CareDx®

The Transplant Solutions Company

DECEMBER 4, 2024



Patrick G, Kidney Transplant Recipient

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These slides and the accompanying oral presentation contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact contained in this presentation, including statements regarding the future financial position of CareDx®, Inc. (together with its subsidiaries, “CareDx” or the “Company”), including financial targets and expectations, business strategy, and plans and objectives for future operations, are forward-looking statements. The words "believe," "may," "will," "potentially," "estimate," "continue," "anticipate," "intend," "could," "should," "would," "project," "plan," "target," "contemplate," "predict," "expect," and the negative and plural forms of these words and similar expressions are intended to identify that CareDx has based these forward-looking statements on its own estimates and assumptions and its current expectations and projections about future events. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those contained in the “Risk Factors” section of the Company’s most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2023, filed with the U.S. Securities and Exchange Commission (the "SEC") on February 28, 2024, the Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2024, filed with the SEC on May 9, 2024, the Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2024, filed with the SEC on July 31, 2024, and the Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2024, to be filed with the SEC on November 4, 2024.

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These slides and the accompanying oral presentation contain certain non-GAAP financial measures, which are provided to assist in an understanding of the business and performance of CareDx. These measures should always be considered only as a supplement to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Appendix included in these slides for a reconciliation of the non-GAAP financial measures included in these slides and the accompanying oral presentation to the most directly comparable financial measures prepared in accordance with GAAP. Further information regarding our non-GAAP financial measures can be found in our filings with the SEC.

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Experienced Executive Leadership to Drive Profitable Growth

650

CareDx Employees Globally Headquartered in South San Francisco & Stockholm

180

Commercial Employees Supporting our Customers and Patients

110

Scientists & Researchers Building the Next Innovations in Transplant

80

Software Programmers Building Our Digital Solutions



John Hanna
President & CEO
veracyte
IBM PacBio



Keith Kennedy
Chief Operating Officer
veracyte
GE Capital PharmaLogic



Jessica Meng
Chief Commercial Officer
DELFI
Genentech MYOVANT SCIENCES



Abhishek Jain
Chief Financial Officer
Agilent Technologies



Marica Grskovic, PhD
Chief Strategy Officer
UCSF PIERIAN



Robert Woodward, PhD
Chief Scientific Officer
University of Missouri GLADSTONE INSTITUTES



Jing Huang, PhD
Chief Data and AI Officer
veracyte Stanford University



Jeff Novack, JD
General Counsel
NYU



GS Jha
Chief Information Officer
ThermoFisher SCIENTIFIC AMGEN



Stacey Follon
Head of Human Resources
Bloomberg S&P



Kashif Rathore
Head of Software Engineering
ORACLE Cerner



Anna Czene
Vice President, Corporate Communications
AMGEN
GUARDANT illumina



Chris Cisar
Vice President, Market Access
Pfizer
DELFI veracyte

CareDx is the Established Solutions Provider to Transplant Centers

$50B

Transplant Services Market

~1M

Rejection Monitoring Tests Performed

70%

Centers Use One Or More Software Products

46K

Transplants Annually

~200K

HLA Typing Kits Sold Annually

150K

Rx Filled Annually by Transplant Pharmacy

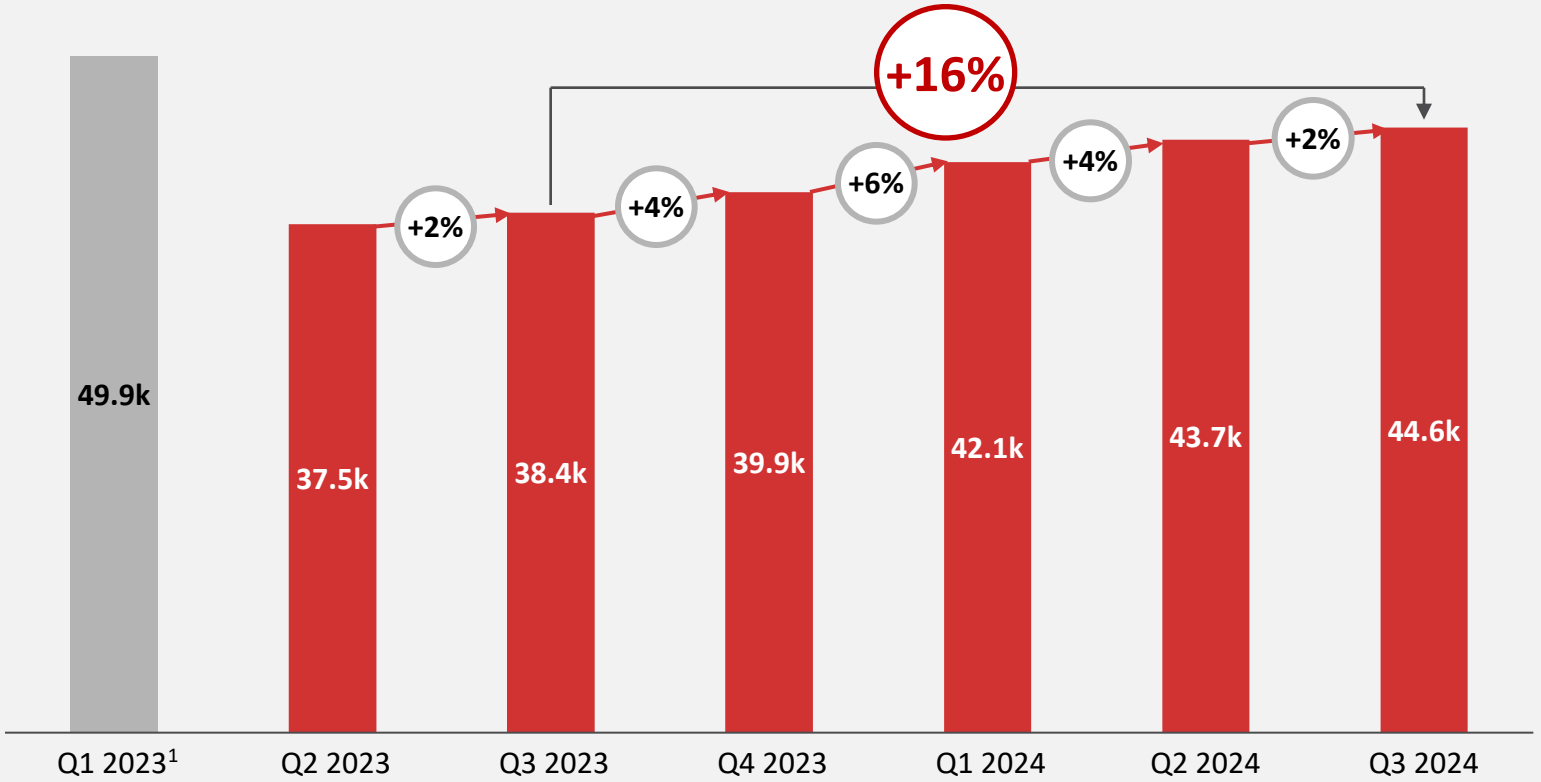
Sources: CareDx Data On File. Transplant Services Market: Bentley, S. 2020 U.S. Organ and Tissue Transplants: Cost Estimates, Discussion, and Emerging Issues. Milliman Research Report; OPTN National Transplant Data. Accessed Oct. 8, 2024. https://optn.transplant.hrsa.gov/data/view-data-reports/national-data

CareDx Q3 2024 Financial Highlights

	REVENUE	TESTING VOLUME	NON-GAAP GROSS MARGIN[1]	ADJUSTED EBITDA	CASH BALANCE
Q3 2024	**$82.9** million	**~44,600**	**69%**	**$6.9M** positive	**$241** million
YEAR-OVER-YEAR	**23%** increase	**16%** increase	**+240** basis points	**+$17.9M**	**-$27.3** million

1. GAAP Gross Margin in Q3 2024 was 67%, as compared to 64% in Q3 2023. Please refer to GAAP to non-GAAP reconciliation for further details in the Appendix.

Achieved Fifth Consecutive Quarter of Testing Services Volume Growth Across All Organs

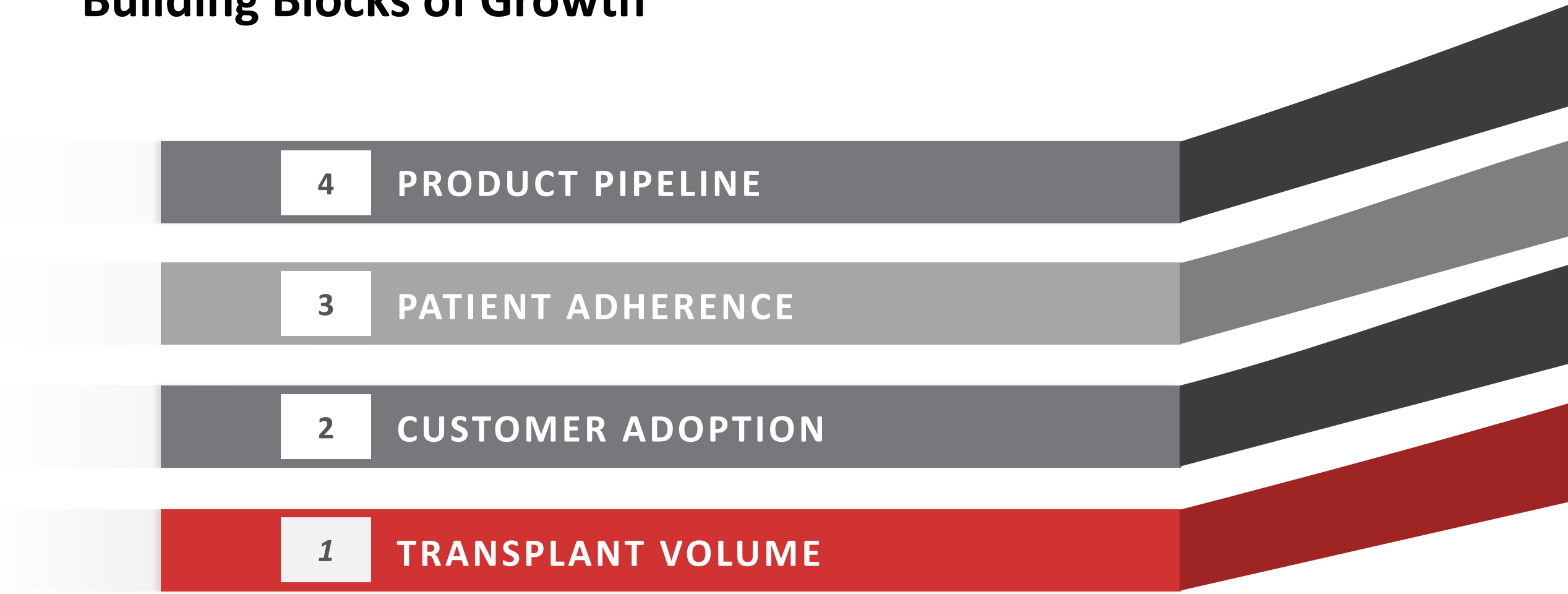


1. Drop in Testing Services volume from Q1 2023 to Q2 2023 due to the impact of Billing Article introduced in March 2023.

Revised 2024 Guidance

Guide Assumptions	July 2024	November 2024
Total Revenue	**$320M - $328M** **Testing Services** • Volume to grow high teens and revenue to grow in mid twenties year-over-year in second half of 2024 • Revenue to outpace volume growth driven by ASP expansion • No change to Medicare coverage **Products** • High teens growth year-over-year **Patient and Digital Solutions** • Low double-digit growth year-over-year	**$327M – $331M** **Testing Services** • Volume to grow mid teens and implied revenue growth of 30% year-over-year in the fourth quarter of 2024 • Revenue to outpace volume growth driven by ASP expansion • No change to Medicare coverage **Products** • High teens growth year-over-year **Patient and Digital Solutions** • Mid-teens growth year-over-year
Non-GAAP Gross Margin	**67% – 68%** Driven by continued improvement in Testing Services gross margin	**~69%** Driven by continued improvement in Testing Services gross margin
Adjusted EBITDA Gain	**$9M – $15M** Improved top-line and gross margin assumptions	**$18M – $22M** Improved top-line and gross margin assumptions

Building Blocks of Growth



Forces Driving Transplant Volume Growth

11%

Heart Transplant Annual Growth

7%

Kidney Transplant Annual Growth

12%

Lung Transplant Annual Growth

Growing government efforts

are working to expand transplantation access

The New York Times

U.S. Organ Transplant System, Troubled by Long Wait Times, Faces an Overhaul

IOTA Model
Increasing Organ Transplant Access

Technological advances

are improving organ viability

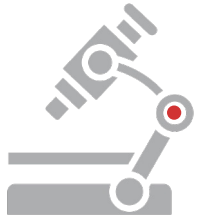
THE LANCET

Hypothermic oxygenated perfusion of the donor heart in heart transplantation: the short-term outcome from a randomised, controlled, open-label, multicentre clinical trial

Sources: OPTN National Transplant Data. Annual Growth from 2022 to 2023. Accessed October 8, 2024. https://optn.transplant.hrsa.gov/data/view-data-reports/national-data/

Synergistic Portfolio Drives Customer Adoption

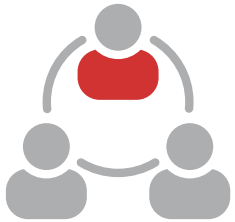
ORGAN MATCHING/WAIT LISTING



CARE QUALITY/SYSTEM EFFICACY



GRAFT HEALTH



SOLUTIONS ACROSS PATIENT JOURNEY

LAB PRODUCTS

- HLA Typing
- Lab Management Software
- Waitlist Management

TRANSPLANT CENTER

- Transplant EMR
- Quality Reporting
- Staff Augmentation

PATIENT DX & SOLUTIONS

- Remote Monitoring
- Graft Health Assessment
- Tissue Diagnosis

Multi-Solution Accounts Generate 2x Testing Services Revenue

<3 SOLUTIONS

29%
Average new transplant patient acquisition for testing

$600K
Average transplant center revenue from testing

3+ SOLUTIONS

44%
Average new transplant patient acquisition for testing

$1.2M
Average transplant center revenue from testing

2x

Accounts that have 3 or more CareDx solutions have higher average patient acquisition, 2x the absolute testing volume increase and, ultimately, 2x the testing services revenue

Source: CareDx internal data estimates.

Opportunity to Improve Patient Adherence

	Number of tests/patient per center protocol in first 3 years	Current number of tests/patient in first 3 years
KIDNEYS — AlloSure® KIDNEY	15	7
HEART — HeartCare®	38	24
LUNGS — AlloSure® LUNG	20	10

Sources: Protocol calculations based on: Heart HARTS protocol is 11, 4, 4; Kidney ARTS protocol is 7, 4, 4; and Lung ALRTS protocol is 12, 4, 4; Testing frequency is always subject to the treating physician's individualized determination of medical necessity; CareDx internal data estimates.

Pipeline Fuels Additional Growth

2025 2026

Expanded Indications

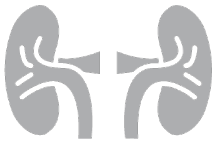


AlloSure SPK

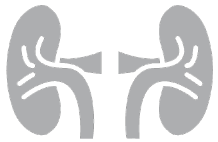


AlloSure Heart PEDS

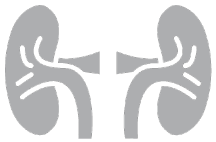
Launch New Dx



AlloMap Kidney

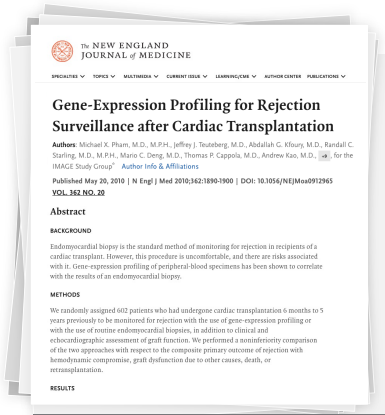


HistoMap



UroMap

Evidence Strategy Drives Coverage Growth


The NEW ENGLAND JOURNAL of MEDICINE

Gene-Expression Profiling for Rejection Surveillance after Cardiac Transplantation

Authors: Michael X. Pham, M.D., M.P.H., Jeffrey J. Teuteberg, M.D., Abdallah G. Kfoury, M.D., Randall C. Starling, M.D., M.P.H., Mario C. Deng, M.D., Thomas P. Cappola, M.D., Andrew Kao, M.D., for the IMAGE Study Group* Author Info & Affiliations

Published May 20, 2010 | N Engl J Med 2010;362:1890-1900 | DOI: 10.1056/NEJMoa0912965

VOL. 362 NO. 20

Abstract

BACKGROUND

Endomyocardial biopsy is the standard method of monitoring for rejection in recipients of a cardiac transplant. However, this procedure is uncomfortable, and there are risks associated with it. Gene-expression profiling of peripheral-blood specimens has been shown to correlate with the results of an endomyocardial biopsy.

METHODS

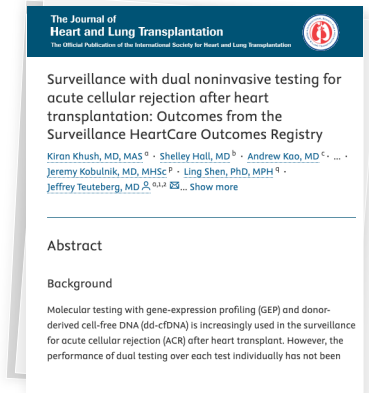
We randomly assigned 602 patients who had undergone cardiac transplantation 6 months to 5 years previously to be monitored for rejection with the use of gene-expression profiling or with the use of routine endomyocardial biopsies, in addition to clinical and echocardiographic assessment of graft function. We performed a noninferiority comparison of the two approaches with respect to the composite primary outcome of rejection with hemodynamic compromise, graft dysfunction due to other causes, death, or retransplantation.

RESULTS

~90%

AlloMap Heart
Covered Lives

Launched 2006 / Medicare Coverage 2006


The Journal of Heart and Lung Transplantation
The Official Publication of the International Society for Heart and Lung Transplantation

Surveillance with dual noninvasive testing for acute cellular rejection after heart transplantation: Outcomes from the Surveillance HeartCare Outcomes Registry

Kiran Khush, MD, MAS [a] · Shelley Hall, MD [b] · Andrew Kao, MD [c] · ... · Jeremy Kobulnik, MD, MHSc [p] · Ling Shen, PhD, MPH [q] · Jeffrey Teuteberg, MD [a,1,2] ... Show more

Abstract

Background

Molecular testing with gene-expression profiling (GEP) and donor-derived cell-free DNA (dd-cfDNA) is increasingly used in the surveillance for acute cellular rejection (ACR) after heart transplant. However, the performance of dual testing over each test individually has not been

~40%

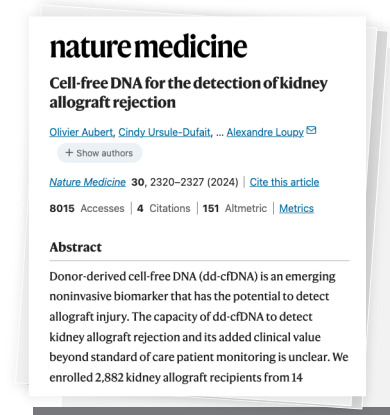
AlloSure Heart
Covered Lives

Launched 2018 / Medicare Coverage 2020

BCBS FEDERAL EMPLOYEES

POLICY:
Positive coverage for AlloSure Heart

STUDY:
HeartCare SHORE data, *J Heart Lung Transplant*


nature medicine

Cell-free DNA for the detection of kidney allograft rejection

Olivier Aubert, Cindy Ursule-Dufait, ... Alexandre Loupy

+ Show authors

Nature Medicine 30, 2320–2327 (2024) | Cite this article

8015 Accesses | 4 Citations | 151 Altmetric | Metrics

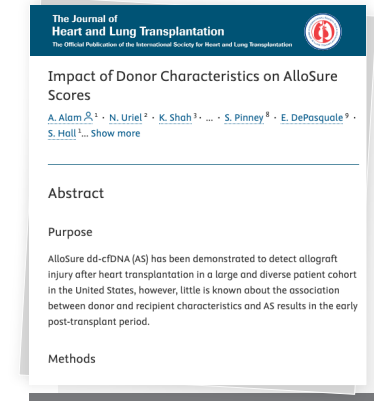
Abstract

Donor-derived cell-free DNA (dd-cfDNA) is an emerging noninvasive biomarker that has the potential to detect allograft injury. The capacity of dd-cfDNA to detect kidney allograft rejection and its added clinical value beyond standard of care patient monitoring is unclear. We enrolled 2,882 kidney allograft recipients from 14

~60%

AlloSure Kidney
Covered Lives

Launched 2017 / Medicare Coverage 2017


The Journal of Heart and Lung Transplantation
The Official Publication of the International Society for Heart and Lung Transplantation

Impact of Donor Characteristics on AlloSure Scores

A. Alam [1] · N. Uriel [2] · K. Shah [3] · ... · S. Pinney [8] · E. DePasquale [9] · S. Hall [1] ... Show more

Abstract

Purpose

AlloSure dd-cfDNA (AS) has been demonstrated to detect allograft injury after heart transplantation in a large and diverse patient cohort in the United States, however, little is known about the association between donor and recipient characteristics and AS results in the early post-transplant period.

Methods

~30%

AlloSure Lung
Covered Lives

Launched 2021 / Medicare Coverage 2023

HIGHMARK BLUES

POLICY:
Positive coverage for AlloSure Kidney

STUDY:
AlloSure Kidney *Nature Medicine*

Sources: Percent of CareDx submitted claims that are covered by Medicare and Commercial medical policy. Data on file; Khush et al., J Heart Lung Transplant. 2024. doi:10.1016/j.healun.2024.05.003; Aubert et al., Nat Med. 2024. doi:10.1038/s41591-024-03087-3.

CareDx® | UNLOCKING GROWTH

Continuing to Build Evidence for Transplant Monitoring Assays

GENERATING EVIDENCE	PRIMARY STUDY	STUDY COMPOSITION
HEART ▪ Pediatrics Validation ▪ 5-year Survival ▪ Directing Therapeutic Treatment	SHORE	▪ >2,700 patients ▪ 5-year follow-up ▪ 67 sites, HARTS protocol
KIDNEY ▪ Procedure Decision Making ▪ Treating Subclinical Rejection ▪ 3-year Survival	KOAR OKRA	▪ >3,600 patients ▪ 3-year follow-up ▪ 56 sites, ARTS protocol
LUNG ▪ Surveillance Outcomes ▪ Subclinical Rejection ▪ All Transplant Coverage	ALAMO	▪ 500 patients ▪ 5-year follow-up ▪ 19 sites, ALRTS protocol

Charting a Path to Profitable Growth and Strategic Capital Allocation

2027 Financial Targets

PROFITABLE GROWTH

$500M
2027 Revenue Target

15%
3-Year Revenue CAGR Target

>70%
2027 Gross Margin Target

PROFITS AND CASH

20%
2027 Adjusted EBITDA Target

+$100M
3-Year Incremental Cash Target

CAPITAL ALLOCATION

- M&A
- Invest in Core Business
- Share Buyback

Extending Beyond Solid Organ Transplant Monitoring

5,600

Autologous and allogeneic cell therapy registered clinical trials globally

70% Cancer (Blood and Solid Tumors)

10% Autoimmune Disorders

20% Other (e.g., Diabetes, Viral)

220

Hematopoietic and bone marrow transplant centers

Cell Transplant: Hematopoietic Stem Cell and Bone Marrow Transplants

148

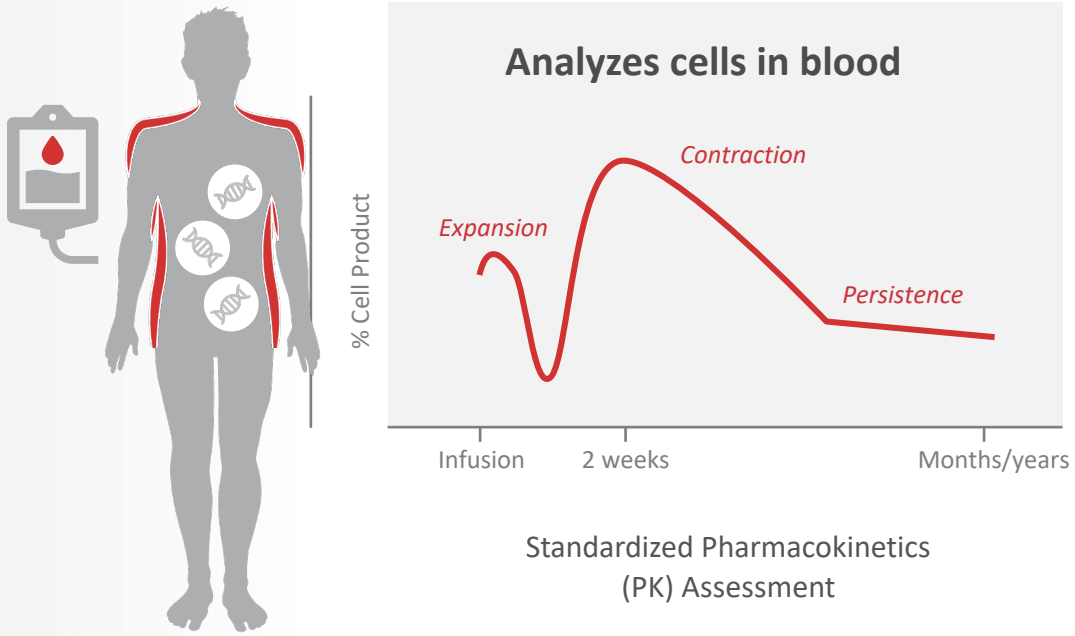
Accredited cell therapy centers

Immune Cell Therapy: Engineered (CAR-T, CAR-NK) and Non-Engineered (TCR-T, NK)

Sources: Estimated numbers. www.nmdp.org/what-we-do/partnerships/global-transplant-network/transplant-center-directory. https://accredited.factglobal.org/?_sft_category=cellular-therapy&_sft_country=usa&_sft_clinical=immune-effector-cellular-therapy. Nature Reviews May 2024 doi.org/10.1038/d41573-024-00094-4. Accessed online November 15, 2024.

Two Products Addressing Critical Unmet Need

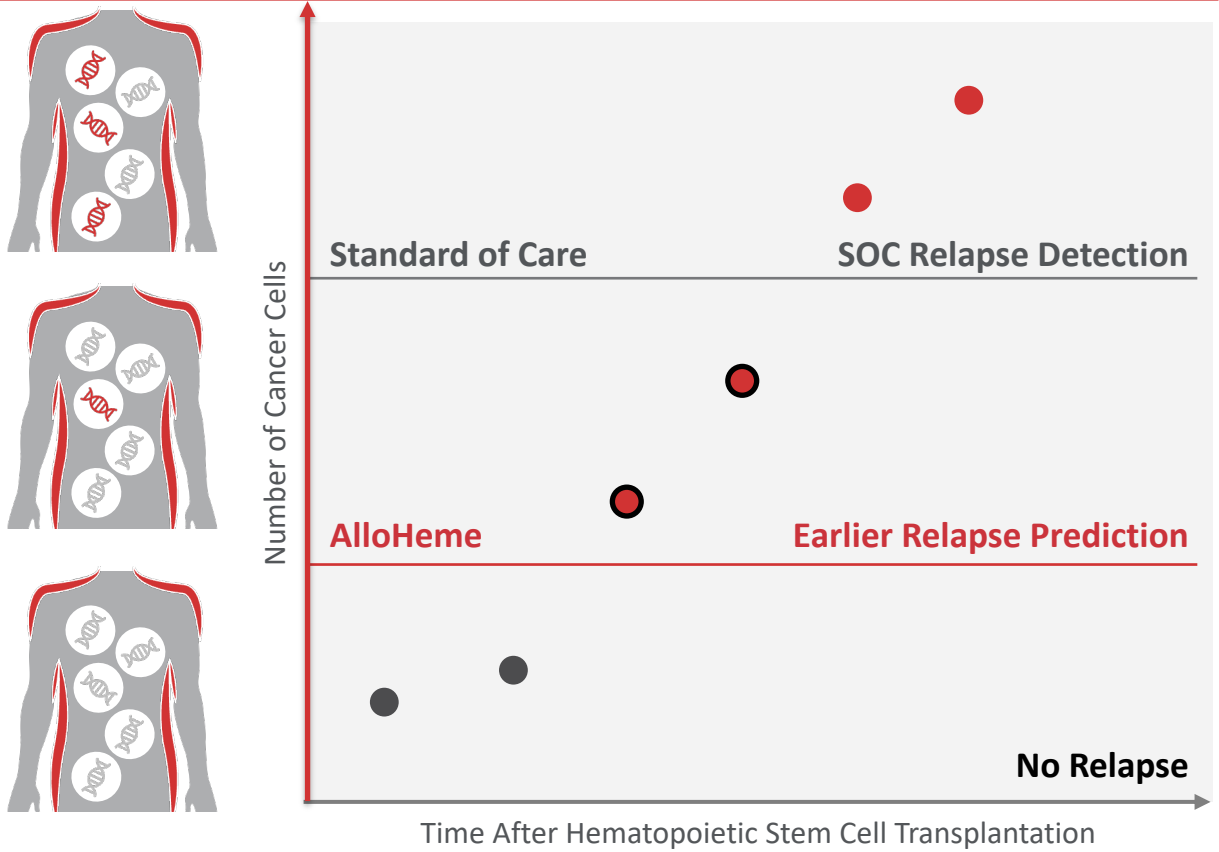
ALLOCELL MONITORS IMMUNE CELL THERAPY PHARMACOKINETICS



Standardized Pharmacokinetics (PK) Assessment

Universal assay based on DNA differences between cell therapy product and patient

ALLOHEME DETECTS CANCER RELAPSE POST-CELL TRANSPLANT



Sources: The Society for Immunotherapy of Cancer (SITC) 2023 Annual Meeting poster presentation. Tandem Meetings. Transplantation and Cellular Therapy Meeting 2024. Oral Presentation.

CareDx® | UNLOCKING GROWTH

Activating Our Strategy



PUT IN PLACE THE RIGHT TEAM



IDENTIFIED THE MARKET OPPORTUNITIES



LAUNCHING INNOVATIVE SOLUTIONS TO RESOLVE UNMET MEDICAL NEEDS

CareDx®

The Transplant Solutions Company

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Kristin J, Stem Cell and Double Lung Recipient

Appendix

Reconciliation of Adjusted EBITDA

in millions USD	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
GAAP Net Loss	**(23.5)**	**(118.1)**	**(16.7)**	**(1.4)**	**(7.4)**
Stock-based compensation expense	12.7	10.0	13.3	13.2	13.7
Unrealized loss (gain) on investments	0.3	-	-	-	-
Realized gain on investments	-	(1.5)	-	-	-
Acquisition related amortization of purchased intangibles	1.6	1.7	1.7	1.6	1.6
Acquisition related fees and expenses	0.3	0.1	0.0	0.0	-
Change in estimated fair value of contingent consideration	1.2	0.9	0.3	0.2	0.2
Restructuring	0.0	1.5	(0.0)	0.1	-
Litigation expense	-	96.3	-	-	-
Other charges (gain)	(2.1)	-	-	0.0	-
Tax effect related to amortization of purchased intangibles	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Non–GAAP Net Income (Loss)	**(9.6)**	**(9.3)**	**(1.4)**	**13.6**	**8.0**
Interest income	(3.2)	(3.2)	(2.9)	(2.8)	(3.0)
Income tax expense (benefit)	(0.2)	0.3	0.0	0.1	0.3
Depreciation expense	2.0	2.0	2.2	1.9	1.9
Other (income) expense, net	(0.0)	(0.1)	0.3	0.1	(0.3)
Adjusted EBITDA	**(10.9)**	**(10.3)**	**(1.9)**	**12.9**	**6.9**

Reconciliation of Non-GAAP Gross Margin

in millions USD (except %)	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Revenue	**67.2**	**65.6**	**72.0**	**92.3**	**82.9**
GAAP Cost of Revenue	**24.5**	**25.8**	**25.9**	**28.0**	**27.6**
GAAP Gross Profit	**42.7**	**39.8**	**46.1**	**64.3**	**55.3**
GAAP Gross Margin %	**64%**	**61%**	**64%**	**70%**	**67%**
Non-GAAP Expense:					
Stock-based compensation expense	(1.1)	(0.9)	(1.1)	(0.9)	(1.0)
Restructuring	0.0	(0.2)	0.0	(0.0)	(0.0)
Acquisition related amortization of purchased intangibles	(1.0)	(1.0)	(1.0)	(1.0)	(0.9)
Non-GAAP Cost of Revenue	**22.4**	**23.7**	**23.8**	**26.1**	**25.7**
Non-GAAP Gross Profit	**44.8**	**41.9**	**48.3**	**66.2**	**57.2**
Non-GAAP Gross Margin %	**67%**	**64%**	**67%**	**72%**	**69%**