

## Q3-24 Earnings Summary

### Financial Highlights

	FY22	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24	3Q24
Total Revenue	\$387.5	\$155.0	\$85.4	\$89.2	\$75.9	\$405.5	\$54.1	\$54.3	\$39.9
YoY Growth	65.8%	129.0%	6.5%	-23.4%	-38.4%	4.6%	-65.1%	-36.4%	-55.3%
Core Revenue	\$136.8	\$35.1	\$36.5	\$38.2	\$33.3	\$143.1	\$30.1	\$34.6	\$37.8
YoY Growth	-5.6%	-0.3%	3.1%	6.8%	0.4%	4.6%	-14.2%	-5.4%	-1.1%
COVID-19 Revenue	\$243.4	\$118.5	\$47.5	\$50.2	\$41.7	\$257.9	\$23.1	\$18.9	\$2.2
YoY Growth	216.5%	282.3%	9.5%	-37.3%	-53.2%	6.0%	-80.5%	-60.1%	-95.7%
Molecular Svcs Revenue	\$7.3	\$1.4	\$1.4	\$0.8	\$0.9	\$4.5	\$0.9	\$0.8	\$0.0
YoY Growth	-38.4%	282.3%	9.5%	-37.3%	-53.2%	-38.7%	-36.7%	-40.2%	-98.9%
GAAP Gross Profit	\$148.4	\$65.8	\$26.4	\$44.3	\$35.1	\$171.6	\$24.1	\$24.7	\$17.1
Gross Margin	38.3%	42.5%	30.9%	49.7%	46.3%	42.3%	44.5%	45.4%	42.8%
Non-GAAP Gross Profit	\$155.3	\$66.3	\$35.9	\$44.6	\$37.7	\$184.5	\$24.4	\$25.8	\$17.3
Non-GAAP Gross Margin	40.1%	42.8%	42.0%	50.0%	49.7%	45.5%	45.2%	47.4%	43.3%
GAAP Operating Profit	\$(22.2)	\$24.3	\$(6.4)	\$10.9	\$3.9	\$32.7	\$(7.1)	\$(2.7)	\$(6.0)
Operating Margin	-5.7%	15.7%	-7.5%	12.2%	5.1%	8.1%	-13.1%	-5.0%	-15.0%
Non-GAAP Operating Profit	\$22.5	\$32.7	\$6.7	\$20.6	\$13.6	\$73.6	\$(0.3)	\$3.3	\$(2.7)
Non-GAAP Operating Margin	5.8%	21.1%	7.9%	23.1%	18.0%	18.2%	-0.6%	6.2%	-6.8%
GAAP EPS	\$(0.24)	\$0.37	\$(0.07)	\$0.15	\$0.27	\$0.72	\$(0.05)	\$(0.01)	\$(0.06)
Non-GAAP EPS	\$0.36	\$0.47	\$0.09	\$0.27	\$0.22	\$1.04	\$0.04	\$0.08	\$(0.01)

### Key Quarterly Takeaways

**Q3 Total Revenue and Core Revenue were in the top half of our guidance range**, and we anticipate year-over-year growth in Core revenue in Q4.

**Q3 Core revenue decreased 1% year-over-year**, with Diagnostics revenue growing 13% to \$22.0 million and Sample Management revenue declining 16% to \$12.8 million.

**OraQuick® HCV Self-test received initial international orders** following receipt of WHO pre-qualification status in July.

**Initiated steps to exit Risk Assessment Testing business** in order to focus on markets that better align with our strengths.

**Generated \$13 million of Operating Cash flow in Q3**, including positive cash flow from operations for the core business.

**Provided Q4-24 financial guidance** for revenue of \$36 to \$38 million, which includes Core revenue of \$35 to \$37 million and COVID-19 revenue of \$1 million.

**Cash and equivalents balance of \$279 million as of Sept. 30.**

### Business Highlights

- Total revenue in Q3 of \$39.9 million was in the top half of our guidance range of \$37 to \$41 million.
- Core revenue in Q3 of \$37.8 million was in the top half of our guidance range of \$36 to \$39 million.
- Received initial international orders for our OraQuick® HCV Self-test following receipt of WHO pre-qualification status in July. The OraQuick® HCV Self-test is the first Hepatitis C self-test to earn this designation, and we are working to bring this test to populations in need.
- Expanding our sample management portfolio with the planned launch of a new solution targeting the blood proteomics market in the second half of 2025. Blood proteomics is a large and rapidly growing market, and currently there are very few collection devices that effectively stabilize blood proteins in an easy-to-use format.
- Collaborated with PacBio to validate and endorse our saliva collection devices for use with PacBio's long-read genetic sequencing platforms.
- Initiated steps to wind down and exit our Risk Assessment testing business by the end of 2024. This decision is expected to sharpen our focus on markets that align with our strengths and that offer better opportunities for long-term growth and profitability.
- Generated \$13 million of operating cash flow in the third quarter, driven by positive cash flow generation in our Core business and collections of accounts receivable related to COVID-19.
- Ended Q3 with zero debt and \$279 million of total cash and cash equivalents.
- Q4 guidance for Core revenue of \$35 to \$37 million represents a return to year-over-year growth.

## Forward Looking Statements

This press release contains certain forward-looking statements, including with respect to products, product development and manufacturing activities, regulatory submissions and authorizations, revenue growth and guidance, expected revenue from government orders, cost savings, cash flow, increasing margins and other matters. Forward-looking statements are not guarantees of future performance or results. Known and unknown factors that could cause actual performance or results to be materially different from those expressed or implied in these statements include, but are not limited to: our ability to satisfy customer demand; ability to reduce our spending rate, capitalize on manufacturing efficiencies and drive profitable growth; ability to achieve the anticipated cost savings as a result of our business restructuring, including from insourcing third party manufacturing and exiting microbiome services; ability to market and sell products, whether through our internal, direct sales force or third parties; impact of significant customer concentration in the genomics business; failure of distributors or other customers to meet purchase forecasts, historic purchase levels or minimum purchase requirements for our products; ability to manufacture or have manufactured products in accordance with applicable specifications, performance standards and quality requirements; ability to obtain, and timing and cost of obtaining, necessary regulatory approvals for new products or new indications or applications for existing products; ability to comply with applicable regulatory requirements; ability to effectively resolve warning letters, audit observations and other findings or comments from the FDA or other regulators; the impact of the novel coronavirus ("COVID-19") pandemic or other public health crises on the Company's business, supply chain, labor force, ability to successfully develop new products, validate the expanded use of existing collector products, receive necessary regulatory approvals and authorizations and commercialize such products for COVID-19 testing, and demand for our COVID-19 testing products; changes in relationships, including disputes or disagreements, with strategic partners or other parties and reliance on strategic partners for the performance of critical activities under collaborative arrangements; impact of replacing distributors; inventory levels at distributors and other customers; ability of the Company to achieve its financial and strategic objectives and continue to increase its revenues, including the ability to expand international sales and the ability to continue to reduce costs; impact of competitors, competing products and technology changes; reduction or deferral of public funding available to customers; competition from new or better technology or lower cost products; ability to develop, commercialize and market new products; market acceptance of oral fluid or urine testing, collection or other products; market acceptance and uptake of microbiome informatics, microbial genetics technology and related analytics services; changes in market acceptance of products based on product performance or other factors, including changes in testing guidelines, algorithms or other recommendations by the Centers for Disease Control and Prevention or other agencies; ability to fund research and development and other products and operations; ability to obtain and maintain new or existing product distribution channels; reliance on sole supply sources for critical products and components; availability of related products produced by third parties or products required for use of our products; impact of contracting with the U.S. government; impact of negative economic conditions; ability to achieve and maintain sustained profitability; ability to utilize net operating loss carry forwards or other deferred tax assets; volatility of the Company's stock price; uncertainty relating to patent protection and potential patent infringement claims; uncertainty and costs of litigation relating to patents and other intellectual property; availability of licenses to patents or other technology; ability to enter into international manufacturing agreements; obstacles to international marketing and manufacturing of products; ability to sell products internationally, including the impact of changes in international funding sources and testing algorithms; adverse movements in foreign currency exchange rates; loss or impairment of sources of capital; ability to attract and retain qualified personnel; exposure to product liability and other types of litigation; changes in international, federal or state laws and regulations; customer consolidations and inventory practices; equipment failures and ability to obtain needed raw materials and components; cybersecurity breaches or other attacks involving our systems or those of our third-party contractors and IT service providers, suppliers and customers; the impact of terrorist attacks, civil unrest, hostilities and war ; and general political, business and economic conditions, including inflationary pressures and banking stability. These and other factors that could affect our results are discussed more fully in our SEC filings, including our registration statements, Annual Report on Form 10-K for the year ended December 31, 2023, Quarterly Reports on Form 10-Q, and other filings with the SEC. Although forward-looking statements help to provide information about future prospects, readers should keep in mind that forward-looking statements may not be reliable. Readers are cautioned not to place undue reliance on the forward-looking statements. The forward-looking statements are made as of the date of this press release and OraSure Technologies undertakes no duty to update these statements.

## 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 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 September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenue	\$ 39,915	\$ 89,187	\$ 148,382	\$ 329,591
GAAP Cost of products and services sold	22,845	44,847	82,558	193,065
<i>GAAP Gross Margin</i>	42.8%	49.7%	44.4%	41.4%
Stock compensation	195	137	539	426
Amortization of acquisition-related intangible assets	—	132	—	396
Reduction in workforce severance	7	—	1,127	369
Transformation related expenses	—	—	—	281
Non-GAAP Cost of Goods Sold	22,643	44,578	80,892	191,593
<i>Non-GAAP Gross Margin</i>	43.3%	50.0%	45.5%	41.9%
GAAP Operating Income (Loss)	(5,999)	10,894	(15,832)	28,786
Stock compensation	2,889	2,590	9,178	7,602
Amortization of acquisition-related intangible assets	59	467	176	1,399
Reduction in workforce severance	353	—	2,409	3,264
Loss on impairment	—	6,183	4,392	7,503
Transformation related expenses	—	26	—	707
Government grant accounting	—	448	—	2,036
Change in fair value of acquisition-related contingent consideration	—	(40)	—	(99)
Non-GAAP Operating Income (Loss)	(2,698)	20,568	323	51,198
GAAP Net Income (Loss)	(4,507)	11,159	\$ (8,706)	33,582
Stock compensation	2,889	2,590	9,178	7,602
Amortization of acquisition-related intangible assets	59	467	176	1,399
Reduction in workforce severance	353	—	2,409	3,264
Loss on impairment	—	6,183	4,392	7,503
Transformation related expenses	—	26	—	707
Change in fair value of acquisition-related contingent consideration	—	(40)	—	(99)
Loss on equity investment	611	—	1,171	—
Tax effect of Non-GAAP adjustments	(93)	(351)	(447)	(1,168)
Non-GAAP Net Income (Loss)	\$ (688)	\$ 20,034	\$ 8,173	\$ 52,790
GAAP Earnings (Loss) Per Share:	\$ (0.06)	\$ 0.15	\$ (0.12)	\$ 0.45
Non-GAAP Earnings (Loss) Per Share:	\$ (0.01)	\$ 0.27	\$ 0.11	\$ 0.71
Diluted Shares Outstanding	74,583	74,349	74,330	74,197
Diluted Shares Outstanding Used For Non-GAAP Earnings (Loss) Per Share	74,583	74,349	75,328	74,197

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
- 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

A reconciliation of our non-GAAP measures to their most directly comparable GAAP measures can also be found at:

<https://orasure.gcs-web.com/gAAP-non-gAAP-reconciliation>