



Renalytix plc

# Half Year Report

For the six months ended 31 December 2024

March 2025



The **first and only** kidney disease prognostic test that is:

- FDA approved ✓
- Fully Medicare reimbursed ✓
- Recommended by Clinical Guidelines ✓
- Available NOW to ~14M US diabetic kidney disease (DKD) patients ✓
- Able to address the needs of ~260M DKD patients globally ✓

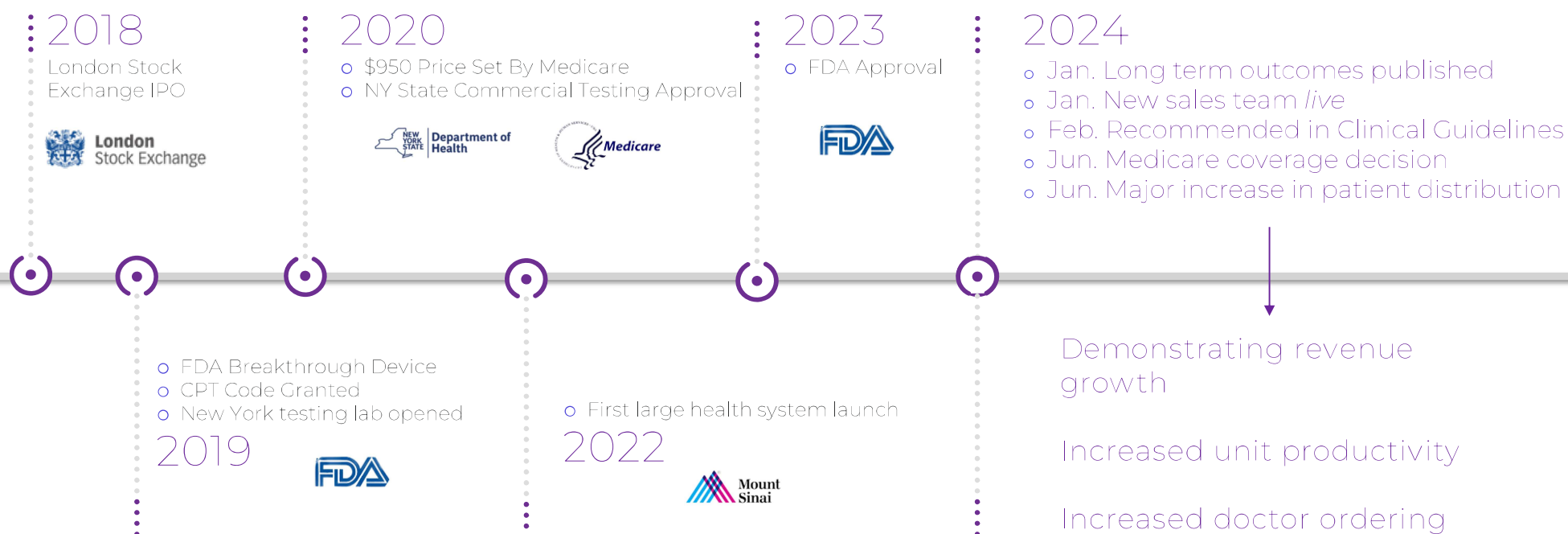
## Fully de-risked and focused on commercial growth

- Rare, uncontested market of ~14M U.S. and ~260M global DKD patients – *with no foreseeable commercial competition*
- Fully de-risked and positioned for scalable commercial growth
  - Full Medicare reimbursement granted at \$950 per test (~50% of US TAM) – *providing insurance coverage for over 10M of ~14M US patients*
  - Recommendation in Clinical Guidelines
- Business refocused from R&D to delivering commercial sales growth:
  - New leadership with track record of commercial success
  - Revamped sales & customer service strategy to sustain new doctor on-boarding and retention
  - Implemented sales-force-led or “direct-to-doctor” strategy, fully scalable under company control
  - Significantly expanded patient access to testing sites
  - Customer service improvements to facilitate ordering volume
- Now demonstrating quarter-over-quarter revenue growth and repeat doctor test ordering
- Growth inflection with major customer launch to ~10,000 patients, 140 new ordering doctors starting Sept
- Program now in place to achieve a goal of 1% US market penetration in 3-4 years

<sup>1</sup>Estimate based on the National Diabetes Statistics Report by CDC (<https://www.cdc.gov/diabetes/data/statistics-report/index.html>) and Diabetic kidney disease: worldwide difference of prevalence and risk factors. J Nephroarmacol (<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5297507>)



# Milestone achievements since inception in 2018



## Renalytix – KPIs and expectations

Target	H1 update	Forward looking
<ul style="list-style-type: none"><li>• Revenue expectations<ul style="list-style-type: none"><li>• Guidance set in Sept 2024 of \$3.2m in FY25, \$8.5m in FY26 and \$17.5m in FY27</li></ul></li></ul>	<ul style="list-style-type: none"><li>• FY25 revenue target of \$3.2m on track and Company confirms forward guidance</li></ul>	<ul style="list-style-type: none"><li>• Pipeline<ul style="list-style-type: none"><li>• new insurance payors</li><li>• new hospital systems</li><li>• third-party users of IP</li></ul></li></ul>
<ul style="list-style-type: none"><li>• Cost reduction targets achieved</li></ul>	<ul style="list-style-type: none"><li>• &gt;50% reduction in admin costs to \$8m (H1 2024: \$18.4m)</li></ul>	<ul style="list-style-type: none"><li>• Further cost reductions identified that do not impact revenue opportunities</li></ul>
<ul style="list-style-type: none"><li>• Management information and progress with KPIs</li></ul>	<ul style="list-style-type: none"><li>• Executive Chairman Julian Baines, CEO James McCullough and the team have laser focus on KPIs, management information and financial controls</li></ul>	<ul style="list-style-type: none"><li>• Management will be opportunistic based on new distribution / strategic partners</li></ul>

Renalytix has management oversight on costs and is right-sized to take advantage of the burgeoning opportunities and pipeline to deliver on the revenue growth we expect for the market leading *KidneyIntelX* services and product

# H1 Financial Highlights

## Revenue

- Revenue growth exceeded 20% quarter over quarter post-funding expectation
- Commercial testing volume increased to 82% from 60% in prior period
- Recognized revenue positively impacted by improvement in cash collections, high Medicare reimbursement
- On track for forecasted revenue of \$3.2M in FY 2025, \$8.5M in FY 2026

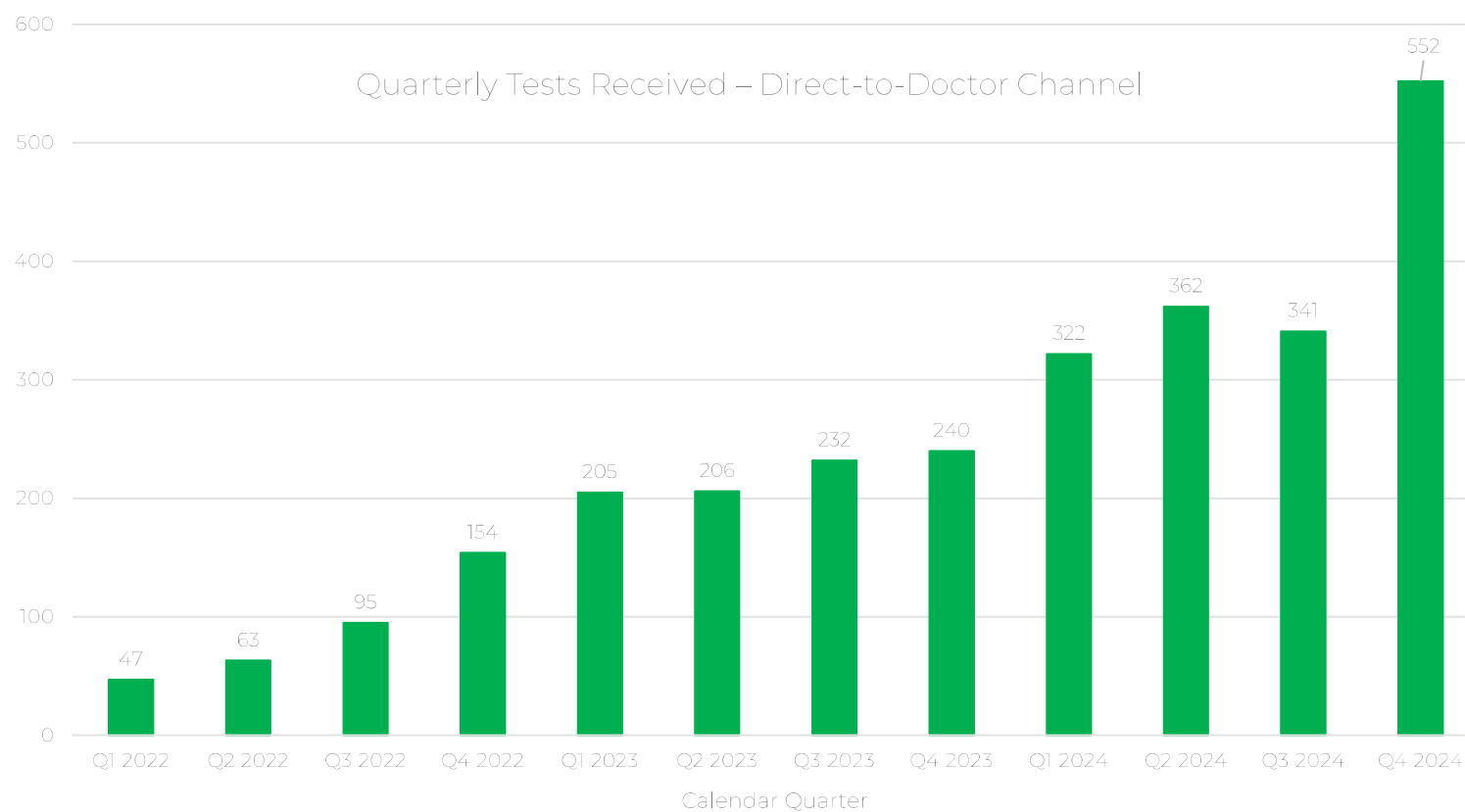
## Balance Sheet

- Cash of \$9.2m
- Marketable securities \$0.4m

## Cost Reductions

- Continued cost reductions in-line with post-funding expectations
- >50% reduction in administrative expense over prior period

## Direct to Doctor sales strategy delivering higher than forecast test volume

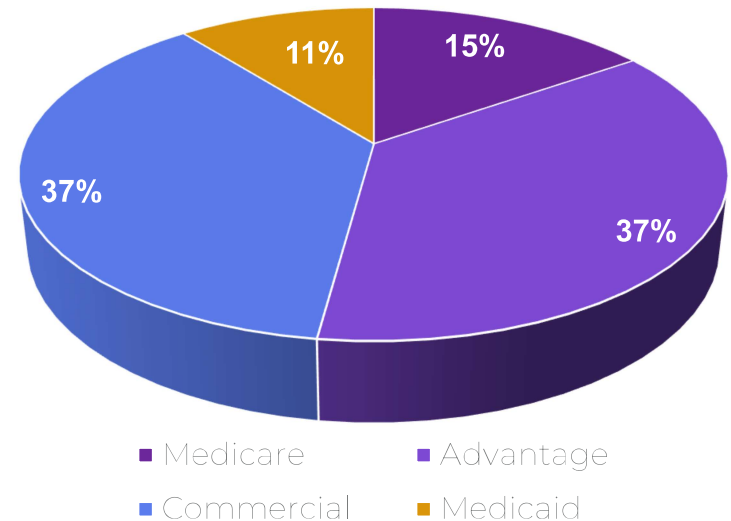


# Test reimbursement higher with >95% Medicare claims paid in under 30 days

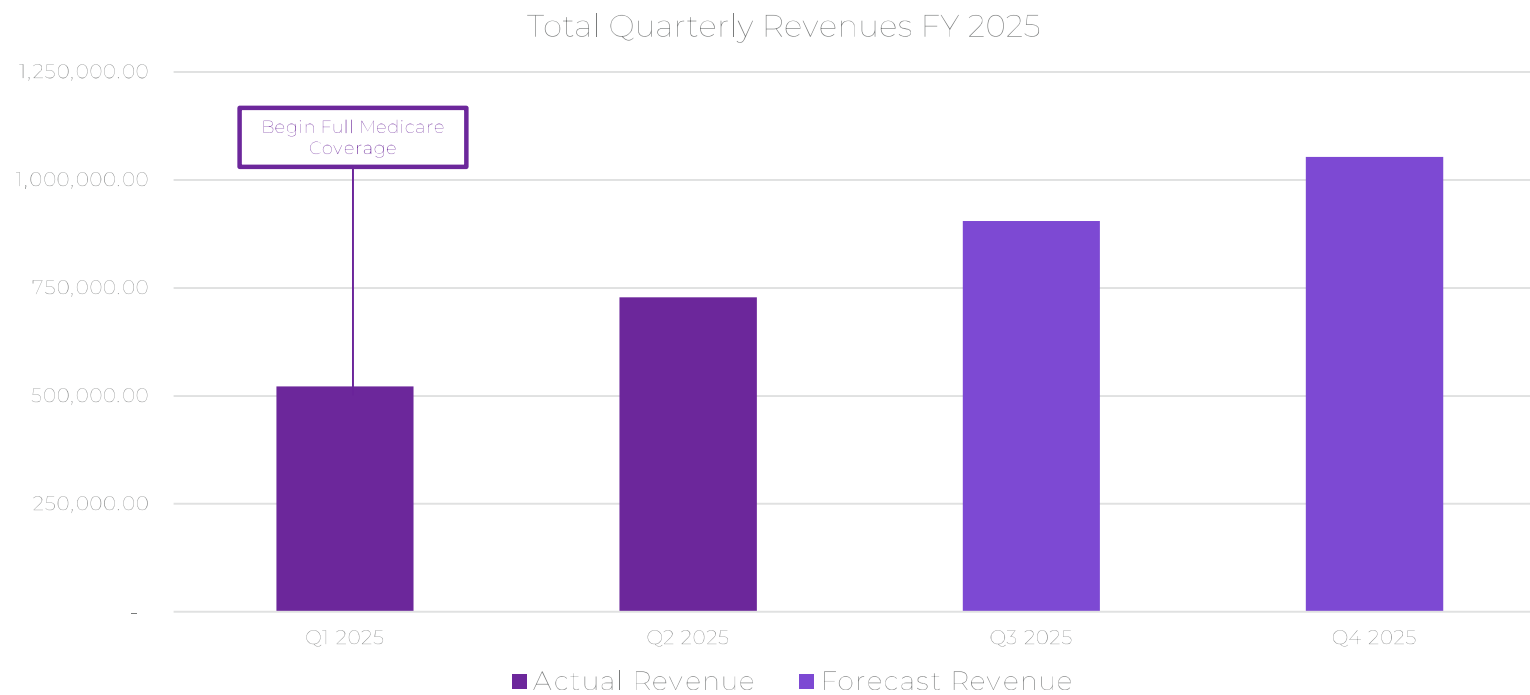
Reimbursement momentum has increased average test price & reduced cash collection time

- 52% of tests are now Medicare & Medicare Advantage patient
- Medicare payment rate now >95%
- Multiple additional insurance companies in active coverage consideration – will announce significant wins

Insurance Payment Mix



## Total revenue growth in line with post-funding expectations



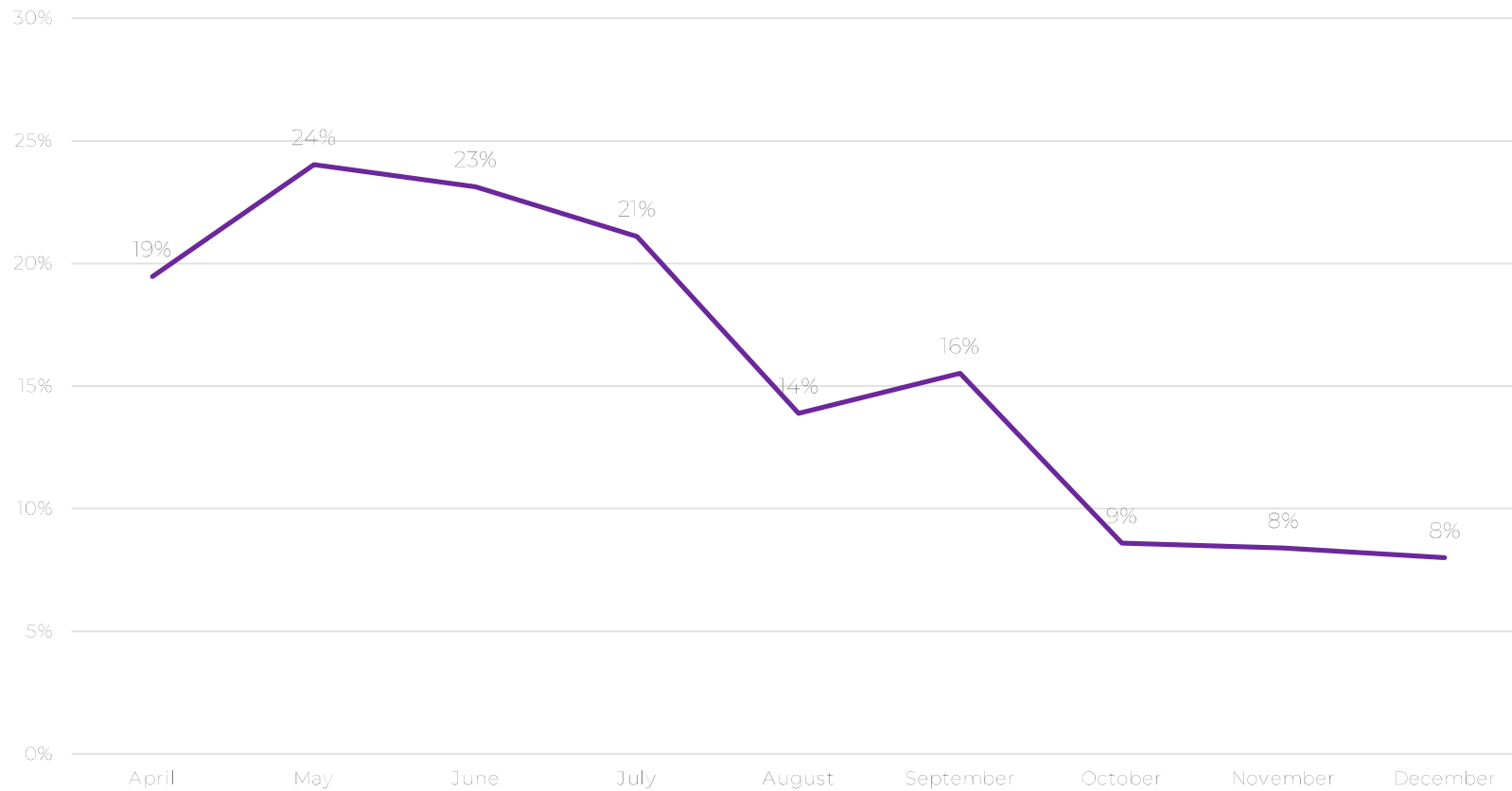
## Continuing Operation Improvements

Customer service, logistics and billing improvements now paying dividends

- More orders being processed with significantly fewer cancellations
- Turn around time to test results measurably improved
- Time from billing to insurance payment reduced by 65%
- Continuing reduction in bad debt expense above improvements & reimbursement wins

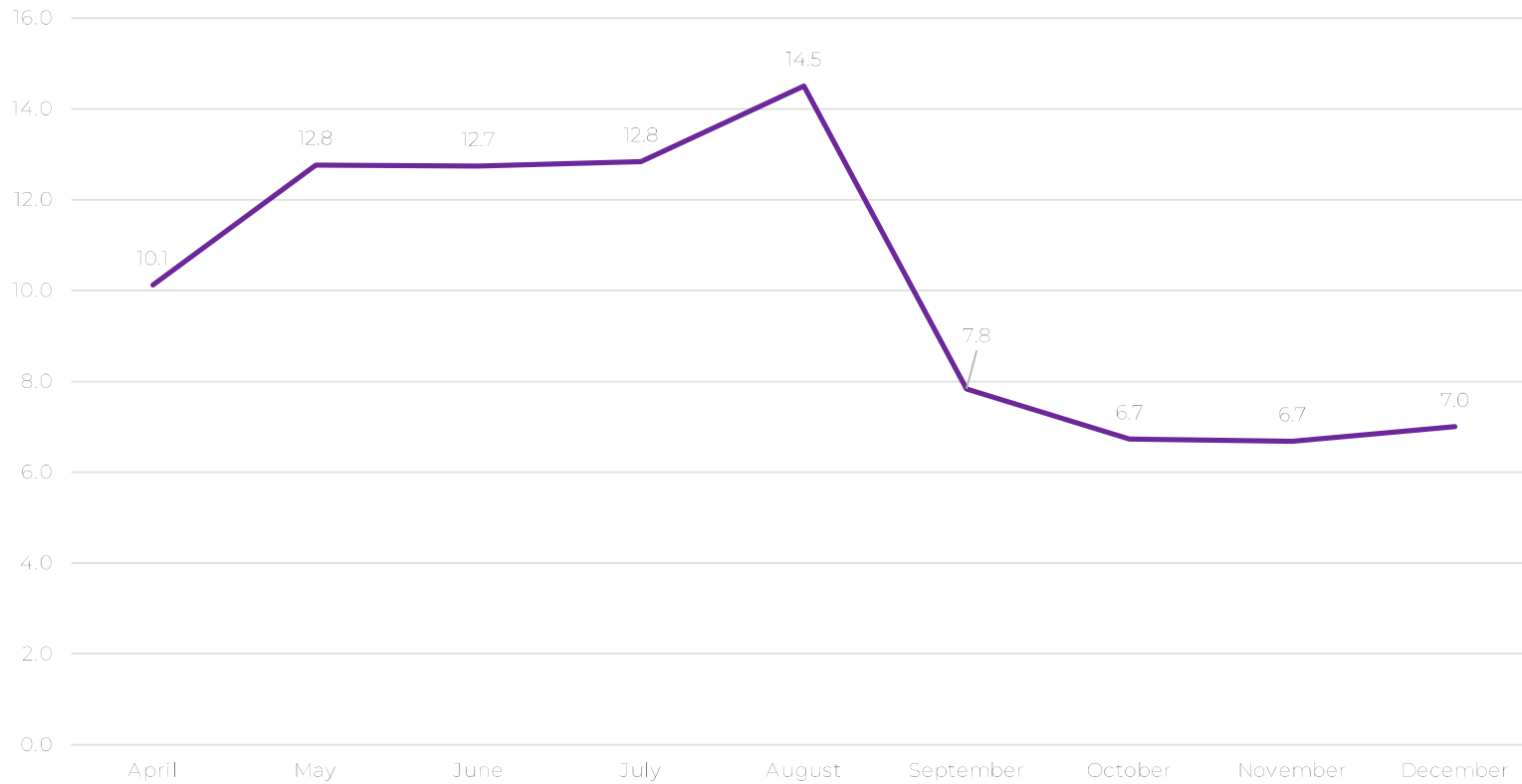
# Significant Reduction in Order Cancellation Rate

Includes samples received



# Increased Lab Productivity (Sample Turn Around Time)

Average days from sample receipt to order complete



## Further progress highlights

- Full roll-out completed with Accountable Care Physicians New York serving 500,000 patients
- Expect additional hospital system and care network roll-out disclosures throughout calendar 2025
- High potential for insurance company initiated / supported roll-outs
- Pharma collaborations yielding increased services revenue and long-term positioning in clinical trials
- Continued intellectual property development

# We are not just a testing company

Renalytix continues to make progress in broadening its preventative medicine value proposition

- Prognostic Testing Service with *kidneyintelX.dkd*
- Pharmaceutical and Clinical Research Opportunities
- Intellectual Property and Technology Asset Development
- Reimbursement



# Appendix

## Profit or Loss

	UNAUDITED Period to 31 December 2024	UNAUDITED Period to 31 December 2023	AUDITED Year to 30 June 2024
	\$'000	\$'000	\$'000
Testing services revenue	1,183	1,168	2,150
Pharmaceutical services revenue	67		139
<b>Total revenue</b>	<b>1,251</b>	<b>1,168</b>	<b>2,289</b>
Cost of Sales	(753)	(954)	(2,076)
<b>Gross profit</b>	<b>498</b>	<b>214</b>	<b>213</b>
Administrative expenses	(8,026)	(18,395)	(30,733)
Stock based compensation expense	327	620	1,084
Depreciation and amortisation expense	26	1,060	2,030
Impairment loss on property and equipment		306	
<b>Underlying operating loss</b>	<b>(7,175)</b>	<b>(16,195)</b>	<b>(27,406)</b>
<b>Loss per Ordinary share</b>	<b>(\$0.05)</b>	<b>(\$0.20)</b>	<b>(\$0.42)</b>

# Balance Sheet

	UNAUDITED As at 31 December 2024 \$'000	UNAUDITED As at 31 December 2023 \$'000	AUDITED As at 30 June 2024 \$'000
<b>Total non-current assets</b>	251	12,407	284
Inventory	417	512	271
Security Deposits	65	132	77
Financial asset at fair value through profit or loss	417	1,220	698
Trade and other receivables	510	1,370	722
Prepaid and other current assets	572	614	364
Cash and cash equivalents	9,209	5,619	4,680
<b>Total current assets</b>	<b>11,190</b>	<b>9,467</b>	<b>6,812</b>
<b>Total assets</b>	<b>11,441</b>	<b>21,874</b>	<b>7,096</b>
Trade and other payables	(4,605)	(10,716)	(7,544)
Current lease liabilities		(118)	(46)
Note payable current		(3,063)	(4,159)
<b>Total current liabilities</b>	<b>(4,605)</b>	<b>(13,897)</b>	<b>(11,749)</b>
<b>Net current assets / (liabilities)</b>	<b>6,585</b>	<b>(4,430)</b>	<b>(4,937)</b>
<b>Non-current liabilities</b>	(8,205)	(5,310)	(4,331)
<b>Total liabilities</b>	<b>(12,810)</b>	<b>(19,207)</b>	<b>(16,080)</b>
<b>Net assets / (liabilities)</b>	<b>(1,369)</b>	<b>2,667</b>	<b>(8,984)</b>
<b>Total equity</b>	<b>1,369</b>	<b>(2,667)</b>	<b>8,984</b>

# Cashflows

	UNAUDITED Period to 31 December 2024	UNAUDITED Period to 31 December 2023	AUDITED Year to 30 June 2024
	\$'000	\$'000	\$'000
<b>Cashflow from operations</b>	<b>(7,227)</b>	<b>(16,812)</b>	<b>(26,608)</b>
<b>Changes in working capital</b>			
Trade and other receivables	213	(594)	54
Prepaid assets and other current assets	(643)	684	235
Inventory	(146)	206	447
Trade and other payables	(2,530)	(831)	(3,958)
<b>Net cash used in operating activities</b>	<b>(10,333)</b>	<b>(17,347)</b>	<b>(29,830)</b>
<b>Cash flows from investing activities:</b>	<b>22</b>	<b>-</b>	<b>117</b>
Repayment of debt	(3,476)	(1,665)	(1,660)
Proceeds from issuance of ordinary shares (net of issue costs)	18,511		11,817
Proceeds from the issuance of ordinary shares under employee share		93	93
Lease payments		(81)	(156)
<b>Net cash generated from financing activities</b>	<b>15,035</b>	<b>(1,653)</b>	<b>10,094</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>4,724</b>	<b>(19,000)</b>	<b>(19,619)</b>
Cash and cash equivalents at beginning of period	4,680	24,682	24,682
Effect of exchange rate changes on cash	(195)	(63)	(383)
<b>Cash and cash equivalents at end of period</b>	<b>9,209</b>	<b>5,619</b>	<b>4,680</b>