\$ 372.3</u>

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

Reconciliation of GAAP to Non-GAAP Financial Measures for the Three and Nine Months ended September 30, 2023 and 2022

(unaudited data in millions, except per share amounts)

Adjusted Operating Income (Loss)

GAAP Operating Loss	\$ (60.1)	\$ (45.0)	\$ (226.0)	\$ (88.4)
Acquisition - amortization of intangible assets	10.7	10.1	32.0	30.4
Goodwill and long-lived asset impairment charges	—	—	—	10.7
Equity compensation	11.7	9.4	30.3	29.6
Transformation initiatives	2.8	4.7	20.8	12.4
Legal charges, net of insurance reimbursement	35.1	—	113.3	(12.9)
Other adjustments	(2.4)	0.2	(1.6)	(0.7)
Adjusted Operating Loss	\$ (2.2)	\$ (20.6)	\$ (31.2)	\$ (18.9)

Three months ended September 30,		Nine months ended September 30,	
2023	2022	2023	2022
\$ (60.1)	\$ (45.0)	\$ (226.0)	\$ (88.4)
10.7	10.1	32.0	30.4
—	—	—	10.7
11.7	9.4	30.3	29.6
2.8	4.7	20.8	12.4
35.1	—	113.3	(12.9)
(2.4)	0.2	(1.6)	(0.7)
\$ (2.2)	\$ (20.6)	\$ (31.2)	\$ (18.9)

Adjusted Net Income (Loss)⁽¹⁾

GAAP Net Loss	\$ (61.3)	\$ (35.1)	\$ (232.1)	\$ (69.7)
Acquisition - amortization of intangible assets	10.7	10.1	32.0	30.4
Goodwill and long-lived asset impairment charges	—	—	—	10.7
Equity compensation	11.7	9.4	30.3	29.6
Transformation initiatives	2.8	4.7	20.8	12.4
Legal charges, net of insurance reimbursement	35.1	—	113.3	(12.9)
Other adjustments	(1.7)	0.2	—	(0.7)
Tax adjustments	0.4	(4.5)	9.6	(14.3)
Adjusted Net Loss	\$ (2.3)	\$ (15.2)	\$ (26.1)	\$ (14.5)

Three months ended September 30,		Nine months ended September 30,	
2023	2022	2023	2022
\$ (61.3)	\$ (35.1)	\$ (232.1)	\$ (69.7)
10.7	10.1	32.0	30.4
—	—	—	10.7
11.7	9.4	30.3	29.6
2.8	4.7	20.8	12.4
35.1	—	113.3	(12.9)
(1.7)	0.2	—	(0.7)
0.4	(4.5)	9.6	(14.3)
\$ (2.3)	\$ (15.2)	\$ (26.1)	\$ (14.5)

Weighted average shares outstanding:

Basic	81.9	80.7	81.6	80.4
Diluted	81.9	80.7	81.6	80.4

Adjusted Earnings Per Share

Basic	\$ (0.03)	\$ (0.19)	\$ (0.32)	\$ (0.18)
Diluted	\$ (0.03)	\$ (0.19)	\$ (0.32)	\$ (0.18)

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

Reconciliation of GAAP to Non-GAAP Financial Measures for the Three and Nine Months ended September 30, 2023 and 2022

(unaudited data in millions, except per share amounts)

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Cash flow from operations	\$ (26.6)	\$ (1.8)	\$ (56.2)	\$ (99.0)
Transformation initiatives	2.8	4.7	15.1	12.4
Legal charges, net of insurance reimbursement	21.1	—	23.3	49.9
Other adjustments	—	—	0.4	—
Adjusted operating cash flow	\$ (2.7)	\$ 2.9	\$ (17.4)	\$ (36.7)
Capital expenditures	(10.9)	(17.7)	(53.2)	(30.7)
Capitalization of internal-use software costs	(2.1)	—	(6.6)	—
Adjusted free cash flow	\$ (15.7)	\$ (14.8)	\$ (77.2)	\$ (67.4)

Reconciliation of GAAP to Non-GAAP Financial Measures for the Three and Nine Months ended September 30, 2023 and 2022

(unaudited data in millions, except per share amounts)

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, additional rent as a result of the build-out of the company's new laboratories in Salt Lake City, Utah and in South San Francisco, California, while maintaining its current laboratories in those locations, re-location costs of equipment to new laboratories, severance costs, and accelerated depreciation in connection with the company's decision to cease the use of its former corporate headquarters in Salt Lake City, Utah. With respect to the adjusted free cash flow reconciliation, the cash flow effect of transformation initiatives excludes non-cash items such as accelerated depreciation.
- Legal charges, net of insurance reimbursement – one-time legal expenses, net of insurance reimbursement. For the three months ended September 30, 2023, legal charges, net of insurance reimbursement primarily relates to a \$34.0 million settlement of the Ravgen litigation, of which \$21.25 million of payment is contingent upon certain future events. For the nine months ended September 30, 2023, legal charges, net of insurance reimbursement primarily includes the amounts related to the settlement of the Ravgen litigation and a \$77.5 million settlement of the securities class action lawsuit. For the nine months ended September 30, 2022, legal charges, net of insurance reimbursement includes the gain from reimbursement of prior legal expenses and settlements. 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 consulting and professional fees related to prior year acquisitions, changes in the fair value of contingent consideration related to acquisitions from prior years and reclassifications of cumulative translation adjustments to income upon liquidation of an investment in a foreign entity.
- 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. A valuation allowance of \$37.2 million was not recognized for non-GAAP purposes given the company's historical and forecasted positive earnings performance.

