



ANSWERS



William Blair 40th Annual
Growth Stock Conference

June 10, 2020

Forward-Looking Statements

This presentation contains statements that are not historical and that are based on our beliefs and assumptions and on information currently available to us. These statements constitute forward-looking statements within the meaning of the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to known and unknown risks, uncertainties, assumptions, and other factors that could cause actual results to differ materially from our expectations.

Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "expect," "believe," "should," "may," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements regarding the current and future impacts of COVID-19 on Veracyte's business, actions Veracyte has taken, or will take, in response to COVID-19, potential timing for a recovery of Veracyte's business, the catalysts to drive momentum through 2021 and Veracyte's long-term outlook. Forward-looking statements are neither historical facts nor assurances of future performance, but are based only on our current beliefs, expectations and assumptions. These statements involve risks and uncertainties, which could cause actual results to differ materially from our predictions, and include, but are not limited to: the impact of COVID-19 on Veracyte's business and operating results, specifically, and the healthcare system and economy more generally, Veracyte's ability to achieve and maintain Medicare coverage for its tests; the benefits of Veracyte's tests and the applicability of clinical results to actual outcomes; the laws and regulations applicable to Veracyte's business, including potential regulation by the Food and Drug Administration or other regulatory bodies; Veracyte's ability to successfully achieve and maintain adoption of and reimbursement for its products; the amount by which use of Veracyte's products are able to reduce invasive procedures and misdiagnosis, and reduce healthcare costs; the occurrence and outcomes of clinical studies; and other risks set forth in Veracyte's filings with the Securities and Exchange Commission, including the risks set forth in its quarterly report on Form 10-Q for the quarter ended March 31, 2020. These forward-looking statements speak only as of the date hereof and Veracyte specifically disclaims any obligation to update these forward-looking statements or reasons why actual results might differ, whether as a result of new information, future events or otherwise.

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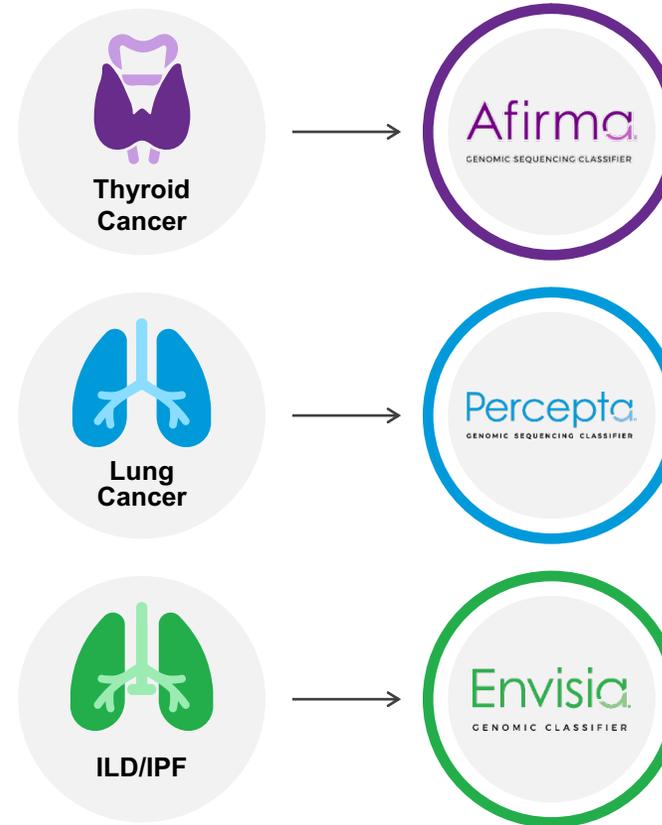
We are a global genomic
diagnostics company
transforming care
throughout the patient
journey.



WHERE WE STARTED

Founded with a mission to improve diagnostic accuracy

Diagnosis



WHERE WE ARE TODAY

Answering clinical questions in more indications throughout the patient journey and forging valuable partnerships

Early Detection

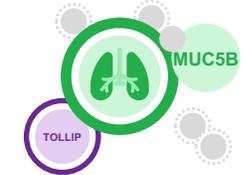
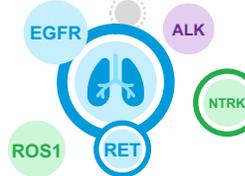


Nasal Swab Classifier

Diagnosis & Prognosis



Treatment



Collaborations

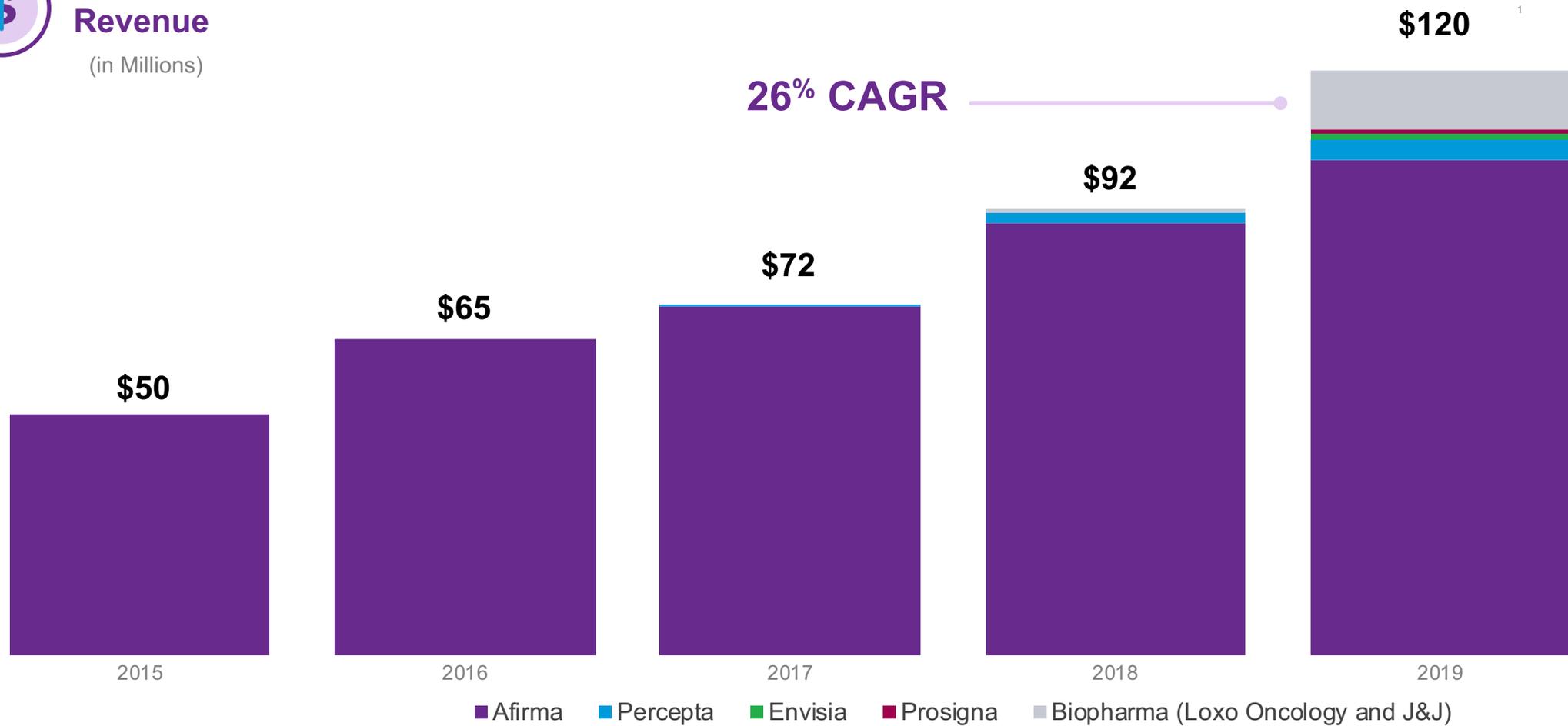


Strong revenue growth driven by expanding sources



Year Over Year Annual Revenue

(in Millions)

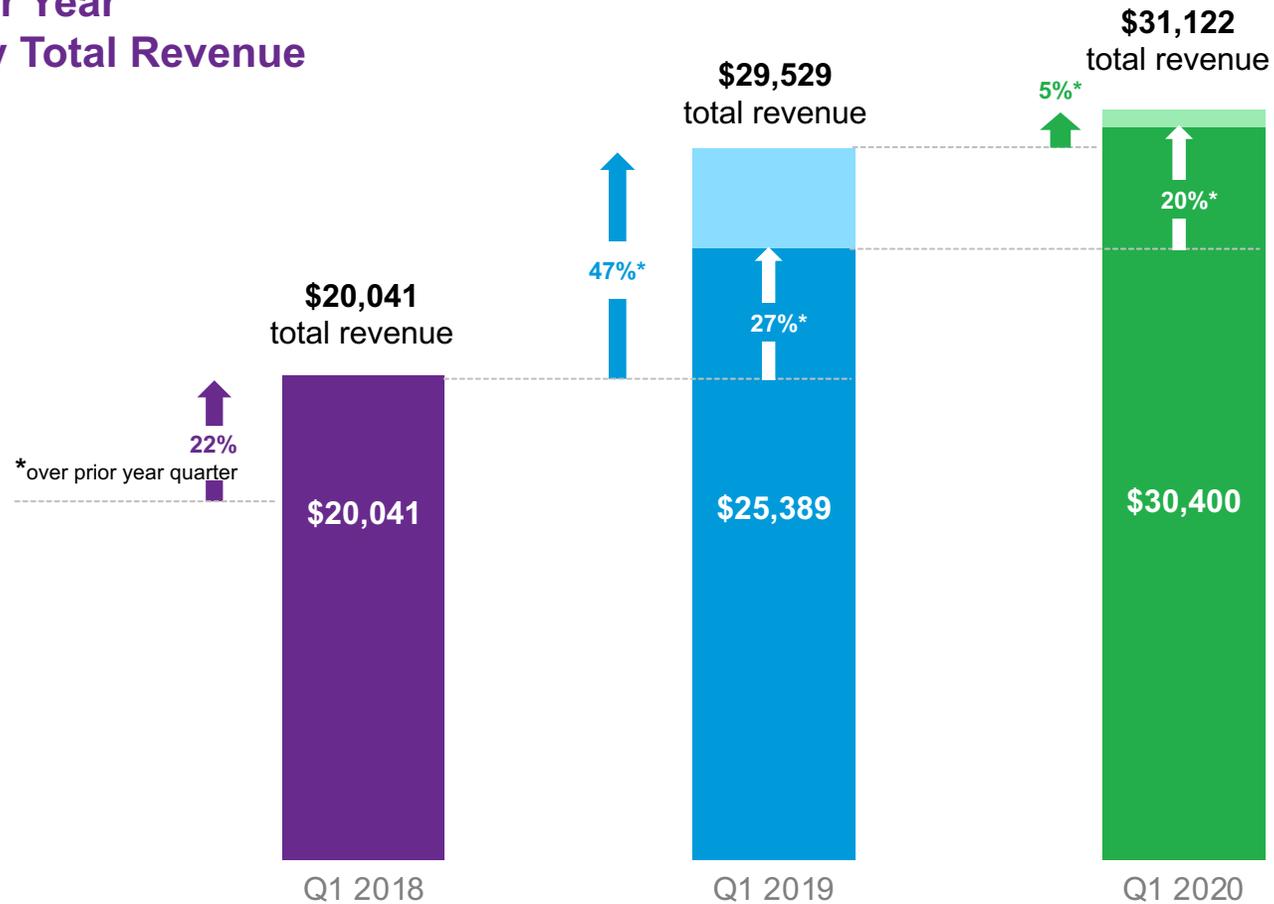


Strong Q1 2020 Revenue Growth



Year Over Year Quarterly Total Revenue

(in Millions)



- Biopharma & Collaboration Revenue**
(Loxo Oncology, J&J and Acerta Pharma/AstraZeneca)
- Testing & Product Revenue**
(Afirm, Percepta, Envisia and Prosigna)

PLATFORM FOR EXPANSION

Exclusive global diagnostics rights to best-in-class system

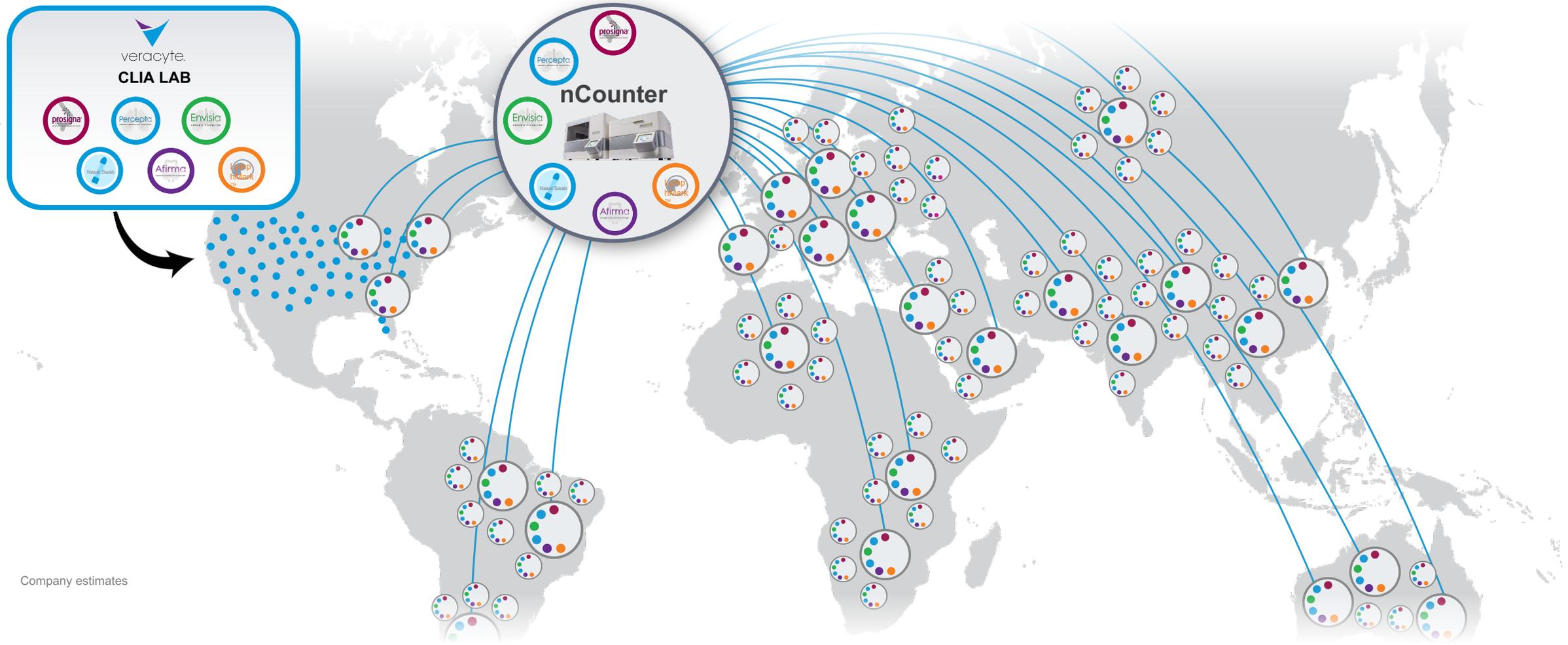
nCounter FLEX Analysis System

- Simultaneous multiplex testing of up to 800 RNA, DNA and protein targets
- Elegantly simple, kit-enabled platform
- >80% reduction in hands-on time versus sequencing
- Presence in 22 countries
- Hundreds of installed systems



WHERE WE ARE GOING (5-10 Years)

Global market, menu and margin expansion

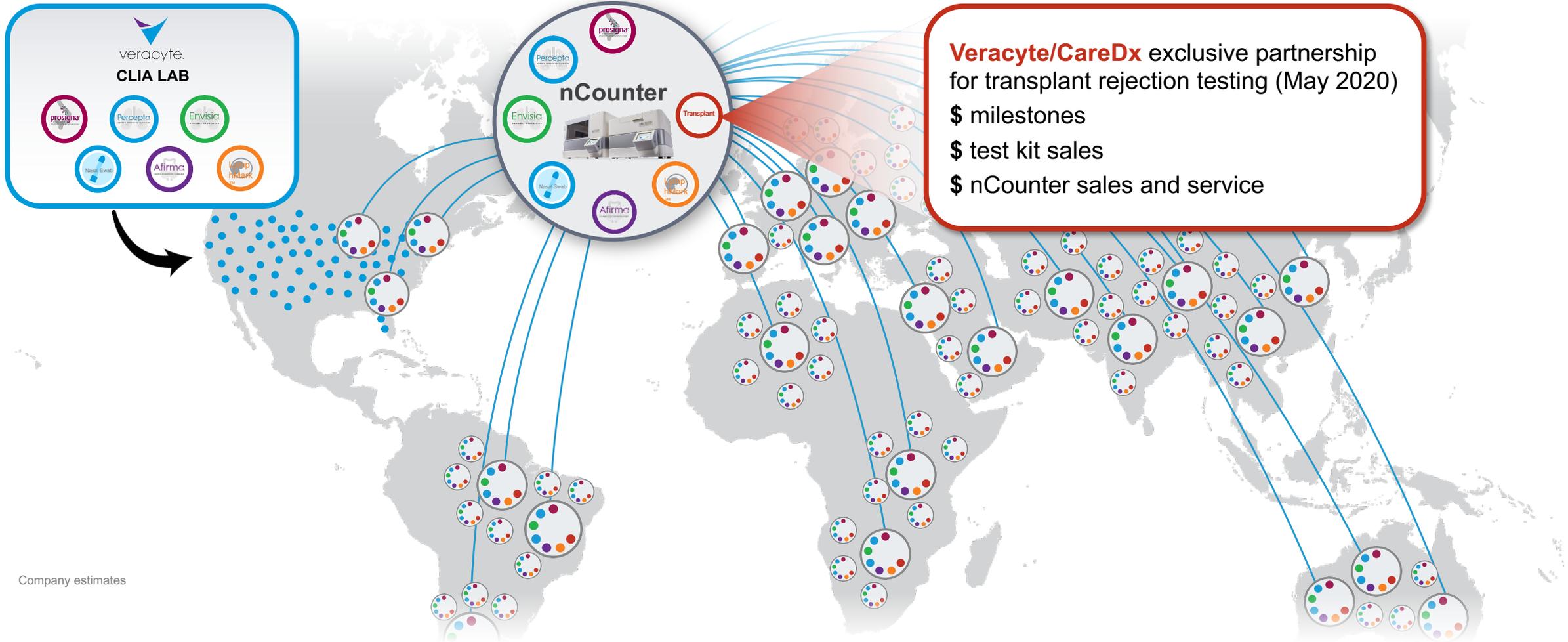


Company estimates

\$40 BILLION GLOBAL MARKET OPPORTUNITY

WHERE WE ARE GOING (5-10 Years)

Attractive solution for diagnostic partners



Company estimates

\$40 BILLION GLOBAL MARKET OPPORTUNITY

Our Strategic Growth Pathway



Our foundational strategy drives our business



Relevant Questions

Integrated into current care pathway to change practice and reduce surgeries



Scientific Rigor

Build robust scientific and clinical evidence; inform guidelines



Value Creation

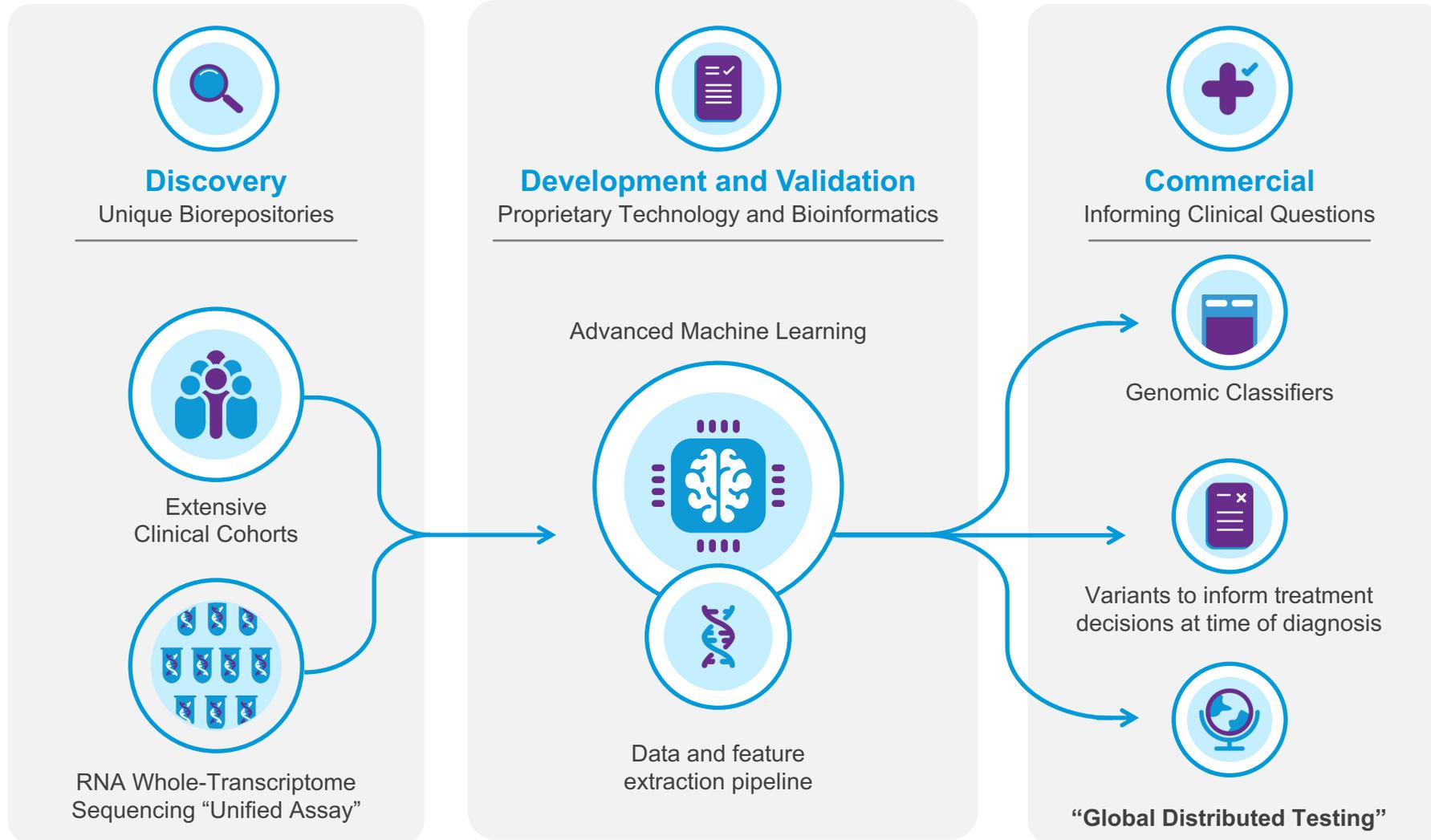
Clinical utility and economic value that change the standard of care



Successful Reimbursement

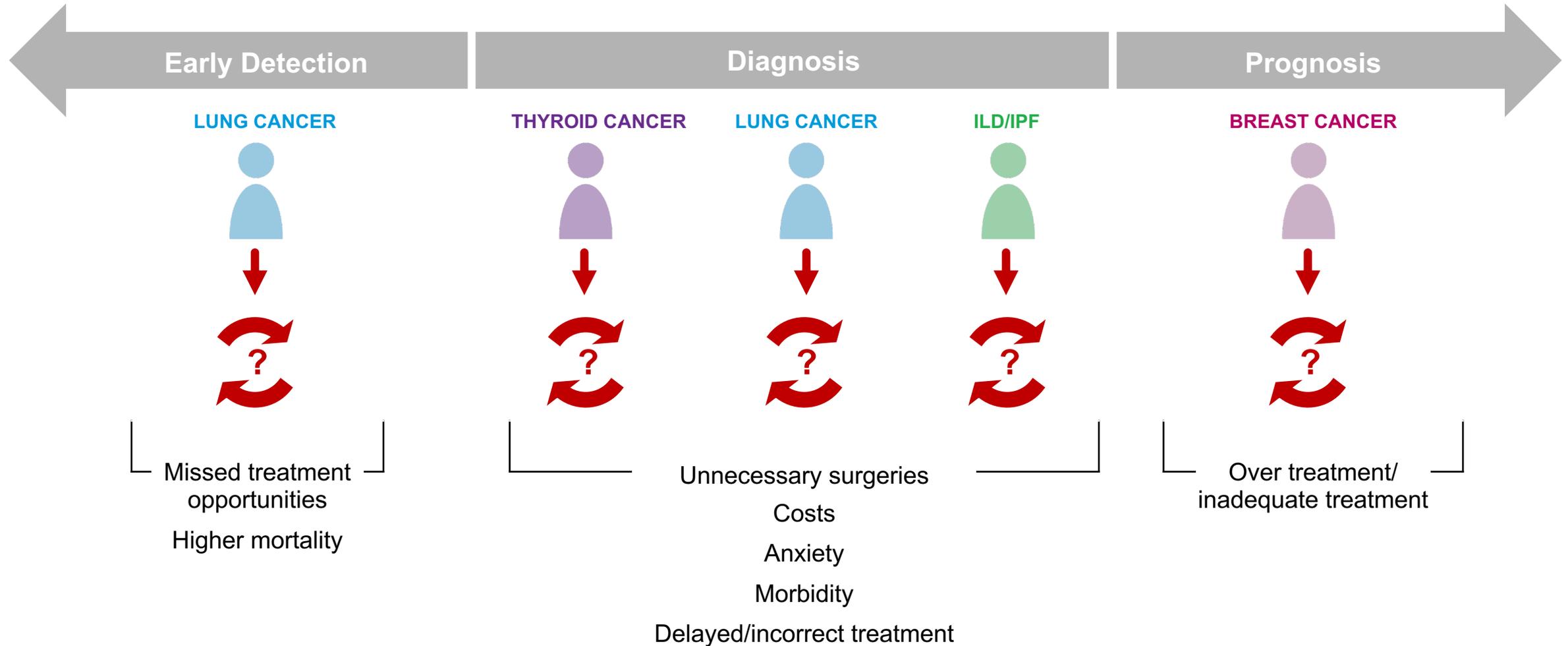
Extensive coverage policies and contracted relationships pave way for additional tests

Our science and technology engine powers growth



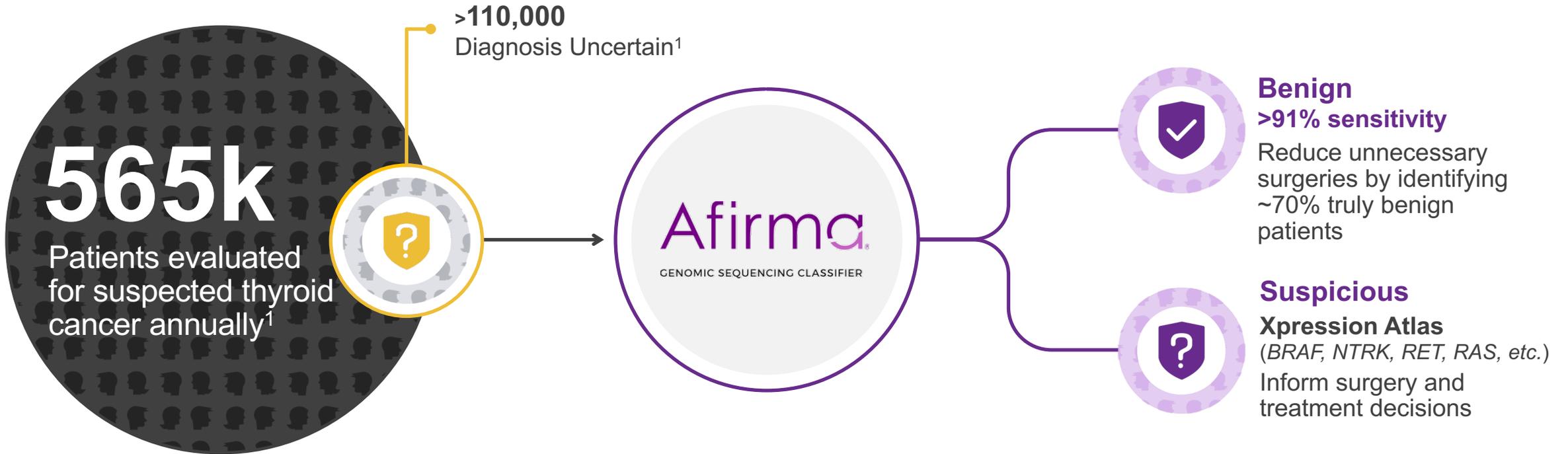
The Clinical Problem:

Patients lack actionable results throughout the care continuum



THYROID CANCER

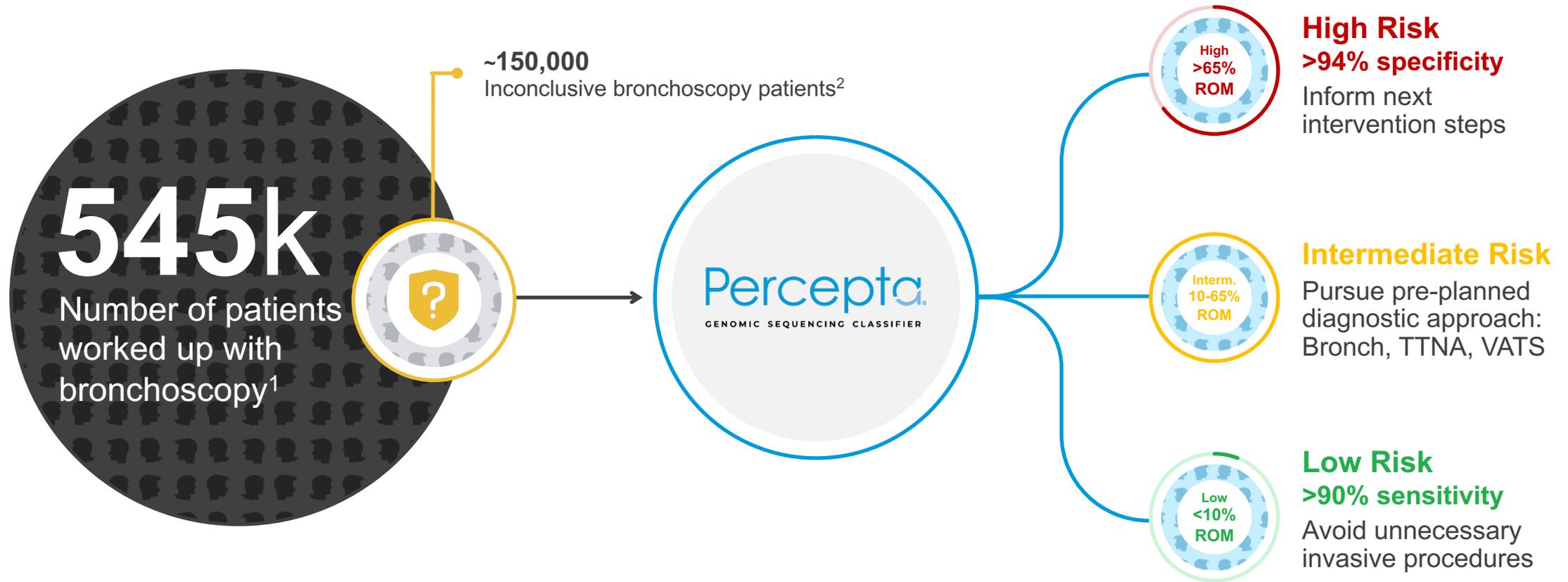
Improving patient outcomes in thyroid cancer



¹ Company estimates

LUNG CANCER

Improving the efficiency of lung cancer diagnosis

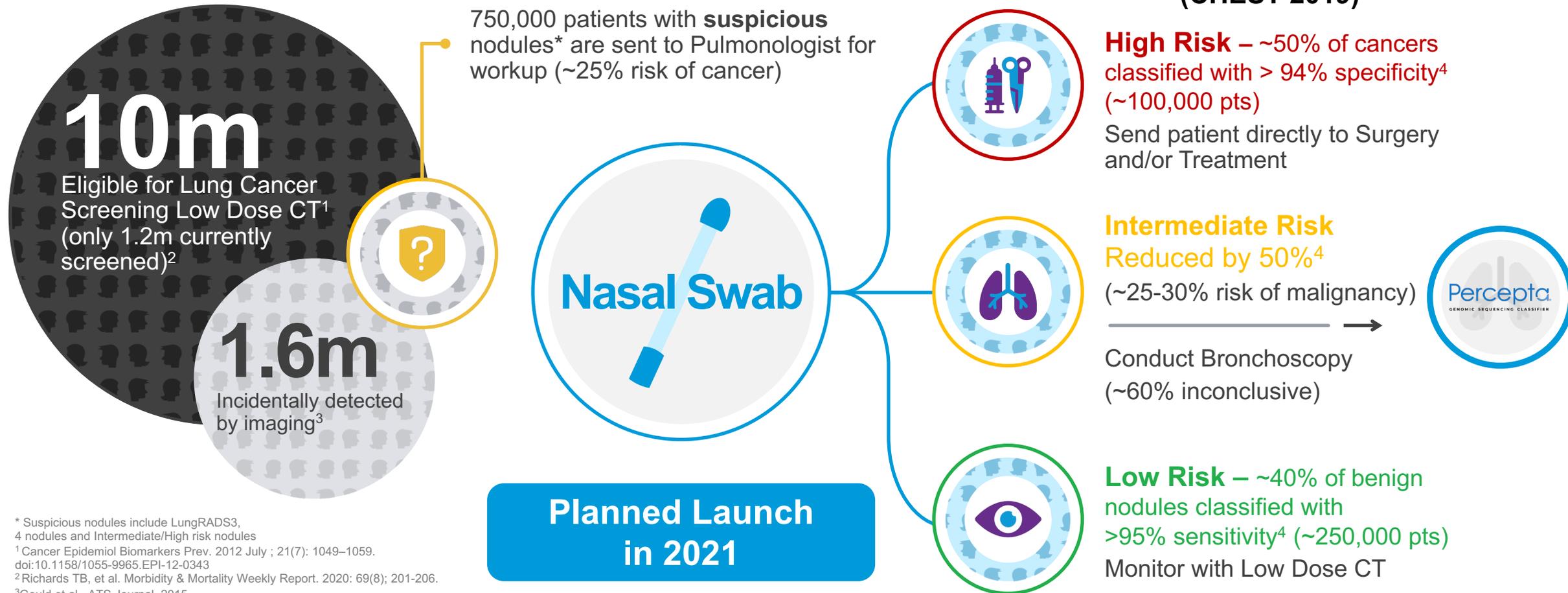


¹ Medicare Utilization and Physician Payment Public Use File (2016); Company research (2019)

² Silvestri et al, NEJM 2015

NASAL SWAB CLASSIFIER

New risk assessment & diagnostic approach to improve standard of care



* Suspicious nodules include LungRADS3, 4 nodules and Intermediate/High risk nodules

¹ Cancer Epidemiol Biomarkers Prev. 2012 July ; 21(7): 1049–1059. doi:10.1158/1055-9965.EPI-12-0343

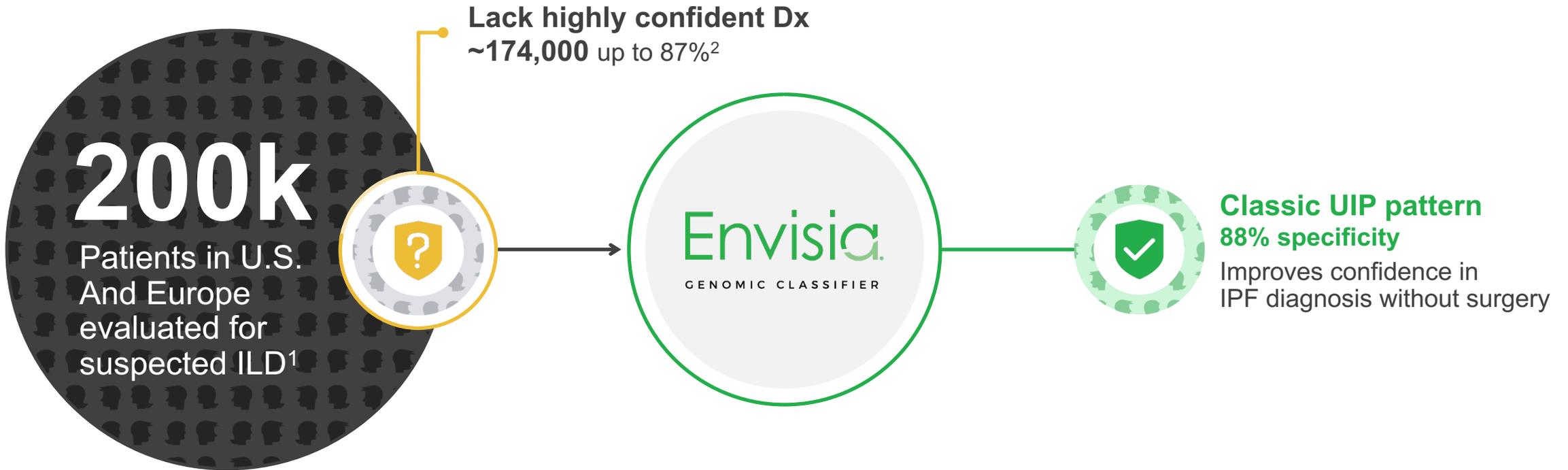
² Richards TB, et al. Morbidity & Mortality Weekly Report. 2020; 69(8); 201-206.

³ Gould et al., ATS Journal, 2015

⁴ Lamb C, et al. American College of Chest Physicians (CHEST) Annual Meeting, Oct. 2019.

IDIOPATHIC PULMONARY FIBROSIS (IPF)

Accelerating diagnosis to get patients life-extending treatment faster

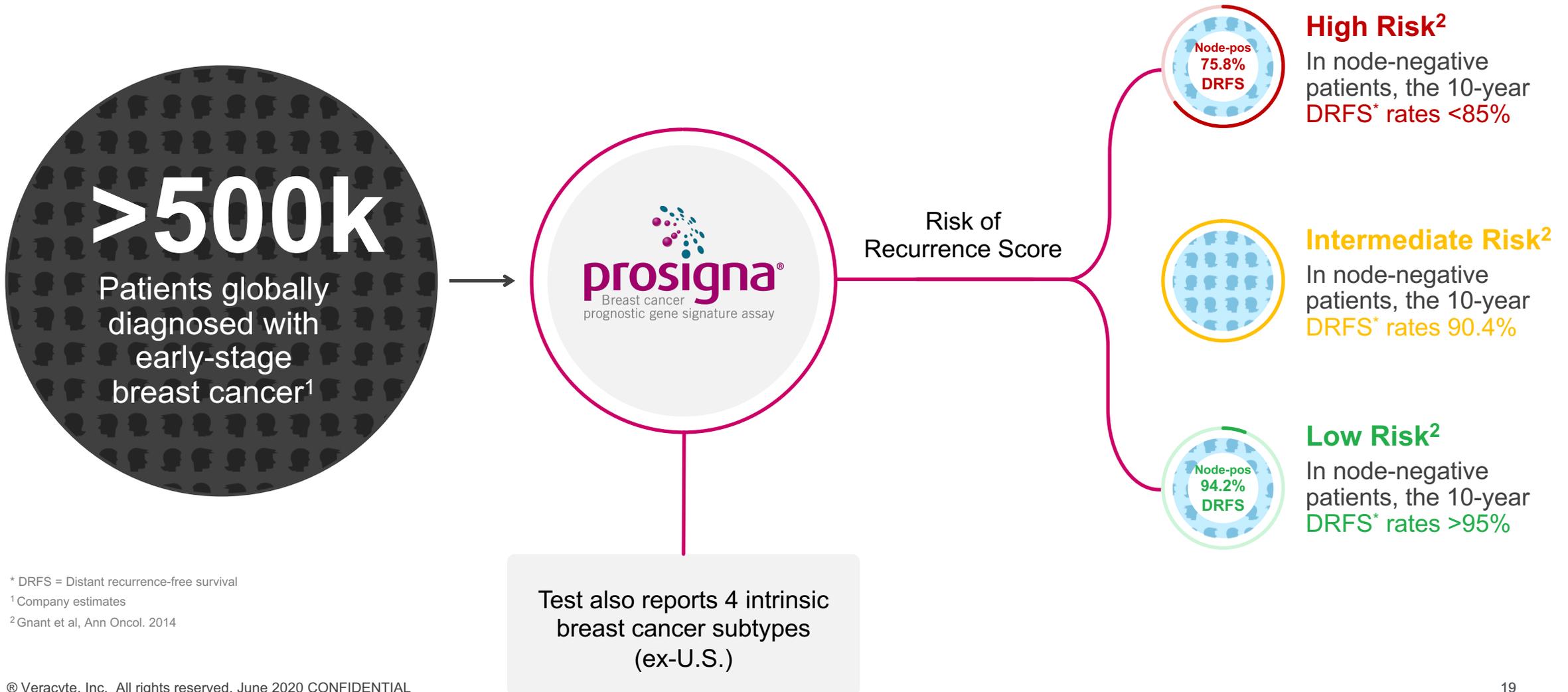


¹ Company estimates

² Raghu et al, The Lancet Resp Med., 2019

BREAST CANCER

Inform next steps for patients with early-stage breast cancer



March to standard of care

LAUNCHED IN 2011

Afirma
GENOMIC SEQUENCING CLASSIFIER

Published Evidence

Clinical Validation Frontiers, 2019 Cancer Cyto, 2019 JAMA Surg. 2018 JCEM 2010 NEJM 2012	Clinical Utility Thyroid, 2019 Thyroid, 2019 Endocrine Practice, 2018 JCEM, 2013 Thyroid 2012
Cost-Effectiveness and Quality of Life JCEM 2011 Thyroid 2012	Analytical Verification Frontiers, 2019 JCEM 2012

Guidelines

National Comprehensive Cancer Network (NCCN)
Published 2013, Updated 2014

American Thyroid Association (ATA)
Preliminary Guidelines 2014

UpToDate
Evidence-Based Clinical Decision Support Resource of Physicians Published 2013, Updated 2014

American Association of Clinical Endocrinology (AACE)
Guideline Update in Process

~275 million covered lives /
~225 contracted lives

LAUNCHED IN 2015

Percepta
GENOMIC SEQUENCING CLASSIFIER

Published Evidence

Clinical Validation
The New England Journal of Medicine, 2015
BMC Medical Genomics, 2015

Clinical Utility
ATS, 2019
Chest, 2016
CHEST, 2018
BMC Pulmonary Medicine, 2016

Analytic Validity
BMC Cancer, 2016

Cost Effectiveness
Journal of Thoracic Oncology, 2017

Payer Coverage

LAUNCHED IN 2016

Envisia
GENOMIC CLASSIFIER

Published Evidence

Clinical Validation
Lancet Respiratory Medicine, 2019
Annals of American Thoracic Society, 2017
CHEST, 2018
BMC Pulmonary Medicine, 2018

Clinical Utility
ATS 2019
Lancet Respiratory Medicine, 2019

Analytic Validity
BMC Pulmonary Medicine, 2017

Payer Coverage

FDA-CLEARED 2013; CE-MARKED 2012

prosigna
Breast cancer prognostic gene signature assay

Published Evidence

Clinical Validation: J Clin Oncol, 2013 J Natl Cancer Inst, 2013 Ann Oncol., 2014 Clin Cancer Res., 2014 Ann Oncol., 2015 J Clin Oncol., 2015 J Clin Oncol., 2018	Clinical Utility: Curr Med Res Opin., 2015 Curr Med Res Opin., 2016 PloS One, 2017 Breast Cancer Res., 2018
Cost-Effectiveness: NICE Guidance, 2018	Analytical Verification: BMC Cancer, 2014

Guidelines:

National Comprehensive Cancer Network (NCCN; 2015)

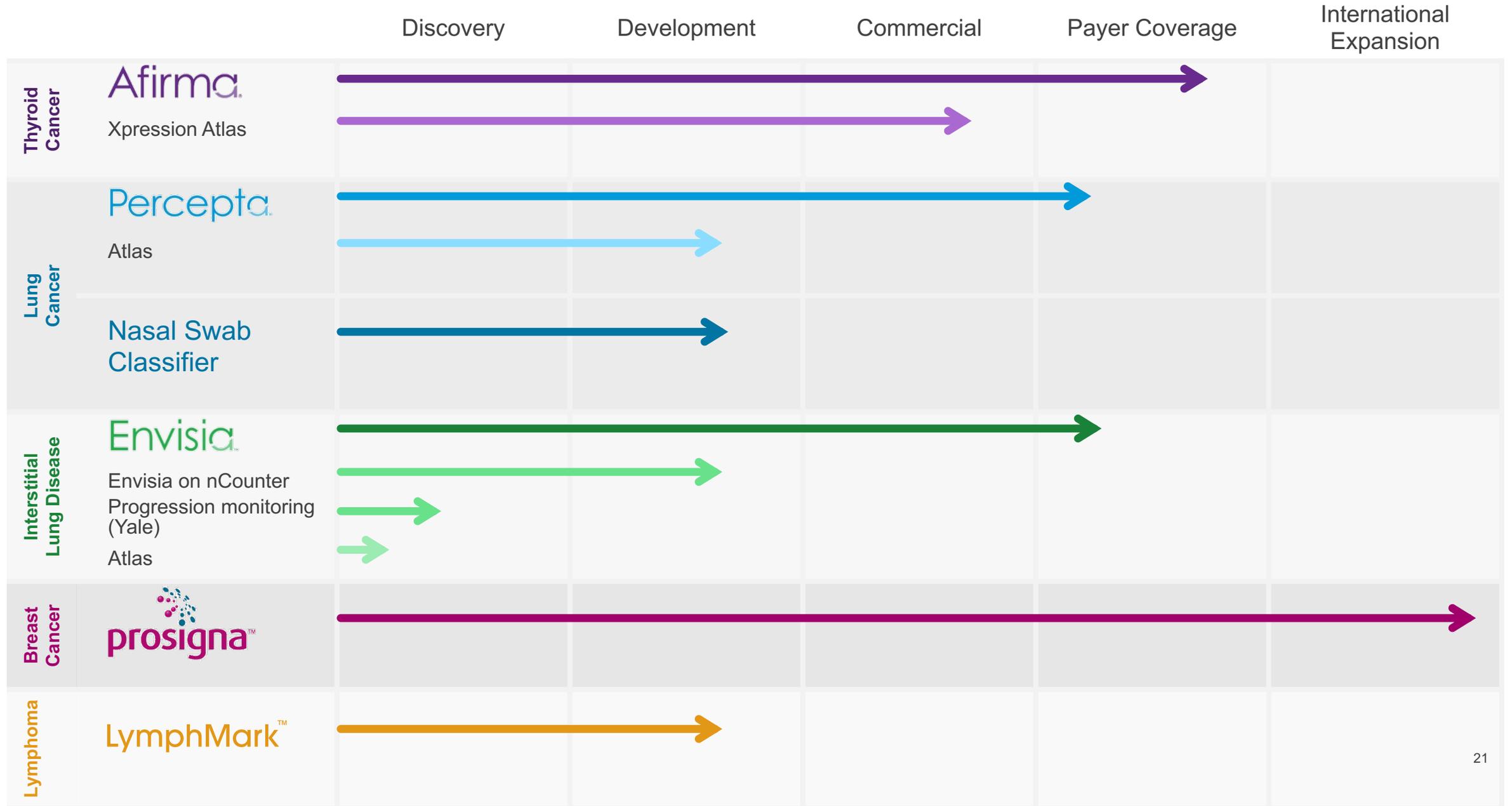
American Society of Clinical Oncologists (ASCO; 2017)
St. Gallen (2017 update)

European Society for Medical Oncology (ESMO; 2015)

National Institute for Health and Care Excellence (NICE; 2018)

Payer Coverage

STRONG PIPELINE FOR GLOBAL EXPANSION



Greater than \$40B global market opportunity*

Thyroid Cancer	IPF	Lung Cancer		Breast Cancer	Transplant
 <p>Afirma GENOMIC SEQUENCING CLASSIFIER</p> <p>Xpression Atlas</p> <p>Cytopathology</p>	 <p>Envisia GENOMIC CLASSIFIER</p>	 <p>Percepta GENOMIC SEQUENCING CLASSIFIER</p>  <p>Nasal Swab Classifier</p>	<p>Pre-CT Scan Risk (Pipeline)</p>	 <p>prosigna Breast Cancer Circulating Tumor DNA Assay</p>	<p>Solid organ transplant rejection tests through exclusive CareDx partnership</p>
<p>\$800M US/EU</p>	<p>\$700M US/EU</p>	<p>\$5.5B Global**</p>	<p>\$36B Global**</p>	<p>\$900M Global**</p>	<p>TBD</p>

* Company estimates

** Opportunity in strategic markets

COVID-19 Pandemic Business-Recovery Framework

	Scenario 1 – “V”	Scenario 2 – “U”	Scenario 3 -
Business at “normal” level	Q3/Q4 2020	Q1/Q2 2021	>Q2 2021
Priorities	Maintenance plan	Cash preservation Flexibility	Business and P&L realignment
Response	Temporary hiring freeze Reduce non-essential travel and spend Maintain R&D investments	Temporary furlough Hiring freeze Reduce spend Exec/board/vendor contributions Maintain R&D investments	Headcount RIF Reduced spend Pipeline delay
Strategic business focus	Virtual customer engagement Biopharma collaborations <ul style="list-style-type: none"> • Near-term revenue • Long-term growth • Business diversity 	Biopharma collaborations <ul style="list-style-type: none"> • Near-term revenue • Long-term growth • Business diversity • Strategic leverage in pipeline development 	Longer-term growth aligned to new customer interfaces Investments prioritized for growth
Best-case business resumption	Accelerate re-adoption for revenue growth	Reinstate furloughed employees Core product re-acceleration	“New normal” in running business

FOCUS & OPPORTUNITIES

Attractive financial profile



Strong Total Revenue Growth 31%

Full-year 2019 over 2018 actuals



Attractive “Gross Margin”

61% testing services

Increases with collaboration revenue*



Selling and Marketing Leverage

Scale single-structure in U.S.

Focused dedicated resource in EU

Leverage institutional stakeholder relationships



R&D, Medical and Clinical Operations

Extensive whole RNA-transcriptome & biorepository

Advancing pulmonology pipeline

Menu expansion on nCounter supports international expansion



Solid Cash Position

Over \$153.1 Million at March 31, 2020

*For the quarter ended March 31, 2020



Catalysts to drive continued momentum through 2021

	Product & Testing Revenue	Collaboration Revenue	Evidence Development	Pipeline Advancement / Menu Expansion
2020	<ul style="list-style-type: none"> TBD due to COVID-19 impact 	<ul style="list-style-type: none"> Loxo/Lilly Thyroid Cancer Acerta Pharma / Astra Zeneca Lymphoma 	<ul style="list-style-type: none"> Envisia publications/abstracts/presentations Percepta publications/abstracts/presentations Prosigna publications/abstracts/presentations 	<ul style="list-style-type: none"> Afirma XA enhancements Nasal swab data NOBLE trial initiation LymphMark advances
2021	<ul style="list-style-type: none"> Guideline inclusion (pulmonology) Reimbursement Expansion (pulmonology) 	<ul style="list-style-type: none"> Johnson & Johnson nasal swab lung cancer Loxo/Lilly Thyroid Cancer Acerta Pharma / Astra Zeneca Lymphoma 	<ul style="list-style-type: none"> Nasal swab pivotal clinical validation Envisia nCounter data 	<ul style="list-style-type: none"> Nasal Swab US Launch Envisia nCounter Launch Percepta Atlas Launch

Experienced team with track record of success



Bonnie Anderson
Chairman and
Chief Executive Officer



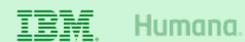
Keith Kennedy
Chief Financial Officer and
Chief Operating Officer



Giulia Kennedy, Ph.D.
Chief Scientific Officer and
Chief Medical Officer



John Hanna
Chief Commercial Officer



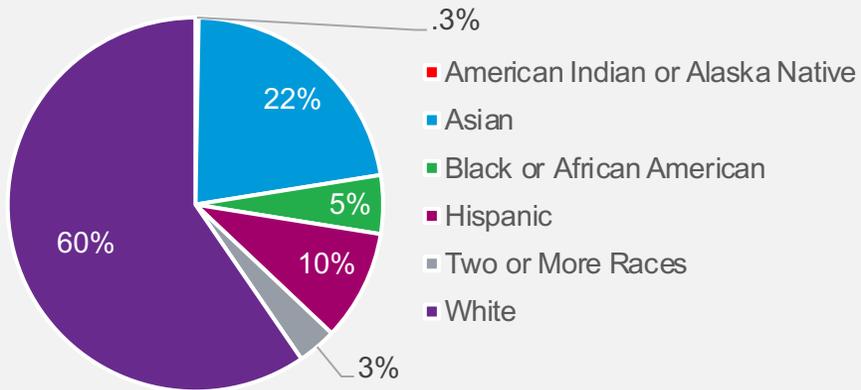
Freddie Bowie, Ph.D.
Vice President, Corporate
and Business Development



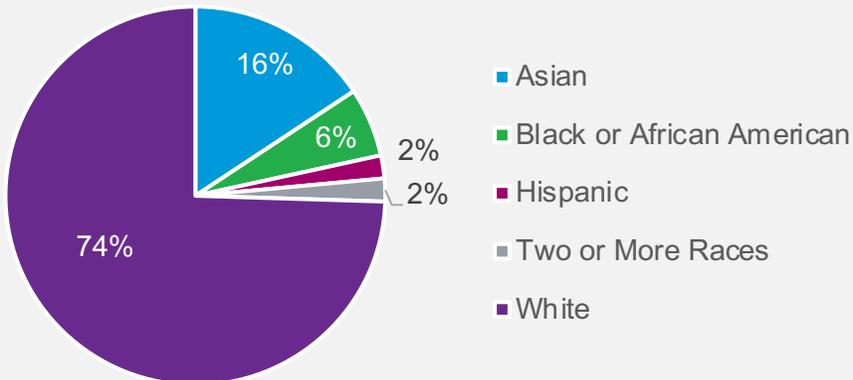
Our diversity contributes to our success

Race

All Employees



Director Level and Above



Gender

