EXACT SCIENCES

We aim to help eradicate cancer by preventing it, detecting it earlier, and guiding personalized treatment.

Fourth-quarter 2023 earnings call

February 21, 2024

Safe harbor and non-GAAP disclosures

This presentation contains forward-looking statements concerning our expectations, anticipations, intentions, beliefs or strategies regarding the future. These forward-looking statements are based on assumptions that we have made as of the date hereof and are subject to known and unknown risks and uncertainties that could cause actual results, conditions and events to differ materially from those anticipated. Therefore, you should not place undue reliance on forward-looking statements. Examples of forward-looking statements include, among others, statements we make regarding expected future operating results; expectations for development of new or improved products and services; our strategies, positioning, resources, capabilities and expectations for future events or performance; and the anticipated benefits of our acquisitions, including estimated synergies and other financial impacts.

In addition to the company's financial results determined in accordance with U.S. GAAP, the company provides non-GAAP measures that it determines to be useful in evaluating its operating performance and liquidity. 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, manage the Company’s business, and set incentive and compensation arrangements. The company presents EBITDA, adjusted EBITDA, non-GAAP gross margin, non-GAAP gross profit, core revenue, and free cash flow. This presentation includes certain of these measures. Please refer to our fourth-quarter 2023 earnings release for discussion of non-GAAP financial measures and reconciliations to GAAP financial measures. Information reconciling forward-looking non-GAAP measures to U.S. GAAP measures is not available without unreasonable effort due to the inherent uncertainty of the financial impact of items such as stock-based compensation, and acquisition and integration costs including gains and losses on contingent consideration that are difficult to predict for future periods because the nature of the adjustments pertain to events that have not yet occurred. Additionally, management does not forecast many of the excluded items for internal use.

Exact Sciences is the clear leader in advanced cancer diagnostics

OUR TEAM

500
R&D team members

1,200
person commercial team

120
country presence

OUR FLAGSHIP TESTS

4M+
test results in 2023

cologuard®

oncotype DX®

oncoExTra™

2023 ACHIEVEMENTS

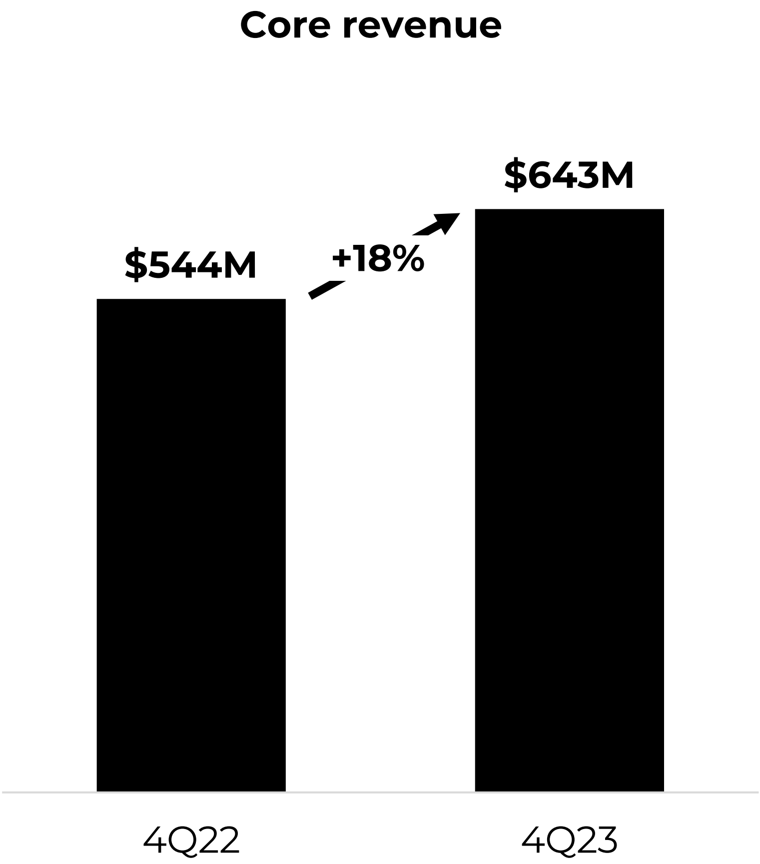
Surpassing 16M cumulative test results, including 14M with Cologuard®

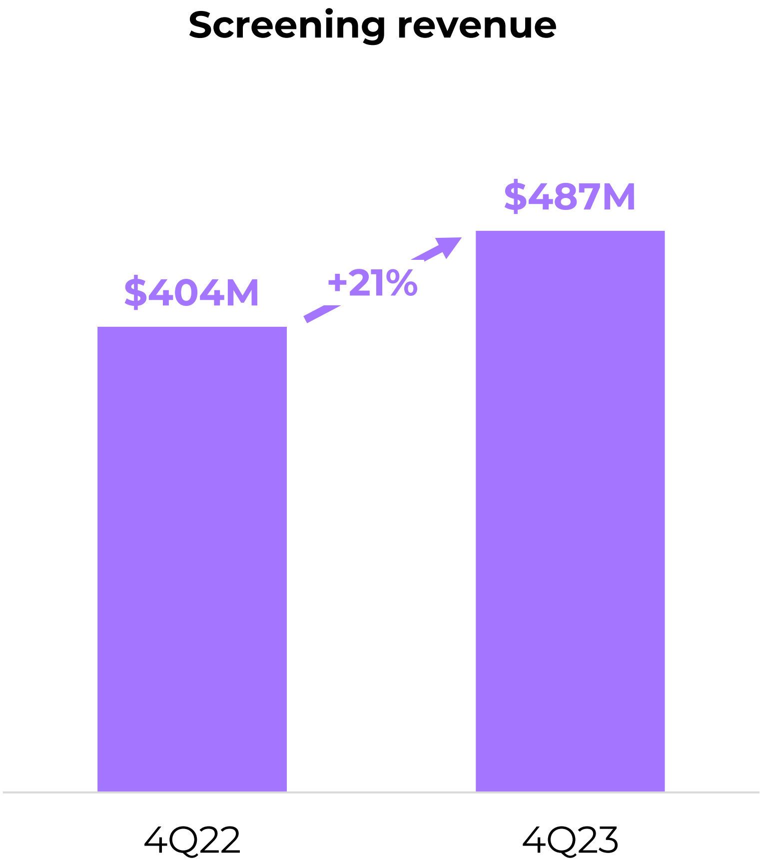
Delivering record revenue of $2.5B, 24% core revenue growth

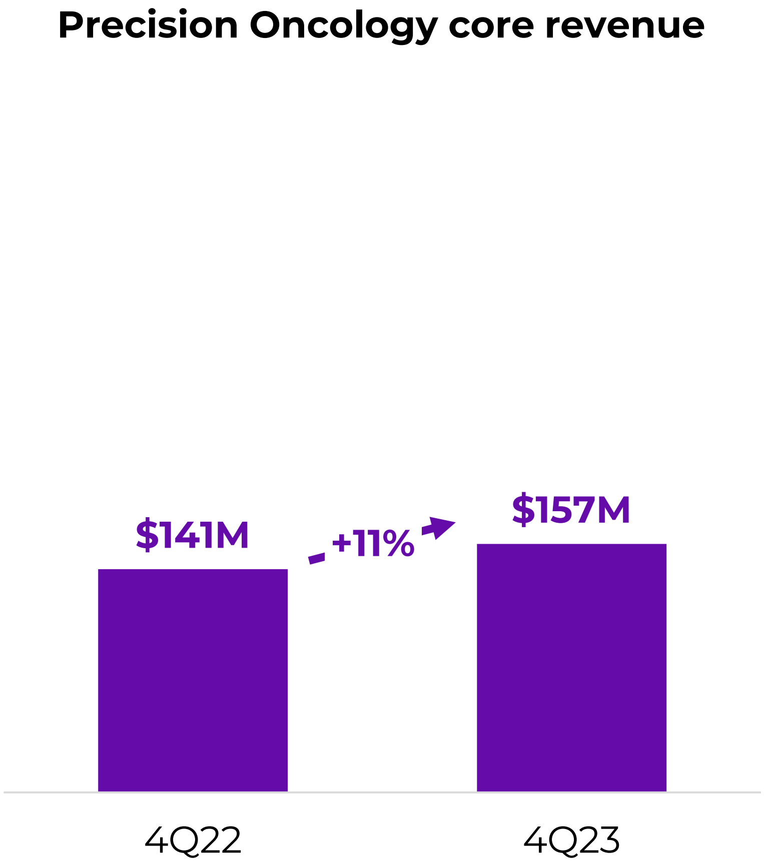
Generating record adjusted EBITDA of $219M and **free cash flow** of $32M

Please refer to our fourth-quarter 2023 earnings release at exactsciences.com for discussion of non-GAAP financial measures and reconciliations to GAAP financial measures

Core revenue grew 18% in 4Q23







Please refer to our fourth-quarter 2023 earnings release at exactsciences.com for discussion of non-GAAP financial measures and reconciliations to GAAP financial measures

2024 guidance

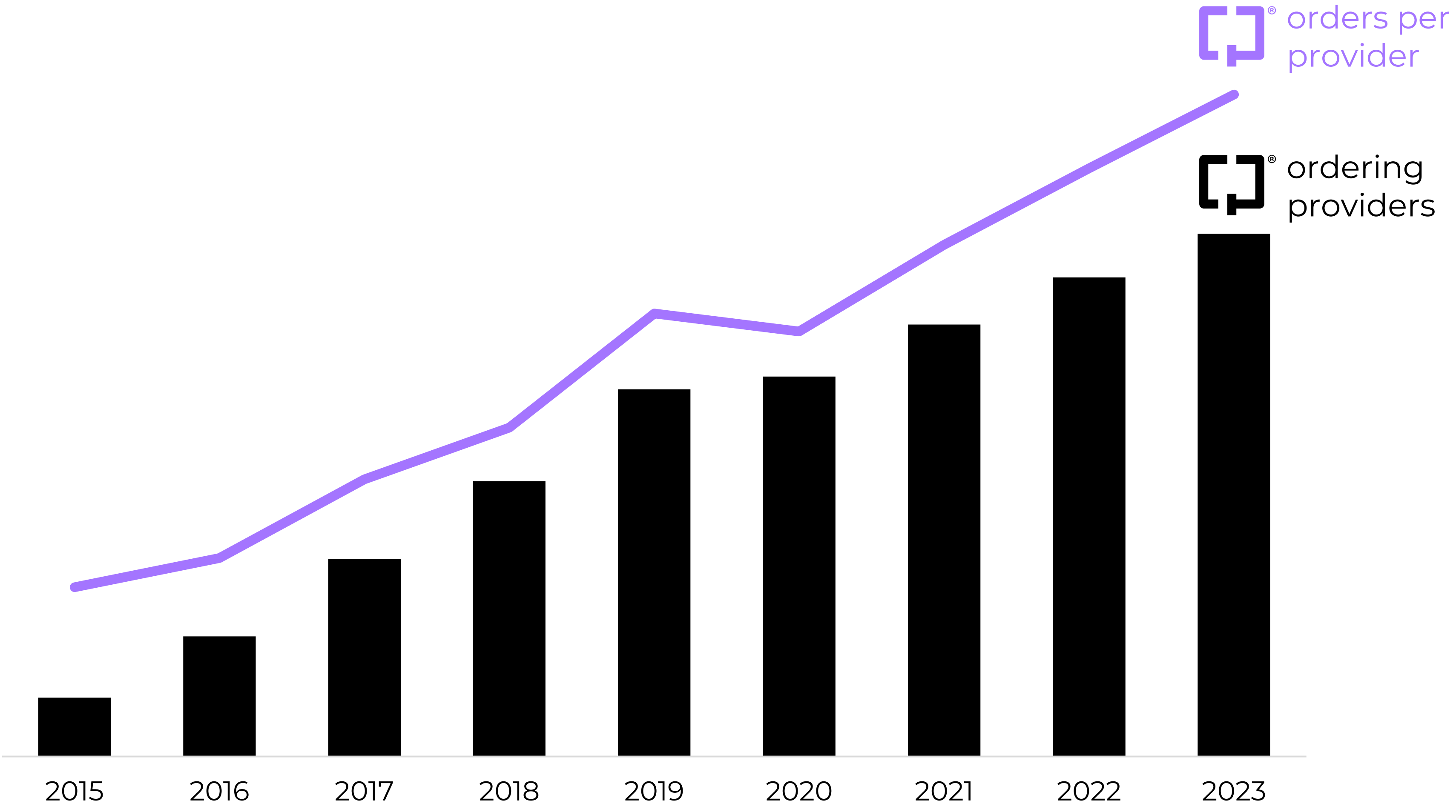
	2023	2024	Δ at midpoint
Total revenue	$2.500B	$2.810 - 2.850B	+$330M
Screening	$1.865B	$2.155 - 2.175B	+$300M
Precision Oncology	$629M	$655 - 675M	+$36M
COVID testing	$6M	-	-$6M
Adj. EBITDA	$219M	$325 - 350M	+$119M
CapEx	$124M	~$150M	+$26M

Exact Sciences guidance provided February 21, 2024
Please refer to our fourth-quarter 2023 earnings release at exactsciences.com for discussion of non-GAAP financial measures and reconciliations to GAAP financial measures

Cologuard adoption continues to grow because consumers prefer it, and providers are ordering more frequently

#1

preferred screening test by consumers



Source: Exact Sciences internal data regarding perception of Cologuard, colonoscopy, and FIT/FOBT

Building a Precision Oncology portfolio of high-quality, durable tests

HEREDITARY TESTING

riskguard™

EARLY-STAGE THERAPY

oncotype DX®

MRD TESTING

oncodetect™

LATE-STAGE THERAPY

oncoExTra™ (tissue)

oncoliquid™ (blood)

oncotype DX®

20 YEAR ANNIVERSARY

1.3M+

patients spared unnecessary chemotherapy

98%

U.S. oncologists have ordered

Source: Exact Sciences internal data

Progress in our colon cancer screening and molecular residual disease programs

Colon cancer screening	Expected milestones in 2024	Molecular residual disease
Next-gen Cologuard journal publication		Present colon and breast cancer validation data
Next-gen Cologuard FDA approval		Submit for reimbursement in colon cancer
BLUE-C blood test prospective readout		Generate additional breast cancer evidence

We aim to help eradicate cancer by preventing it, detecting it earlier, and guiding personalized treatment.

EXACT SCIENCES

EXACT SCIENCES CORPORATION
Selected Unaudited Financial Information
Condensed Consolidated Statements of Operations
(Amounts in thousands, except per share data)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Revenue	$ 646,885	$ 552,995	$ 2,499,766	$ 2,084,279
Operating expenses:				
Cost of sales (exclusive of amortization of acquired intangible assets)	171,865	147,152	654,248	574,394
Research and development	114,922	94,274	425,882	393,418
Sales and marketing	190,477	210,211	727,090	846,011
General and administrative	220,551	193,894	893,204	737,304
Amortization of acquired intangible assets	23,311	22,914	92,160	97,450
Impairment of long-lived assets	—	3,432	621	15,969
Total operating expenses	721,126	671,877	2,793,205	2,664,546
Other operating income (loss)	6,400	—	78,427	(13,244)
Loss from operations	(67,841)	(118,882)	(215,012)	(593,511)
Other income (expense)				
Investment income (loss), net	25,330	(5,635)	32,713	(19,425)
Interest expense	(7,865)	(5,410)	(19,447)	(19,634)
Total other income (expense)	17,465	(11,045)	13,266	(39,059)
Net loss before tax	(50,376)	(129,927)	(201,746)	(632,570)
Income tax benefit (expense)	610	2,182	(2,403)	9,064
Net loss	$ (49,766)	$ (127,745)	$ (204,149)	$ (623,506)
Net loss per share—basic and diluted	$ (0.27)	$ (0.72)	$ (1.13)	$ (3.54)
Weighted average common shares outstanding—basic and diluted	181,114	177,584	180,144	176,351

EXACT SCIENCES CORPORATION

Selected Unaudited Financial Information

Condensed Consolidated Balance Sheets

(Amounts in thousands)

	December 31, 2023	December 31, 2022
Assets		
Cash and cash equivalents	$ 605,378	$ 242,493
Marketable securities	172,266	389,564
Accounts receivable, net	203,623	158,043
Inventory	127,475	118,259
Prepaid expenses and other current assets	85,627	73,898
Property, plant and equipment, net	698,354	684,756
Operating lease right-of-use assets	143,708	167,003
Goodwill	2,367,120	2,346,040
Intangible assets, net	1,890,396	1,956,240
Other long-term assets, net	177,387	90,577
Total assets	$ 6,471,334	$ 6,226,873
Liabilities and stockholders' equity		
Current liabilities	$ 514,701	$ 412,747
Convertible notes, net	2,314,276	2,186,106
Long-term debt, less current portion	—	50,000
Other long-term liabilities	335,982	352,459
Operating lease liabilities, less current portion	161,070	182,399
Total stockholders’ equity	3,145,305	3,043,162
Total liabilities and stockholders’ equity	$ 6,471,334	$ 6,226,873

EXACT SCIENCES CORPORATION
Selected Unaudited Financial Information
Reconciliation of Core Revenue
(Amounts in thousands)

	GAAP		
	Three Months Ended December 31,		
	2023	2022	% Change
Screening	$ 486,706	$ 403,528	21 %
Precision Oncology	160,179	143,430	12 %
COVID-19 Testing	—	6,037	(100)%
Total	$ 646,885	$ 552,995	17 %

	Non-GAAP					
	Three Months Ended December 31,					
	2023 [(1)]	2022 [(1)]	% Change	Foreign Currency Impact [(2)]	Core Revenue [(3)]	% Change [(3)]
Screening	$ 486,706	$ 403,528	21 %	$ —	$ 486,706	21 %
Precision Oncology	157,223	140,714	12 %	(620)	156,603	11 %
Total	$ 643,929	$ 544,242	18 %	$ (620)	$ 643,309	18 %

	GAAP		
	Twelve Months Ended December 31,		
	2023	2022	% Change
Screening	$ 1,864,701	$ 1,424,703	31 %
Precision Oncology	629,110	601,488	5 %
COVID-19 Testing	5,955	58,088	(90)%
Total	$ 2,499,766	$ 2,084,279	20 %

	Non-GAAP					
	Twelve Months Ended December 31,					
	2023 [(1)]	2022 [(1)]	% Change	Foreign Currency Impact [(2)]	Core Revenue [(3)]	% Change [(3)]
Screening	$ 1,864,701	$ 1,424,703	31 %	$ —	$ 1,864,701	31 %
Precision Oncology	619,948	574,012	8 %	(1,228)	618,720	8 %
Total	$ 2,484,649	$ 1,998,715	24 %	$ (1,228)	$ 2,483,421	24 %

For associated footnotes, please refer to the table in the fourth quarter 2023 results press release labeled Reconciliation of Core Revenue

EXACT SCIENCES CORPORATION

Selected Unaudited Financial Information

Non-GAAP Gross Profit and Non-GAAP Gross Margin Reconciliations

(Amounts in thousands)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Revenue	$ 646,885	$ 552,995	$ 2,499,766	$ 2,084,279
Cost of sales (exclusive of amortization of acquired intangible assets)	171,865	147,152	654,248	574,394
Amortization of acquired intangible assets (1)	21,100	20,717	83,316	86,967
Gross profit	$ 453,920	$ 385,126	$ 1,762,202	$ 1,422,918
Gross margin	70 %	70 %	70 %	68 %
Amortization of acquired intangible assets (1)	21,100	20,717	83,316	86,967
Non-GAAP gross profit	$ 475,020	$ 405,843	$ 1,845,518	$ 1,509,885
Non-GAAP gross margin	73 %	73 %	74 %	72 %

For associated footnote, please refer to the table in the fourth quarter 2023 results press release labeled Non-GAAP Gross Profit and Non-GAAP Gross Margin Reconciliations

EXACT SCIENCES CORPORATION
Selected Unaudited Financial Information
EBITDA and Adjusted EBITDA Reconciliations
(Amounts in thousands)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Net loss	$ (49,766)	$ (127,745)	$ (204,149)	$ (623,506)
Interest expense [1]	7,865	5,410	19,447	19,634
Depreciation and amortization	54,172	49,481	206,608	197,558
Income tax (benefit) expense	(610)	(2,182)	2,403	(9,064)
EBITDA	$ 11,661	$ (75,036)	$ 24,309	$ (415,378)
Stock-based compensation [2]	66,466	50,789	271,218	239,092
Investment loss (income)	(25,330)	5,635	(32,713)	19,425
Acquisition and integration costs [3]	(3,616)	1,175	(11,762)	(53,297)
Reduction-in-force severance [4]	—	18,886	907	33,499
(Gain) loss on sale of asset and divestiture related costs [6]	(4,311)	53	(74,833)	17,309
Impairment of long-lived assets [5]	—	3,432	621	15,969
Legal settlement [7]	—	—	36,186	—
Restructuring [8]	4,837	—	4,837	—
Adjusted EBITDA	$ 49,707	$ 4,934	$ 218,770	$ (143,381)

For associated footnotes, please refer to the table in the fourth quarter 2023 results press release labeled EBITDA and Adjusted EBITDA Reconciliations

EXACT SCIENCES CORPORATION
Selected Unaudited Financial Information
Condensed Consolidated Statements of Cash Flows and Reconciliation of Free Cash Flow
(Amounts in thousands)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Net cash provided by (used in) operating activities	$ 69,549	$ 52,037	$ 156,119	$ (223,559)
Net cash provided by (used in) investing activities	(66,767)	(58,159)	49,679	74,066
Net cash provided by financing activities	10,037	10,103	159,766	76,485
Effects of exchange rate changes on cash and cash equivalents	1,947	3,206	1,321	30
Net increase (decrease) in cash, cash equivalents and restricted cash	14,766	7,187	366,885	(72,978)
Cash, cash equivalents and restricted cash, beginning of period	594,909	235,603	242,790	315,768
Cash, cash equivalents and restricted cash, end of period	$ 609,675	$ 242,790	$ 609,675	$ 242,790
Reconciliation of free cash flow:				
Net cash provided by (used in) operating activities	$ 69,549	$ 52,037	$ 156,119	$ (223,559)
Purchases of property, plant and equipment	(34,922)	(72,876)	(124,190)	(214,462)
Free cash flow	$ 34,627	$ (20,839)	$ 31,929	$ (438,021)