

Statement Regarding Use of Non-GAAP Financial Measures

In this press release, 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, including non-GAAP gross margin, non-GAAP gross profit, non-GAAP net income (loss), non-GAAP operating income (loss), and non-GAAP earnings (loss) per share. Management believes that presentation of operating results using these 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, while excluding certain expenses that may not be indicative of the Company's recurring core business operating results. In addition, management believes these non-GAAP financial measures are useful to investors both because they (1) allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making and (2) are used by OraSure's institutional investors and the analysis community to help them analyze the health of OraSure's business. Management also uses non-GAAP financial measures to establish budgets and to manage the Company's business. A reconciliation of the GAAP financial results to non-GAAP financial results is included in the schedules below and a description of the adjustments made to the GAAP financial measures is included at the end of the schedules.

The Company encourages 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. Non-GAAP financial results are reported in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. Further, non-GAAP financial measures, even if similarly titled, may not be calculated in the same manner by all companies, and therefore should not be compared.

A reconciliation of our non-GAAP measures to their most directly comparable GAAP measures can be found at: <https://orasure.gcs-web.com/gAAP-non-gAAP-reconciliation>

OraSure Technologies GAAP to Non-GAAP Reconciliation (\$ in 000's)

	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2024	2023	2024	2023
Revenue	\$ 37,445	\$ 75,881	\$ 185,827	\$ 405,472
GAAP Cost of products and services sold	23,879	40,755	106,437	233,820
<i>GAAP Gross Margin</i>	36.2%	46.3%	42.7%	42.3%
Stock compensation	195	138	734	564
Amortization of acquisition-related intangible assets	—	—	—	396
Reduction in workforce severance	239	—	1,366	369
Transformation related expenses	—	—	—	281
Inventory reserve for product line discontinuance	1,000	—	1,000	—
Non-GAAP Cost of Goods Sold	22,445	40,617	103,337	232,210
<i>Non-GAAP Gross Margin</i>	40.1%	46.5%	44.4%	42.7%
GAAP Operating Income (Loss)	(12,418)	3,898	(28,250)	32,684
Stock compensation	2,741	3,127	11,919	10,729
Amortization of acquisition-related intangible	103	150	279	1,549
Reduction in workforce severance	849	—	3,258	3,265
Inventory reserve for product line discontinuance	1,000	—	1,000	—
Loss on impairment	—	3,326	4,392	10,829
Transformation related expenses	—	—	—	707
Transaction costs	980	650	980	650
Government grant accounting	—	—	—	2,036
Change in fair value of acquisition-related contingent consideration	—	—	—	(99)
Non-GAAP Operating Income (Loss)	(6,745)	11,151	(6,422)	62,350
GAAP Net Income (Loss)	(10,794)	20,073	\$ (19,500)	53,655
Stock compensation	2,741	3,127	11,919	10,729
Amortization of acquisition-related intangible	103	150	279	1,549
Reduction in workforce severance	849	—	3,258	3,264
Inventory reserve for product line discontinuance	1,000	—	1,000	—
Loss on impairment	—	3,326	4,392	10,829
Transformation related expenses	—	—	—	707
Transaction costs	980	650	980	650
Change in fair value of contingent consideration	—	—	—	(99)
Loss on equity investment	529	—	1,700	—
Additional profit from government contract	—	(12,802)	—	(12,802)
Tax effect of non-GAAP adjustments	362	(1,003)	(85)	(2,171)
Non-GAAP Net Income (Loss)	\$ (4,230)	\$ 13,521	\$ 3,943	\$ 66,311
GAAP Earnings (Loss) Per Share:	\$ (0.14)	\$ 0.27	\$ (0.26)	\$ 0.72
Non-GAAP Earnings (Loss) Per Share:	\$ (0.06)	\$ 0.18	\$ 0.05	\$ 0.89
Diluted Shares Outstanding	74,597	75,013	74,434	74,389
Diluted Shares Outstanding Used For Computing Non-GAAP Earnings (Loss) Per Share	74,597	75,013	75,329	74,389

The following is a description of the adjustments made to GAAP financial measures:

- Stock Compensation: non-cash equity-based compensation provided to OraSure employees and directors
- Amortization of acquisition-related intangible assets: represents recurring amortization charges resulting from the acquisition of intangible assets associated with our business combinations
- Reduction in workforce severance: termination benefits associated with the Company's workforce reduction associated with certain business events
- Inventory reserve for product line discontinuance: represents the write down of inventory associated with the risk assessment line of business that is discontinued
- Loss on impairment: charges related to the write down of Company's intangibles, PP&E, or leased assets
- Transformation related expenses: transitory costs such as consulting and professional fees related to transformation initiatives
- Government contract accounting: As required under International Accounting Standard Board IAS 20, *Accounting for Government Contracts and Disclosure of Government Assistance*, our operating expenses associated with the Department of Defense expansion contract are reflected in operating expenses with offsetting reimbursement reflected in other income
- Change in fair value of acquisition-related contingent consideration: changes in the fair value of contingent consideration liability associated with estimate changes in reaching contingent consideration metrics
- Loss on equity investment: we have excluded our proportionate share of our equity method investee's net loss as we do not have direct control over the investee's operations or resulting revenue and expenses
- Tax impact associated with non-GAAP adjustments – tax expense/(benefit) due to non-GAAP adjustments

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