



Q3 2024 Business and Financial Presentation

November 6, 2024



Forward-looking statements and non-GAAP information

This presentation contains forward-looking statements, including, but not limited to our statements related to our plans, objectives, and expectations (financial and otherwise), including with respect to 2024 financial and operating results; and our intentions with respect to our tests and products, for use in diagnosing and treating diseases, in and outside of the United States. Forward-looking statements can be identified by words such as: “appears,” “anticipate,” “intend,” “plan,” “expect,” “believe,” “should,” “may,” “will,” “enable,” “positioned,” “offers,” “designed” and similar references to future periods. Actual results may differ materially from those projected or suggested in any forward-looking statements. These statements involve risks and uncertainties, which could cause actual results to differ materially from our predictions, and include, but are not limited to: our ability to launch, commercialize and receive reimbursement for our products; our ability to execute on our business strategies relating to the C2i Genomics acquisition, integration of the business and realization of expected benefits and synergies; our ability to demonstrate the validity and utility of our genomic tests and biopharma and other offerings; our ability to continue executing on our business plan; our ability to continue to scale our global operations and enhance our internal control environment; the impact of the war in Ukraine, and other regional conflicts, on European economies and energy supply, as well as our facilities in France; the impact of foreign currency fluctuations, increasing interest rates, inflation, the U.S. election and turmoil in the global banking and finance system; the ongoing conflict in the Middle East and the performance and utility of our tests in the clinical environment. Additional factors that may impact these forward-looking statements can be found under the caption “Risk Factors” in our Annual Report on Form 10-K filed on February 29, 2024, and our Quarterly Report on Form 10-Q filed for the three months ended September 30, 2024 to be filed on November 7, 2024, as well as in other documents that we may file from time to time with the Securities and Exchange Commission. Copies of these documents, when available, may be found in the Investors section of our website at investor.veracyte.com. These forward-looking statements speak only as of the date hereof and, except as required by law, we specifically disclaim 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.

In addition to the financial measures prepared in accordance with generally accepted accounting principles (GAAP), this presentation contains certain non-GAAP results including non-GAAP gross margin, non-GAAP operating expenses, adjusted EBITDA and non-GAAP earnings per share (EPS). These non-GAAP financial measures are not meant to be considered superior to or a substitute for financial measures calculated in accordance with GAAP, and investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures as an analytical tool. We use non-GAAP financial measures to internally evaluate and analyze financial results. We believe these non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance, and enable comparison of our financial results with other public companies, many of which present similar non-GAAP financial measures. However, the non-GAAP financial measures we present may be different from those used by other companies.

We exclude amortization of acquired intangible assets, acquisition-related expenses relating to our acquisitions of Decipher Biosciences, HaliuDx and C2i Genomics, impairment charges associated with the nCounter license and other biopharmaceutical services related to HaliuDx intangible assets, stock-based compensation and costs related to restructuring from certain of our non-GAAP measures. Beginning in the second quarter of 2024, we changed our non-GAAP policy to exclude all stock-based compensation to align with our peers and we have also excluded all stock-based compensation from our prior-period non-GAAP financial measures. Management has excluded the effects of these items in non-GAAP financial measures to help investors gain a better understanding of our core operating results and future prospects, consistent with how management measures and forecasts our performance, especially when comparing such results to previous periods or forecasts. We encourage investors to carefully consider its results under GAAP, as well as its supplemental non-GAAP information and the reconciliation between these presentations, to more fully understand its business. Reconciliations between our GAAP results and non-GAAP financial measures are presented in the Appendix.

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Key Q3 2024 results and FY 2024 outlook

1. **Exceptional Q3 revenue of \$115.9M**, growing 29% year-over-year (YoY)
2. **Testing volumes grew 24% YoY** to 36,792 tests; grew total volume by 20% YoY to 39,032 tests
3. **Delivered adjusted EBITDA margin of 24%**, and 20% YTD¹, nearing our 25% target
4. **Generated \$38M of cash driven by \$30M in cash from operations**, ending quarter cash balance was **\$274M**
5. **Raised 2024 revenue guidance** for third consecutive quarter to \$442M to \$445M and 2024 year-end cash² guidance to \$280M to \$285M³

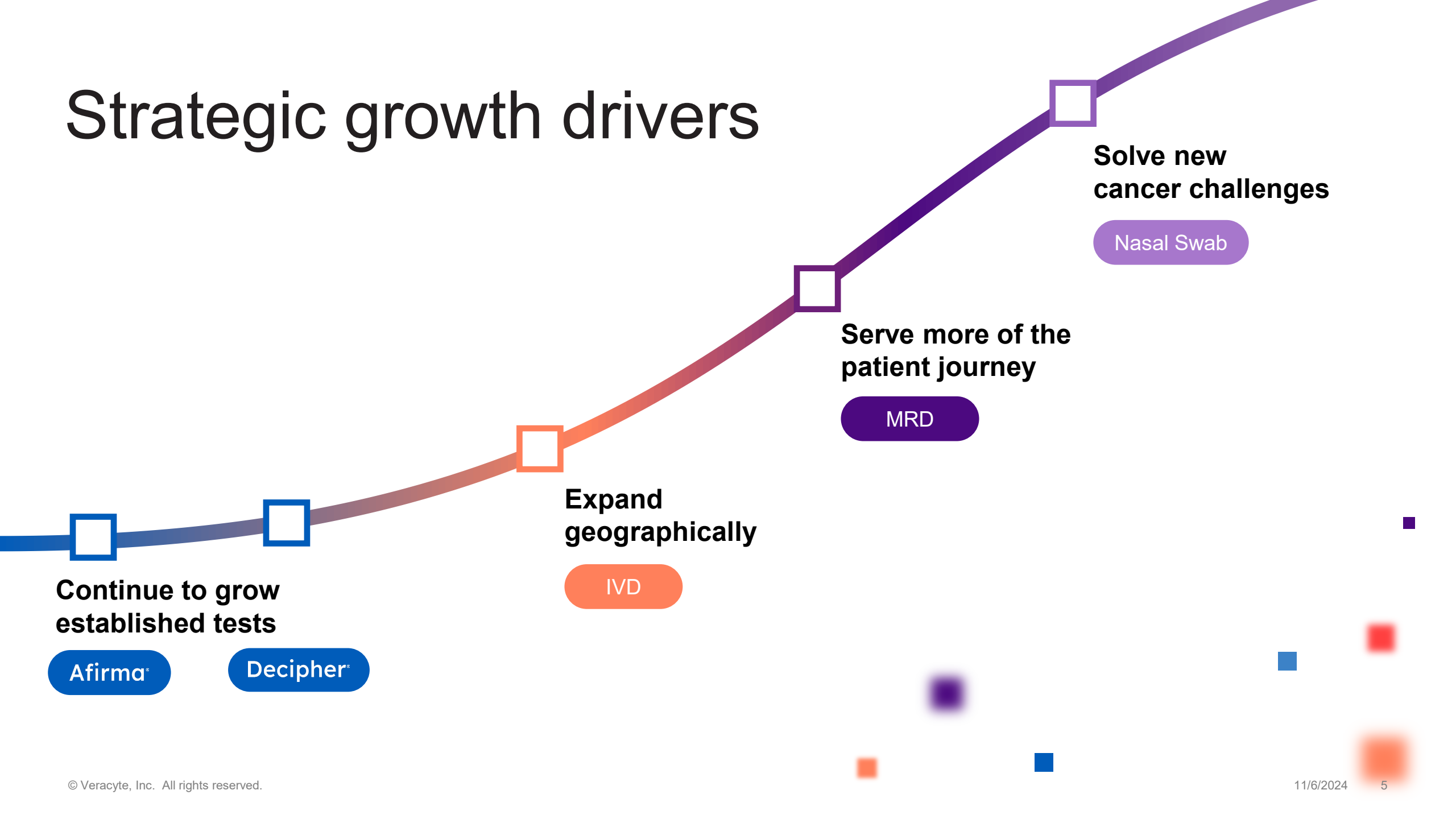
1. Non-GAAP reconciliations available in the appendix of this presentation
2. Includes cash, cash equivalents and short-term investments
3. Guidance as of November 6, 2024 only; assumes currency exchange rates as of November 6, 2024



Our vision is to
transform cancer
care for patients
all over the world



Strategic growth drivers



Continue to grow established tests

Afirma[®]

Decipher[®]

Expand geographically

IVD

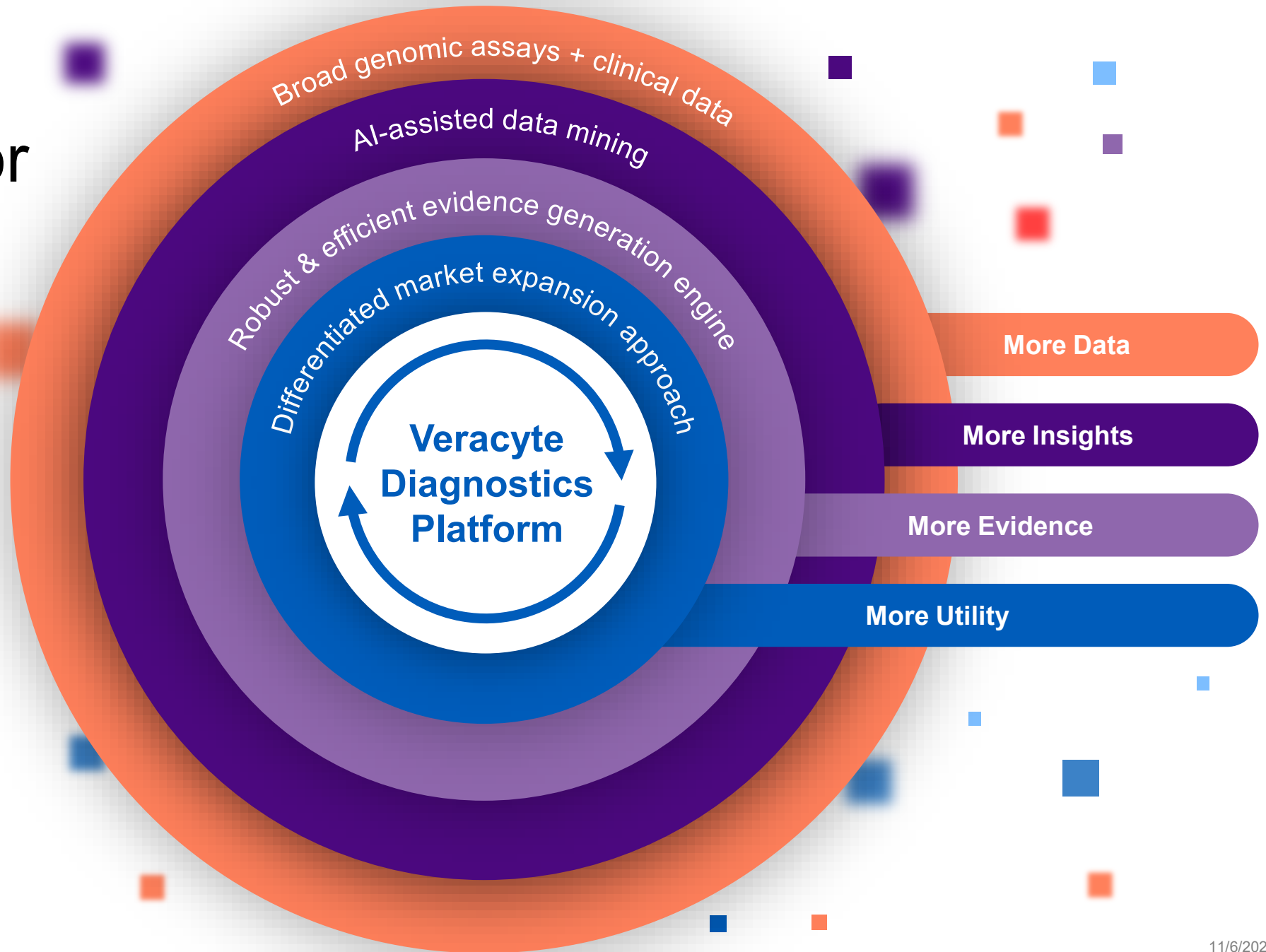
Serve more of the patient journey

MRD

Solve new cancer challenges

Nasal Swab

A novel platform for growth



The logo features a central white circle with the text "Veracyte Diagnostics Platform" in blue. This circle is surrounded by concentric rings of blue, purple, and orange. A white speech bubble tail points from the logo towards the text on the right.

Veracyte Diagnostics Platform



Expanded LCD for Afirma adding coverage for patients with Bethesda V nodules in effect as of July 28



14 publications, abstracts and presentations focused on Decipher Prostate and GRID



New data from STAMPEDE trial shared at ESMO demonstrated significant utility of Decipher Prostate test for patients with metastatic disease



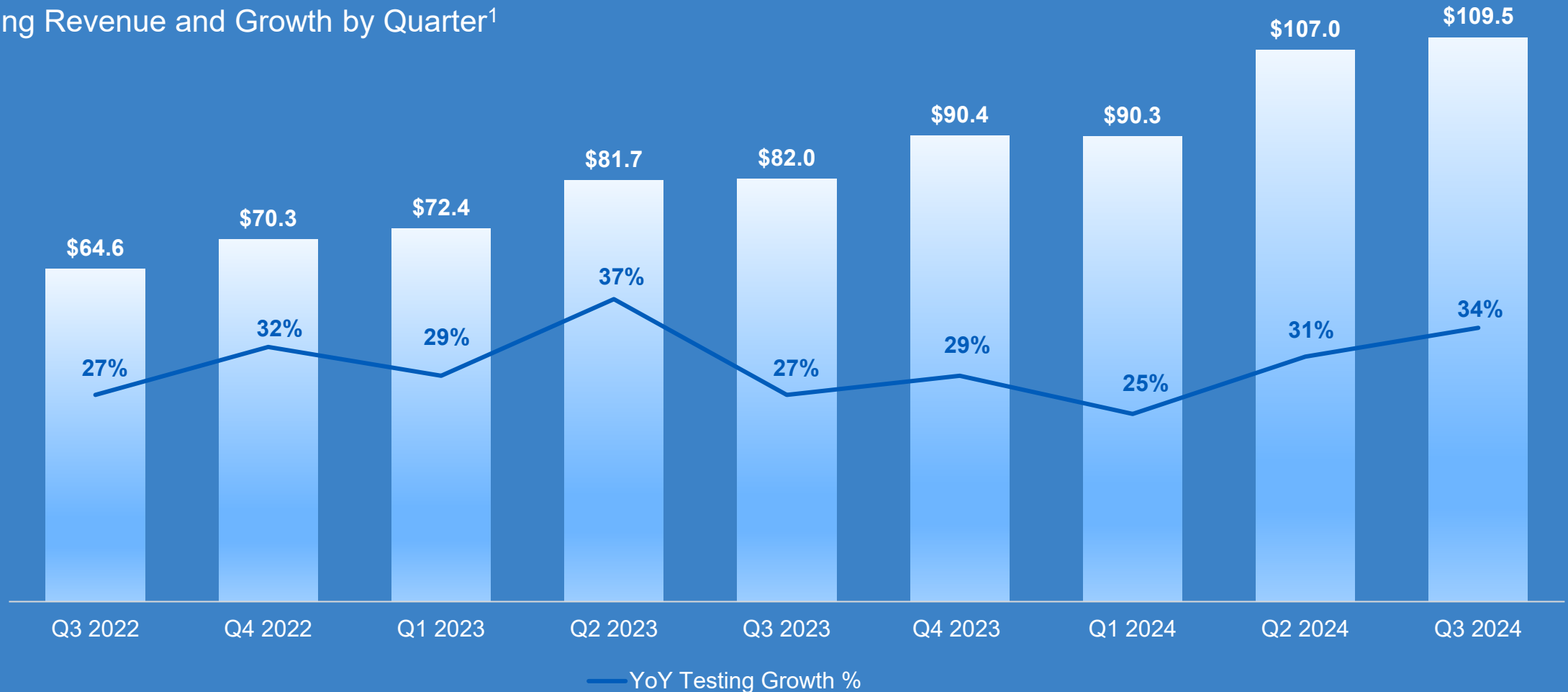
New data from VANDAAM trial shared at ASTRO showed how Decipher closes the gap for high-risk individuals with early-stage prostate cancer



Data published in European Urology detailing clinical utility of Veracyte's MRD solution for MIBC

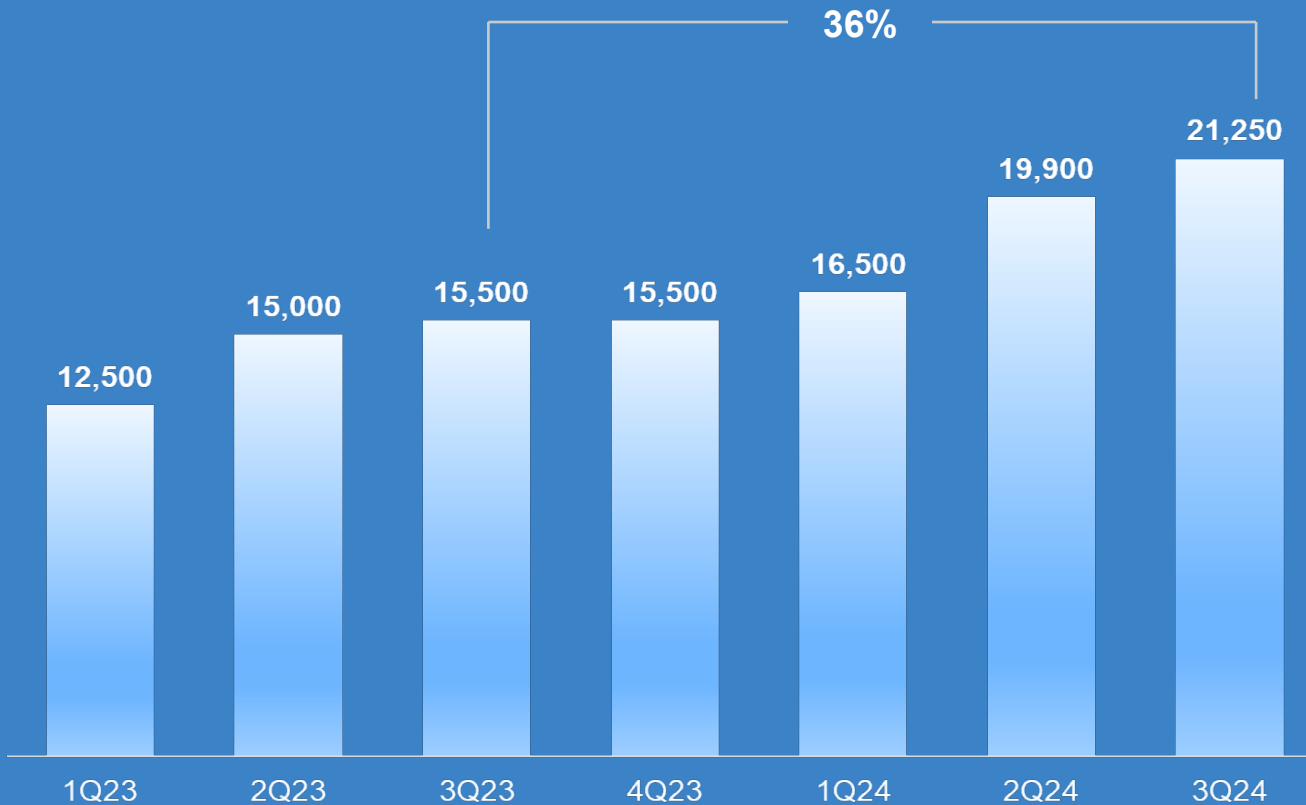
Demonstrated durable testing growth

Testing Revenue and Growth by Quarter¹



Growing Decipher

Quarterly Volume¹



1. Approximate volume as reported



Growth across all NCCN localized risk categories in Q3



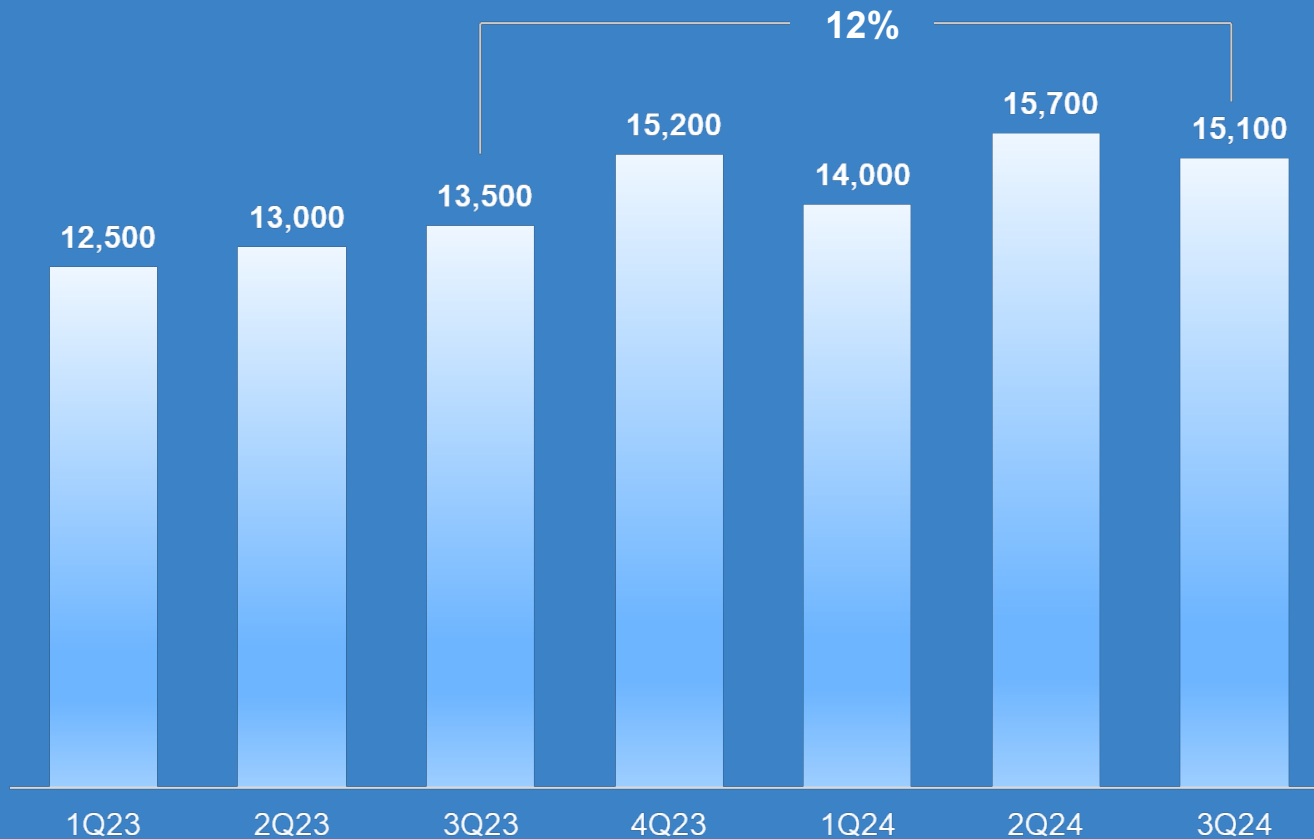
Decipher available to patients with metastatic disease in 2025 (Post finalized LCD)



85 clinical studies on Decipher's clinical utility and validity to date

Growing Afirma

Quarterly Volume¹



1. Approximate volume as reported



~50 rep sales force is driving durable adoption and significant leverage



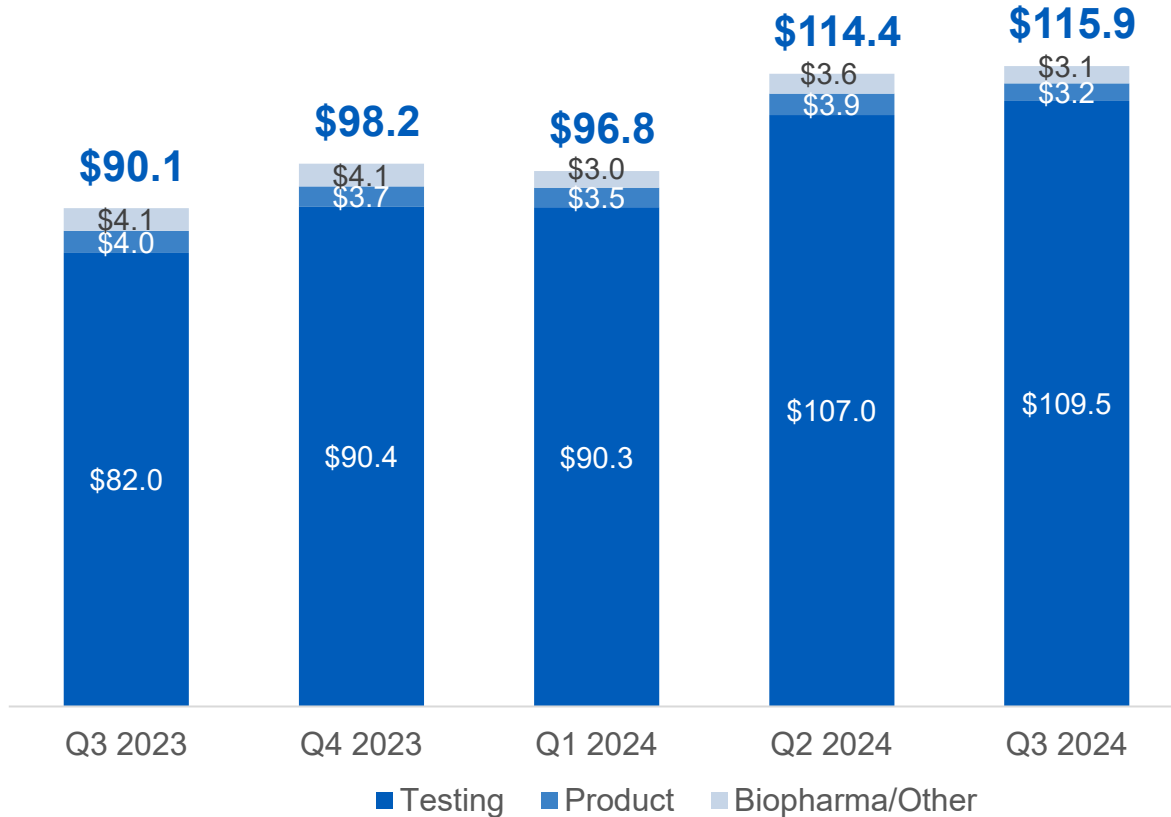
Growth from share gains and physicians new to molecular testing



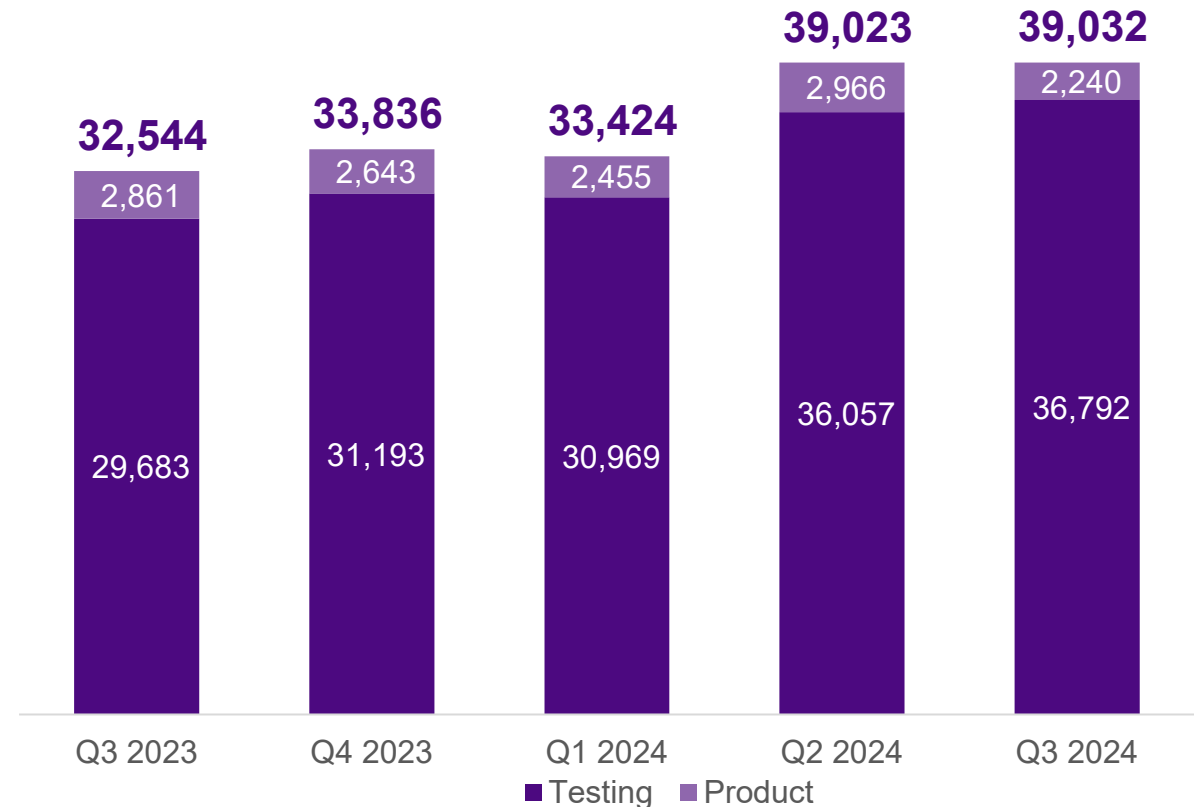
Expanded LCD is now in effect for Bethesda V population

Delivered testing revenue growth of 34%, total revenue of 29%

Total Revenue by Quarter¹

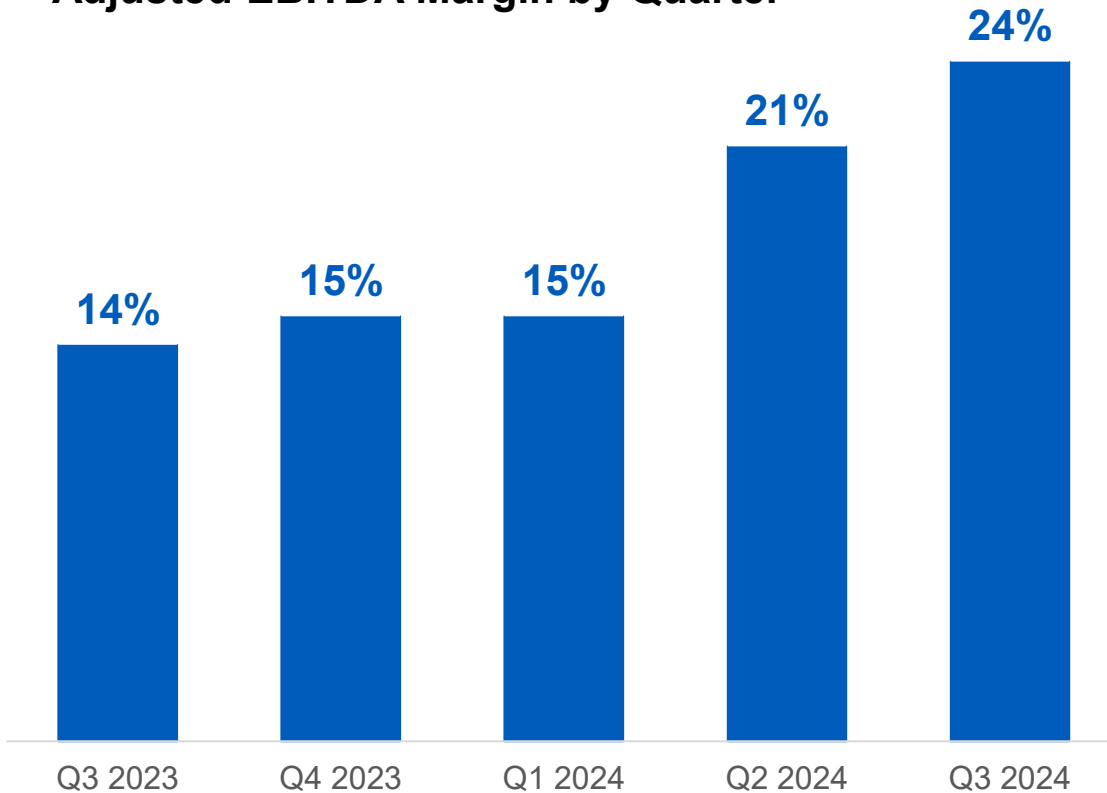


Total Volume by Quarter



Proven profitability profile

Adjusted EBITDA Margin by Quarter¹



Cash balance²

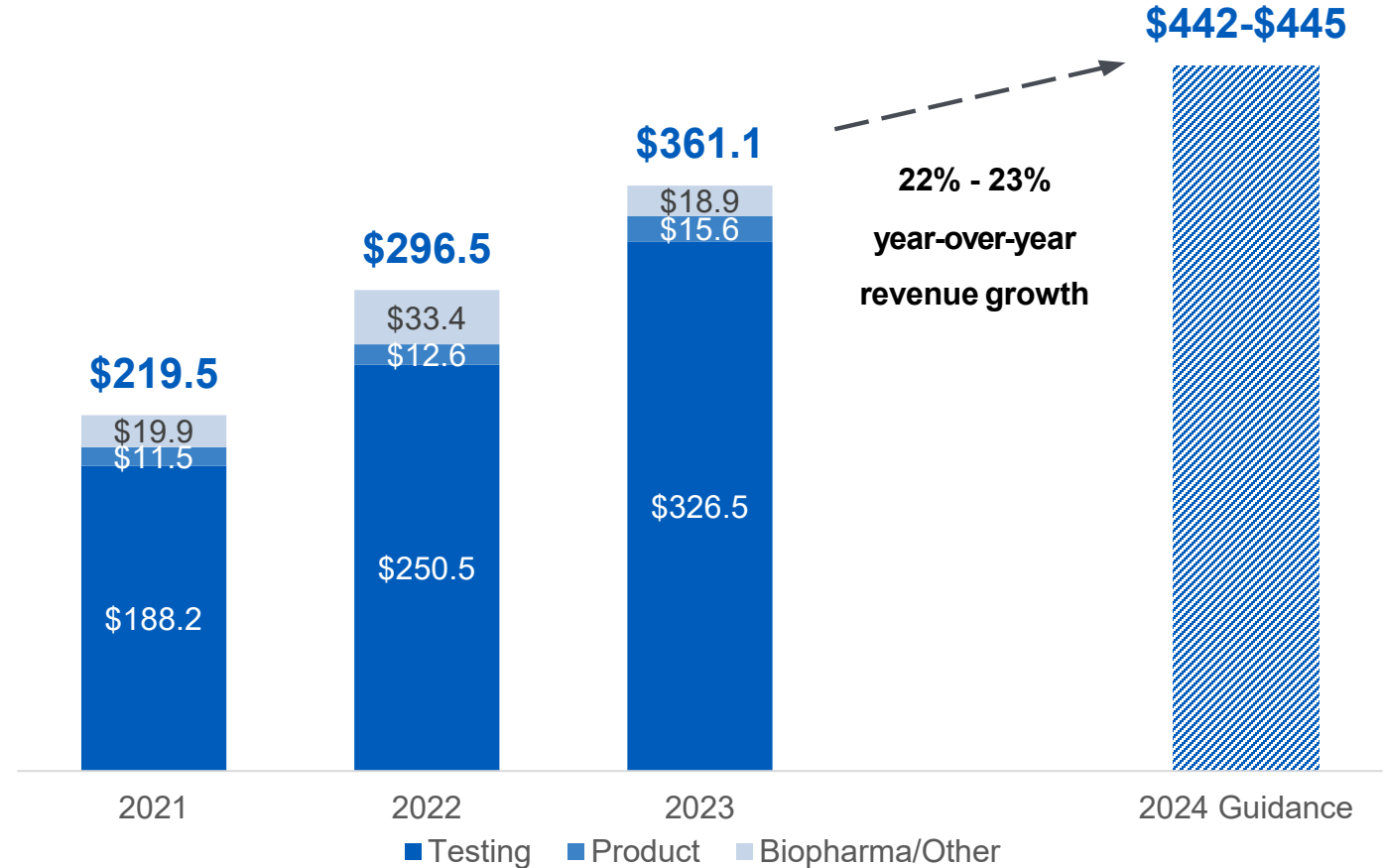


1. Non-GAAP reconciliations available in the appendix of this presentation

2. Ending balance of cash, cash equivalents and short-term investments, excluding restricted cash, in millions, as of September 30, 2024

Increased 2024 revenue guidance to \$442M to \$445M

- Third consecutive raise for 2024 revenue guidance
- Increasing expectations from previous range of \$432 - \$438M due to year-to-date results and higher testing forecast
- Expect year-over-year testing revenue growth of ~28% (previously ~25%)



1. Testing, Product and Biopharma and other revenue rounded and summarized as presented in millions

2. Guidance and currency rates are as of November 6, 2024; guidance inclusion after November 6, 2024 here should not be considered a reiteration of guidance

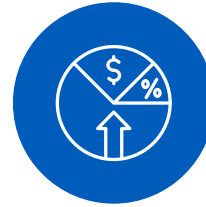
Guidance updates¹



REVENUE

\$442M to \$445M
(22% - 23% YOY growth)

- Expect year-over-year testing revenue growth of ~28% (previously ~25%)
- High-single-digit growth in 2025 for Afirm



ADJ EBITDA

Slightly > 20%
(FY 2024 adjusted
EBITDA margin)



CASH

\$280M - \$285M
(at end of 2024)

- Increasing expectations from previous range of \$260M- \$270M
- Includes \$10M - \$15M of milestones and capital expenditures in Q4

1. Guidance and currency rates are as of November 6, 2024; guidance inclusion after November 6, 2024 here should not be considered a reiteration of guidance

Contact us

INVESTORS

investors@Veracyte.com

MEDIA

media@Veracyte.com

 twitter.com/Veracyte

 linkedin.com/company/Veracyte

 veracyte.com

CORPORATE HQ

6000 Shoreline Court, Ste. 300
South San Francisco, CA 94080
650.243.6300





Reconciliation of Non-GAAP Gross Profit and Gross Margin

(Unaudited)
(In thousands of dollars)

Three Months Ended	Jun 30, 2023	Sep 30, 2023	Dec 31, 2023	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024
GAAP cost of testing revenue	\$ 23,333	\$ 21,827	\$ 24,105	\$ 25,979	\$ 27,920	\$ 29,029
Stock-based compensation expense	(381)	(382)	(392)	(390)	(497)	(524)
Acquisition related expenses (1)	-	-	-	(60)	-	-
Other adjustments (2)	-	-	-	(6)	-	-
Non-GAAP cost of testing revenue	\$ 22,952	\$ 21,445	\$ 23,713	\$ 25,523	\$ 27,423	\$ 28,505
GAAP cost of product revenue	\$ 2,315	\$ 2,436	\$ 1,753	\$ 2,644	\$ 1,874	\$ 1,792
Stock-based compensation expense	-	-	-	(1)	(1)	(1)
Acquisition related expenses (1)	-	-	-	-	-	-
Other adjustments (2)	-	-	-	-	-	-
Non-GAAP cost of product revenue	\$ 2,315	\$ 2,436	\$ 1,753	\$ 2,643	\$ 1,873	\$ 1,791
GAAP cost of biopharmaceutical and other revenue	\$ 4,040	\$ 3,347	\$ 3,518	\$ 2,838	\$ 3,812	\$ 3,112
Stock-based compensation expense	(116)	(120)	(80)	(96)	(106)	(62)
Acquisition related expenses (1)	-	-	-	-	-	-
Other adjustments (2)	-	-	-	-	-	-
Non-GAAP cost of biopharmaceutical and other revenue	\$ 3,924	\$ 3,227	\$ 3,438	\$ 2,742	\$ 3,706	\$ 3,050
GAAP Gross Profit	\$ 55,820	\$ 57,687	\$ 64,788	\$ 62,468	\$ 77,913	\$ 79,010
GAAP Gross Margin	62 %	64 %	66 %	65 %	68 %	68 %
Amortization of intangible assets	4,814	4,811	4,035	2,915	2,909	2,917
Stock-based compensation expense	497	502	472	487	604	587
Acquisition related expenses (1)	-	-	-	60	-	-
Other adjustments (2)	-	-	-	6	-	-
Non-GAAP Gross Profit	\$ 61,131	\$ 63,000	\$ 69,295	\$ 65,936	\$ 81,426	\$ 82,514
Non-GAAP Gross Margin	68 %	70 %	71 %	68 %	71 %	71 %

1. Includes transaction-related expenses as well as post-combination compensation expenses. For the three months ended Mar 31, 2024, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics.
2. For the three months ended Mar 31, 2024, adjustments include expense related to restructuring costs associated with portfolio prioritization.
3. Some figures rounded for reporting purposes. Summed quarters may differ slightly from year-to-date figures presented due to rounding.

Reconciliation of Non-GAAP Operating Expenses

(Unaudited)

(In thousands of dollars)

Three Months Ended	Jun 30, 2023	Sep 30, 2023	Dec 31, 2023	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024
GAAP research and development	\$ 12,541	\$ 13,322	\$ 18,673	\$ 15,965	\$ 16,465	\$ 17,574
Stock-based compensation expense	(1,439)	(1,135)	(1,495)	(1,763)	(1,895)	(1,957)
Acquisition related expenses (1)	-	-	-	(420)	23	459
Other adjustments (2)	-	-	-	(278)	2	5
Non-GAAP research and development	\$ 11,102	\$ 12,187	\$ 17,178	\$ 13,504	\$ 14,595	\$ 16,081
GAAP sales and marketing	\$ 25,756	\$ 24,344	\$ 25,260	\$ 23,782	\$ 24,216	\$ 22,612
Stock-based compensation expense	(2,494)	(2,521)	(2,498)	(1,093)	(2,142)	(1,790)
Acquisition related expenses (1)	(567)	(209)	-	(124)	-	-
Other adjustments (2)	-	-	-	(900)	(194)	7
Non-GAAP sales and marketing	\$ 22,695	\$ 21,614	\$ 22,762	\$ 21,665	\$ 21,880	\$ 20,829
GAAP general and administrative	\$ 25,047	\$ 16,334	\$ 23,795	\$ 26,210	\$ 31,745	\$ 25,742
Stock-based compensation expense	(6,019)	(3,174)	(3,142)	(4,676)	(5,213)	(4,413)
Acquisition related expenses (1)	(1,134)	4,790	(2,718)	(3,469)	(1,116)	(349)
Other adjustments (2)	-	-	-	(266)	(2,854)	(248)
Non-GAAP general and administrative	\$ 17,894	\$ 17,950	\$ 17,935	\$ 17,799	\$ 22,562	\$ 20,732
GAAP total operating expenses	\$ 63,871	\$ 89,426	\$ 100,295	\$ 67,124	\$ 73,307	\$ 66,993
Amortization of intangible assets	(527)	(526)	(528)	(738)	(881)	(880)
Stock-based compensation expense	(9,952)	(6,830)	(7,135)	(7,532)	(9,250)	(8,160)
Acquisition related expenses (1)	(1,701)	4,581	(2,718)	(4,442)	(1,093)	(75)
Other adjustments (2)	-	(34,900)	(32,039)	(1,444)	(3,046)	(236)
Non-GAAP total operating expenses	\$ 51,691	\$ 51,751	\$ 57,875	\$ 52,968	\$ 59,037	\$ 57,642

- Includes transaction-related expenses as well as post-combination compensation expenses. For the three months ended Sep 30, 2024, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics (\$0.1 million). For the three months ended Jun 30, 2024, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics (\$1.0 million) and adjustments relating to the remeasurement of contingent consideration related to our adoption of a multi-platform IVD strategy (\$0.1 million). For the three months ended Mar 31, 2024, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics. For the three months ended Dec 31, 2023, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics (\$2.6 million) and remeasurement of contingent consideration related to our adoption of a multi-platform IVD strategy (\$0.1 million). For the three months ended Sep 30, 2023, adjustments consist primarily of remeasurement of contingent consideration related to our adoption of a multi-platform IVD strategy and post-combination compensation expenses associated with the acquisition of HalioDx. For the three months ended June 30, 2023, adjustments consist primarily of post-combination compensation expenses associated with the acquisition of HalioDx.
- For the three months ended Sep 30, 2024, adjustments primarily include expense related to restructuring costs (\$0.2 million). For the three months ended Jun 30, 2024, adjustments primarily include expense related to restructuring costs associated with a reduction in our Biopharmaceutical and Other segment (\$2.9 million) and expense related to restructuring costs associated with portfolio prioritization including the reduction in Envisia commercial support (\$0.2 million). For the three months ended Mar 31, 2024, adjustment includes \$1.4 million expense related to restructuring costs associated with portfolio prioritization including the reduction in Envisia commercial support. For the three months ended Dec 31, 2023, adjustment includes \$32.0 million expense related to the impairment charge associated with HalioDx developed technology, customer relationships and customer backlog finite-lived intangible assets. For the three months ended Sep 30, 2023, adjustment includes \$34.9 million related to nCounter license impairment related to our adoption of a multi-platform IVD strategy.
- Some figures rounded for reporting purposes. Summed quarters may differ slightly from year-to-date figures presented due to rounding.

Reconciliation of Adjusted EBITDA

(Unaudited)
(In thousands of dollars)

Three Months Ended	Jun 30, 2023	Sep 30, 2023	Dec 31, 2023	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024
GAAP Net Income (Loss)	\$ (8,402)	\$ (29,618)	\$ (28,293)	\$ (1,864)	\$ 5,734	\$ 15,155
Amortization of intangible assets	5,341	5,337	4,563	3,653	3,790	3,797
Depreciation expense	1,518	1,985	1,773	1,937	1,948	2,081
Stock-based compensation expense	10,449	7,332	7,607	8,019	9,854	8,747
Acquisition related expenses (1)	1,701	(4,581)	2,718	4,502	1,093	75
Other expense (income), net (2)	287	(2,620)	(3,399)	(3,262)	(3,052)	(3,366)
Other adjustments (3)	-	34,900	32,039	1,450	3,046	(853)
Income tax expense (benefit)	125	(154)	(2,179)	(44)	1,627	1,693
Adjusted EBITDA	\$ 11,019	\$ 12,581	\$ 14,829	\$ 14,391	\$ 24,040	\$ 27,329

- Includes transaction-related expenses as well as post-combination compensation expenses. For the three months ended Sep 30, 2024, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics (\$0.1 million). For the three months ended June 30, 2024, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics (\$1.0 million) and adjustments relating to the remeasurement of contingent consideration related to our adoption of a multi-platform IVD strategy (\$0.1 million). For the three months ended Mar 31, 2024, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics. For the three months ended Dec 31, 2023, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics (\$2.6 million) and remeasurement of contingent consideration related to our adoption of a multi-platform IVD strategy (\$0.1 million). For the three months ended Sep 30, 2023, adjustments consist primarily of remeasurement of contingent consideration related to our adoption of a multi-platform IVD strategy and post-combination compensation expenses associated with the acquisition of HalioDx. For the three months ended June 30, 2023, adjustments consist primarily of post-combination compensation expenses associated with the acquisition of HalioDx.
- Includes interest income and income related to research tax credits.
- For the three months ended Sep 30, 2024, adjustments include the exclusion of unrealized gains associated with foreign exchange impacts on stock-based compensation and intercompany loans (\$1.1 million) partially offset by expense related to restructuring costs (\$0.2 million). For the three months ended June 30, 2024, adjustments primarily include expense related to restructuring costs associated with a reduction in our Biopharmaceutical and Other segment (\$2.9 million) and expense related to restructuring costs associated with portfolio prioritization including the reduction in Envisia commercial support (\$0.2 million). For the three months ended Mar 31, 2024, adjustment includes \$1.4 million expense related to restructuring costs associated with portfolio prioritization including the reduction in Envisia commercial support. For the three months ended Dec 31, 2023, adjustment includes \$32.0 million expense related to the impairment charge associated with HalioDx developed technology, customer relationships and customer backlog finite-lived intangible assets. For the three months ended Sep 30, 2023, adjustment includes \$34.9 million related to nCounter license impairment related to our adoption of a multi-platform IVD strategy.
- Some figures rounded for reporting purposes. Summed quarters may differ slightly from year-to-date figures presented due to rounding.

Reconciliation of Non-GAAP Net Income, EPS and WASO

(Unaudited)
(In thousands of dollars)

Three Months Ended	Jun 30, 2023	Sep 30, 2023	Dec 31, 2023	Mar 31, 2024	Jun 30, 2024	Sep 30, 2024
GAAP Net Income (Loss)	\$ (8,402)	\$ (29,618)	\$ (28,293)	\$ (1,864)	\$ 5,734	\$ 15,155
Amortization of intangible assets	5,341	5,337	4,563	3,653	3,790	3,797
Stock-based compensation expense	10,449	7,332	7,607	8,019	9,854	8,747
Acquisition related expenses (1)	1,701	(4,581)	2,718	4,502	1,093	75
Other adjustments (2)	-	34,900	32,039	1,450	3,046	(853)
Tax adjustments (3)	(551)	(1,124)	(3,387)	(1,132)	(114)	(933)
Non-GAAP Net Income	\$ 8,538	\$ 12,246	\$ 15,247	\$ 14,628	\$ 23,403	\$ 25,988
Diluted EPS, GAAP	\$ (0.12)	\$ (0.41)	\$ (0.39)	\$ (0.02)	\$ 0.07	\$ 0.19
Amortization of intangible assets	0.07	0.07	0.06	0.05	0.05	0.05
Stock-based compensation expense	0.14	0.10	0.10	0.11	0.13	0.11
Acquisition related expenses (1)	0.02	(0.06)	0.04	0.06	0.01	-
Other adjustments (2)	-	0.48	0.44	0.02	0.04	(0.01)
Tax adjustments (3)	(0.01)	(0.02)	(0.05)	(0.02)	-	(0.01)
Rounding and impact of dilutive shares	0.02	0.01	0.01	(0.01)	-	-
Diluted EPS, non-GAAP	\$ 0.12	\$ 0.17	\$ 0.21	\$ 0.19	\$ 0.30	\$ 0.33
Diluted WASO, GAAP	72,478,662	72,804,770	73,107,059	74,759,789	77,163,149	78,464,654
Dilutive effect of equity awards (4)	1,221,721	1,326,143	1,117,195	1,117,286	-	-
Diluted WASO, non-GAAP	73,700,383	74,130,913	74,224,254	75,877,075	77,163,149	78,464,654

- Includes transaction-related expenses as well as post-combination compensation expenses. For the three months ended Sep 30, 2024, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics (\$0.1 million). For the three months ended Jun 30, 2024, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics (\$1.0 million) and adjustments relating to the remeasurement of contingent consideration related to our adoption of a multi-platform IVD strategy (\$0.1 million). For the three months ended Mar 31, 2024, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics. For the three months ended Dec 31, 2023, adjustments consist primarily of transaction related expenses associated with the acquisition of C2i Genomics (\$2.6 million) and remeasurement of contingent consideration related to our adoption of a multi-platform IVD strategy (\$0.1 million). For the three months ended Sep 30, 2023, adjustments consist primarily of remeasurement of contingent consideration related to our adoption of a multi-platform IVD strategy and post-combination compensation expenses associated with the acquisition of HalioDx. For the three months ended June 30, 2023, adjustments consist primarily of post-combination compensation expenses associated with the acquisition of HalioDx.
- For the three months ended Sep 30, 2024, adjustments include the exclusion of unrealized gains associated with foreign exchange impacts on stock-based compensation and intercompany loans (\$1.1 million) partially offset by expense related to restructuring costs (\$0.2 million). For the three months ended June 30, 2024, adjustments primarily include expense related to restructuring costs associated with a reduction in our Biopharmaceutical and Other segment (\$2.9 million) and expense related to restructuring costs associated with portfolio prioritization including the reduction in Envisia commercial support (\$0.2 million). For the three months ended Mar 31, 2024, adjustment includes \$1.4 million expense related to restructuring costs associated with portfolio prioritization including the reduction in Envisia commercial support. For the three months ended Dec 31, 2023, adjustment includes \$32.0 million expense related to the impairment charge associated with HalioDx developed technology, customer relationships and customer backlog finite-lived intangible assets. For the three months ended Sep 30, 2023, adjustment includes \$34.9 million related to nCounter license impairment related to our adoption of a multi-platform IVD strategy.
- Incremental non-GAAP tax expense reflects the tax impact of the non-GAAP adjustments listed.
- In those periods in which GAAP net (loss) income is negative and non-GAAP net (loss) income is positive, non-GAAP diluted weighted average shares outstanding includes potentially dilutive common shares from equity awards as determined using the treasury stock method.
- Some figures rounded for reporting purposes. Summed quarters may differ slightly from year-to-date figures presented due to rounding or use of weighted-averages when calculating earnings per share.