



Q2 2024 Financial and Business Presentation

July 31, 2024



Patrick G, Kidney Transplant Recipient

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Q2 2024 Financial and Business Highlights

Cash flow positive, adjusted EBITDA positive

- Reported total revenue of \$92.3 million, an increase of 31% year-over-year.
- Grew Testing Services volume to 43,700 tests, an increase of 17% year-over-year.
- Reported GAAP net loss of \$1.4 million, non-GAAP net income of \$13.6 million, and positive adjusted EBITDA of \$12.9 million, a significant improvement from the second quarter 2023.
- Generated \$18.9 million in cash from operations. Ended the quarter with cash, cash equivalents, and marketable securities of approximately \$228.9 million, with no debt.
- Raised 2024 guidance for annual revenue to \$320 to \$328 million and adjusted EBITDA to a gain of \$9 to \$15 million.
- In the first half of 2024, expanded coverage by 27 million lives nationwide.
- Published SHORE study data demonstrating that HeartCare® outperforms dd-cfDNA alone in identifying allograft rejection.
- *Nature Medicine* publication validates CareDx AlloView™ AI-enabled risk prediction model and demonstrates AlloSure® Kidney detects subclinical rejection in stable patients.



Kristin J, Stem Cell
and Double Lung Recipient

Business Highlights

Most Extensive Prospective Study of its Kind Demonstrates Clinical Value of HeartCare Over dd-cfDNA Alone

Journal of Heart and Lung Transplantation: Key Findings



HeartCare outperforms dd-cfDNA alone in detecting rejection¹



Patients experienced excellent outcomes with fewer biopsies¹

SHORE (Surveillance in HeartCare Outcomes Registry) Study Details

Largest heart transplant study of its kind

Observational, prospective study

67 transplant centers across the US

Over 2,700 patients

Encompasses over 11,000 patient visits

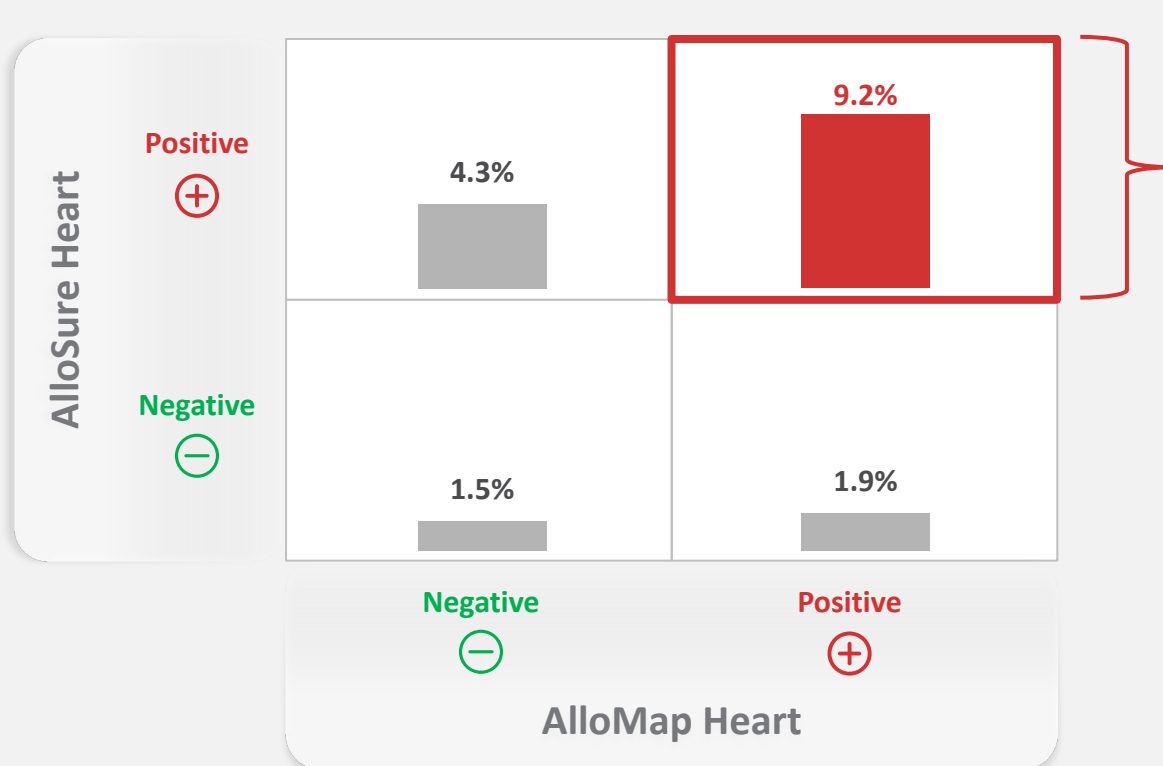
Study end points:

- Survival and graft function
- Reduction in surveillance biopsies

1. Khush K, Hall S, Kao A, et al. Surveillance with Dual Non-invasive Testing for Acute Cellular Rejection After Heart Transplantation: Outcomes from the Surveillance HeartCare Outcomes Registry (SHORE). *The Journal of Heart and Lung Transplantation*. May 15, 2024.

HeartCare Outperforms dd-cfDNA Testing Alone in Identifying Allograft Rejection

Test Results Paired with EMB-Proven Acute Cellular Rejection.¹

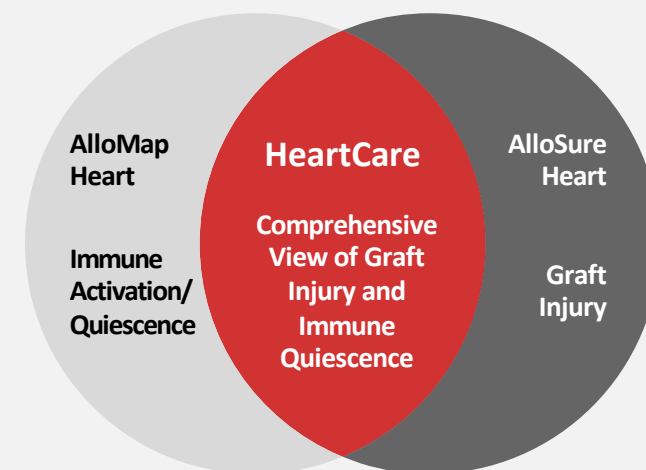


HeartCare® Better Identifies Acute Cellular Rejection (ACR)¹

Dual Positive HeartCare Results Associated with the Highest Incidence of ACR¹

HeartCare Supports Patient Risk Stratification Strategies

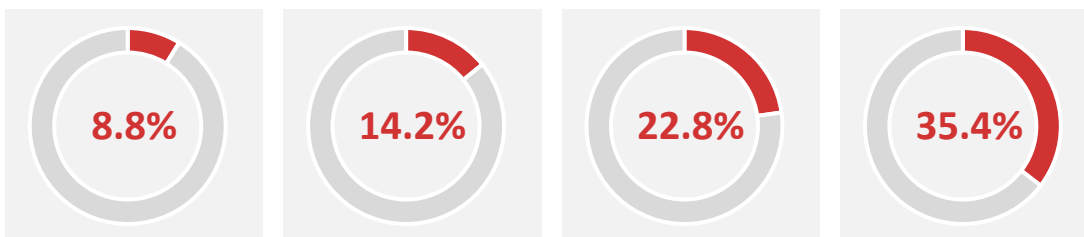
Samples: N=6363



1. Khush K, Hall S, Kao A, et al. Surveillance with Dual Non-invasive Testing for Acute Cellular Rejection After Heart Transplantation: Outcomes from the Surveillance HeartCare Outcomes Registry (SHORE). *The Journal of Heart and Lung Transplantation*. May 15, 2024.

HeartCare Patients Experienced Excellent Two-Year Outcomes with Fewer Biopsies

Follow-up endomyocardial biopsy rate (EMB) following HeartCare results.¹



AlloMap Heart



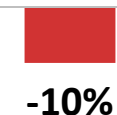
AlloSure Heart



- Follow-up EMBs are performed at lower rate following a dual negative HeartCare Results and highest rate following a dual positive HeartCare result.
- The rate of biopsies performed in response to a single positive result is 56% lower than dual-positive HeartCare results

Reduction in Biopsies Over Time 2017-2021¹

1 Year Post Transplant



2 Year Post Transplant



Outcomes 2 Years Post-Transplant¹

- 95% Survival Rate
- 97% Normal Graft Function

1. Khush K, Hall S, Kao A, et al. Surveillance with Dual Non-invasive Testing for Acute Cellular Rejection After Heart Transplantation: Outcomes from the Surveillance HeartCare Outcomes Registry (SHORE). *The Journal of Heart and Lung Transplantation*. May 15, 2024.

Nature Medicine Publication Validates AlloView and Demonstrates Utility of AlloSure Kidney

Nature Medicine: Key Findings



Validates AlloView AI-enabled risk prediction model



Surveillance monitoring with AlloSure and AlloView improves detection of all types of allograft rejection



AlloSure detected subclinical rejection in clinically stable patients



AlloSure dd-cfDNA levels elevated prior to biopsy proven rejection and declined in response to treatment

Paris Institute for Transplantation and Organ Regeneration Study Details

Largest kidney transplant study of its kind

Large-scale real-world study

14 transplant centers across the US and Belgium

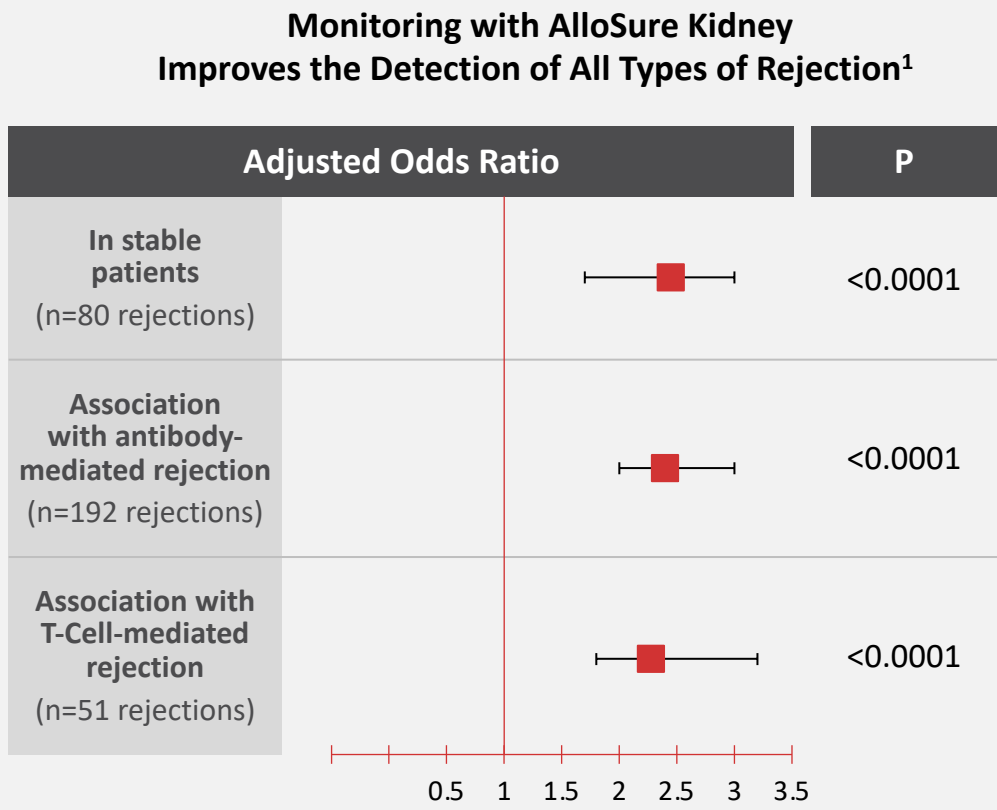
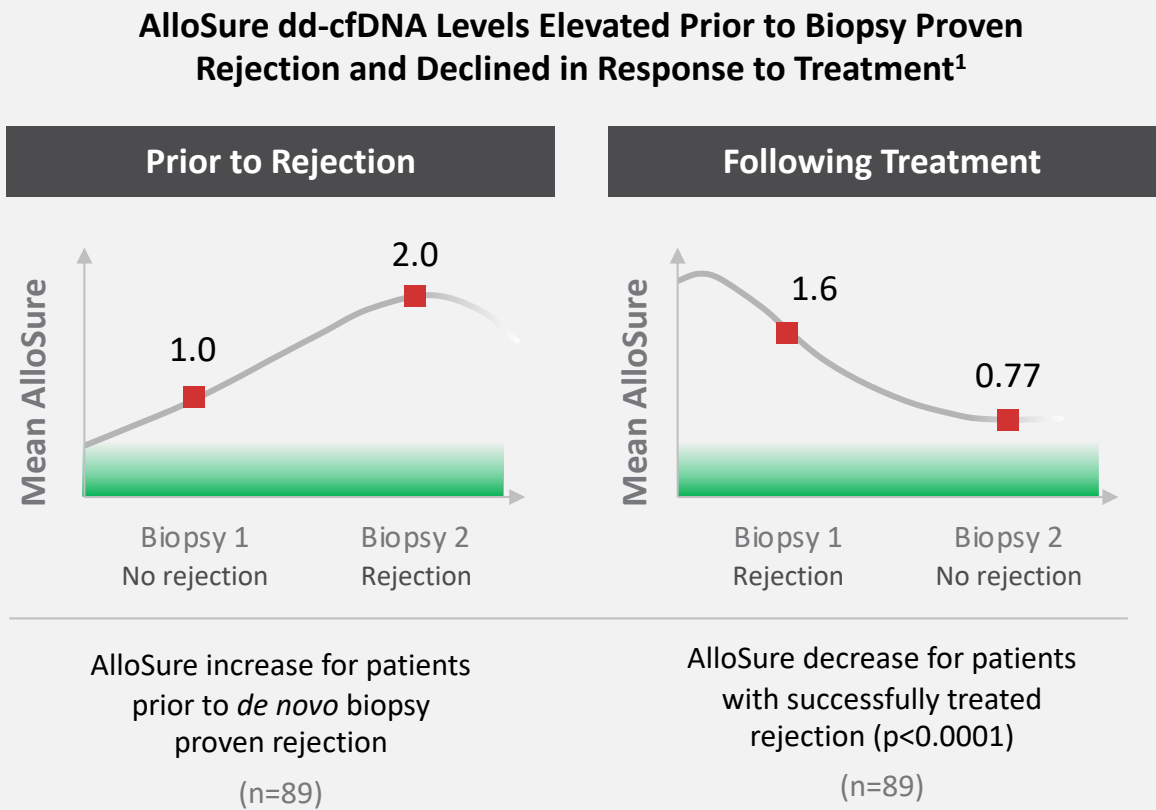
Over 2,882 patients

Objective:

Assess the role of AlloSure dd-cfDNA and an AI enabled risk prediction model, AlloView, that incorporates AlloSure to improve detection, characterization, and treatment of kidney transplant rejection.

1. Aubert, O., Ursule-Dufait, C., Brousse, R., et al. Cell-Free DNA for the detection of kidney allograft rejection. *Nat Med* (2024). <https://doi.org/10.1038/s41591-024-03087-3>

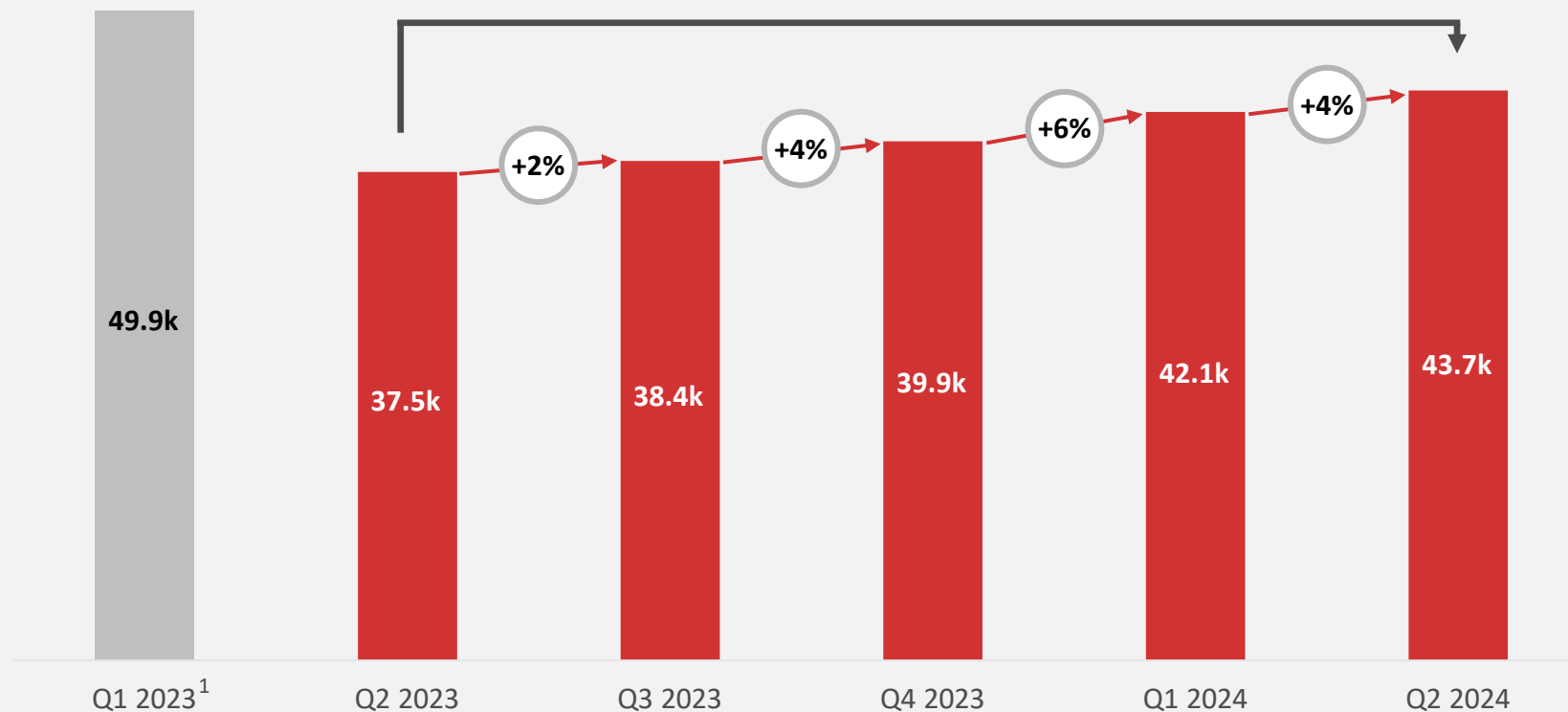
Nature Medicine Study Shows AlloSure Kidney is Leading Indicator of Rejection



1. Aubert, O., Ursule-Dufait, C., Brousse, R., et al. Cell-Free DNA for the detection of kidney allograft rejection. *Nat Med* (2024). <https://doi.org/10.1038/s41591-024-03087-3>

Financial Highlights

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

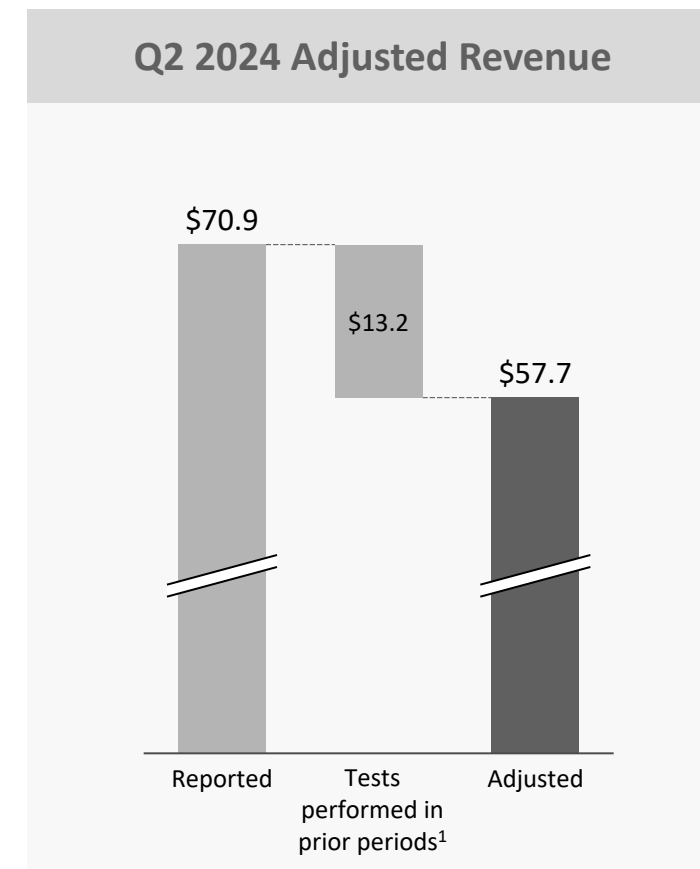
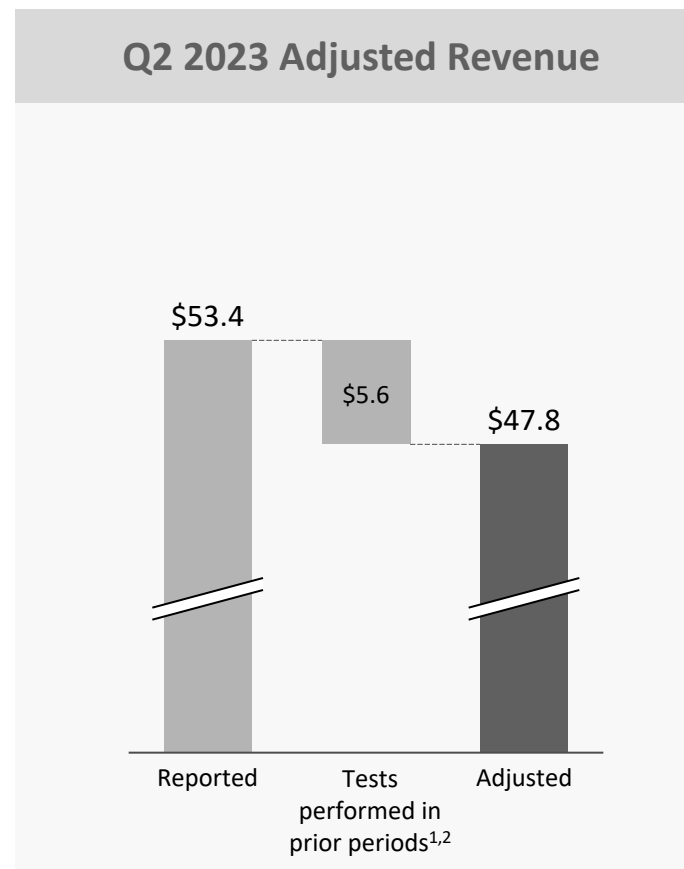
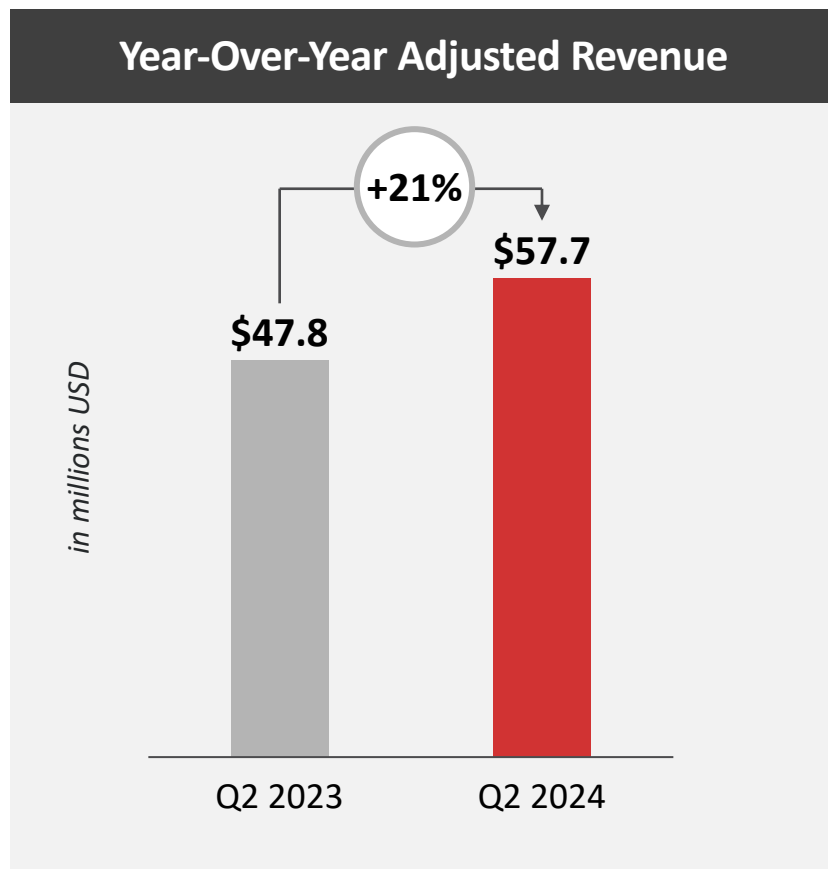


+17%

**Year-Over-Year
Growth in Q2**

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

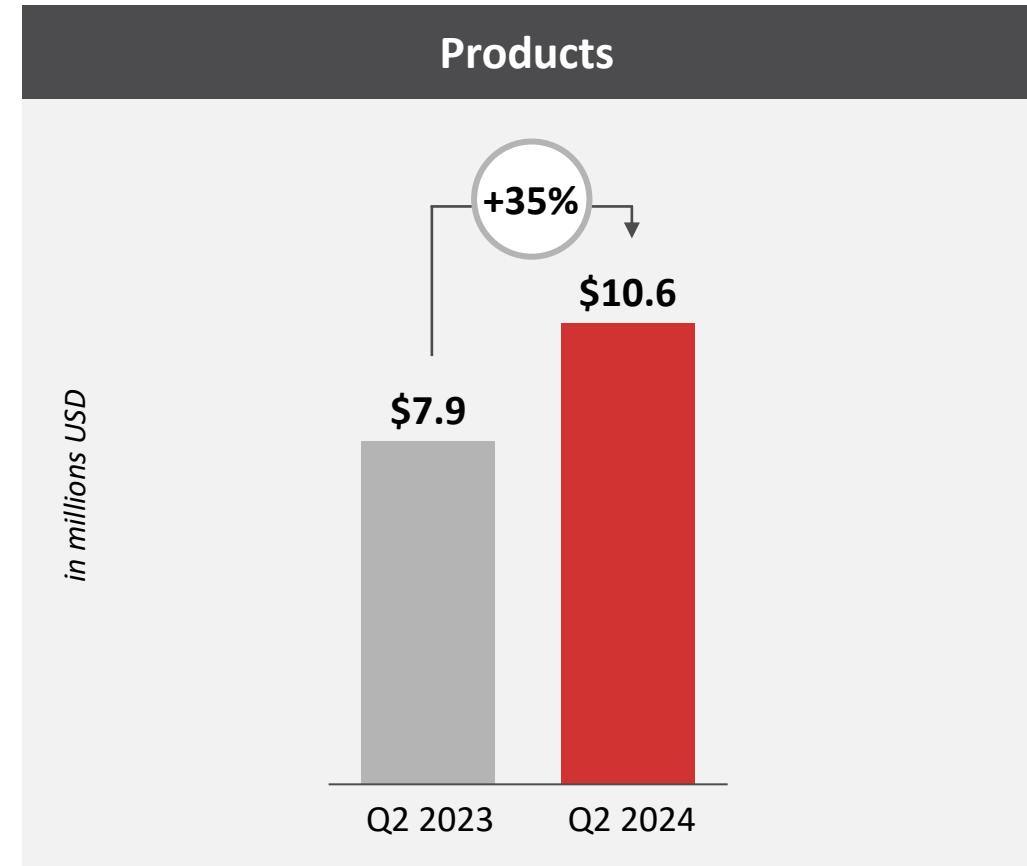
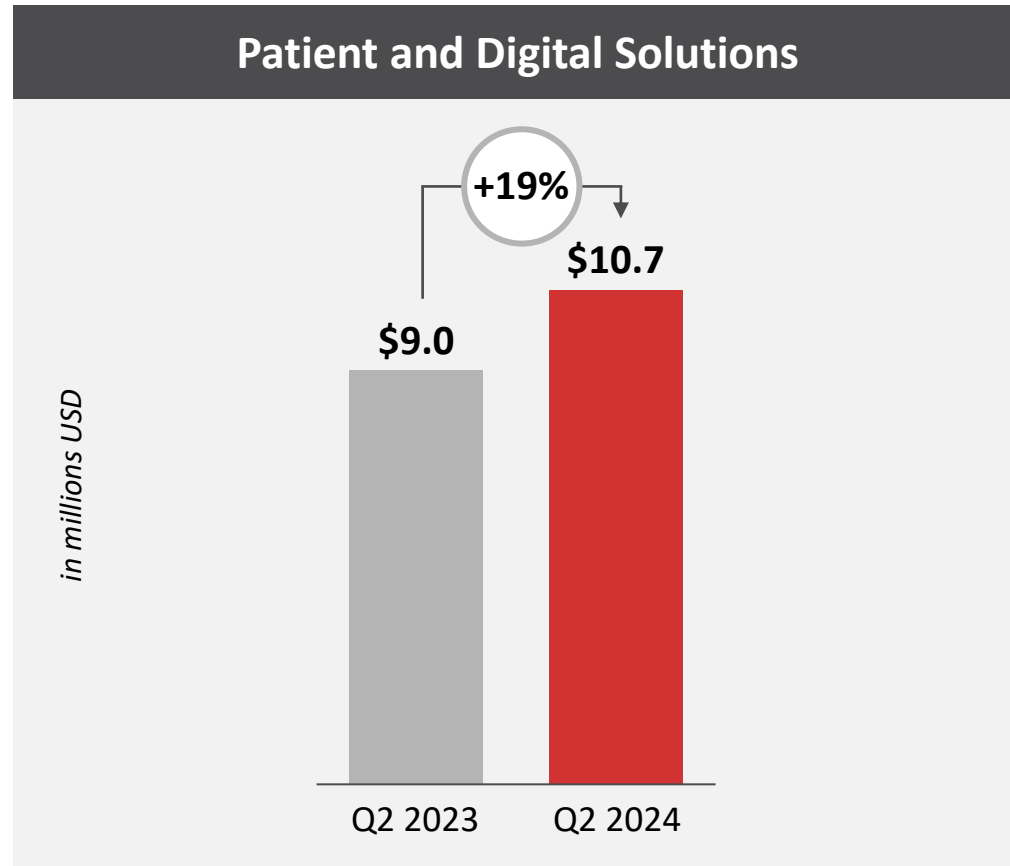
Adjusted Testing Services Revenue Up Over 20% Year-Over-Year Driven by Strong Volume Growth



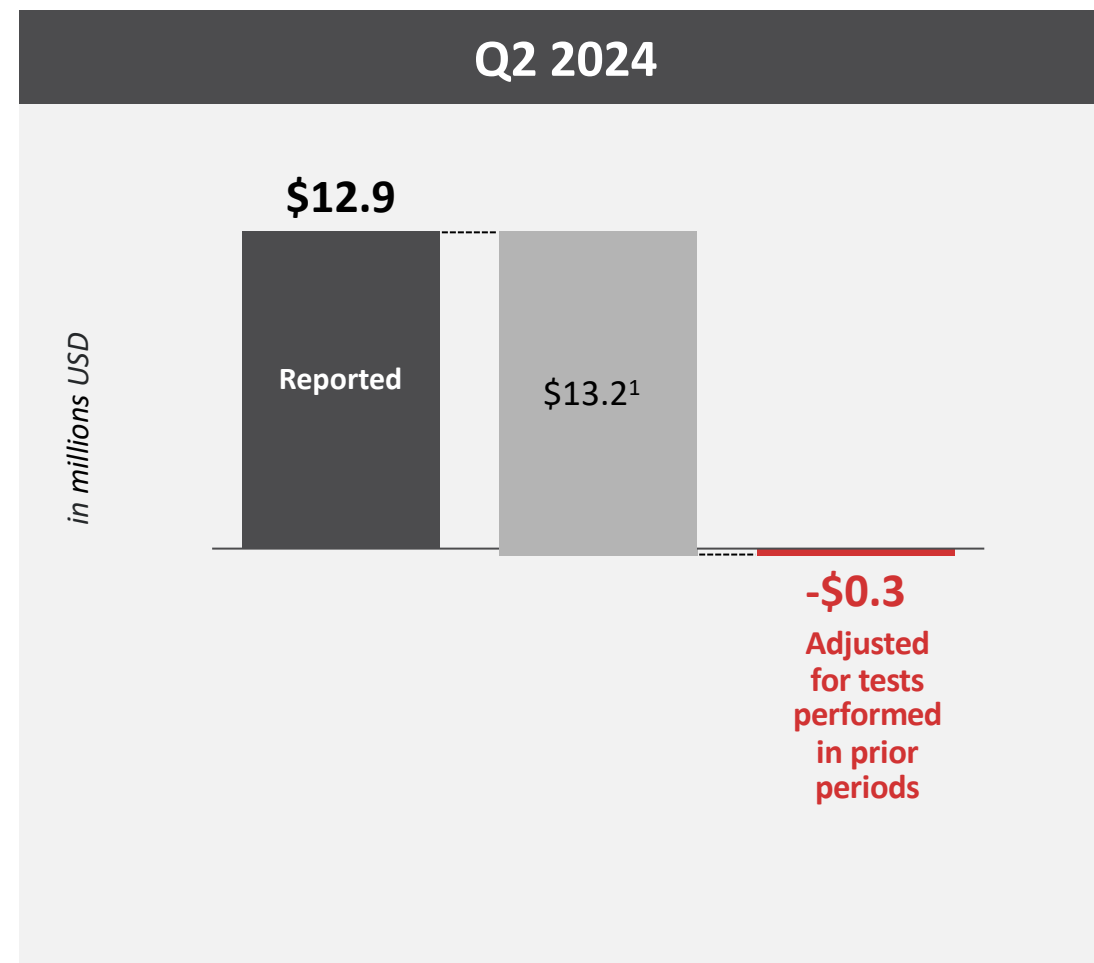
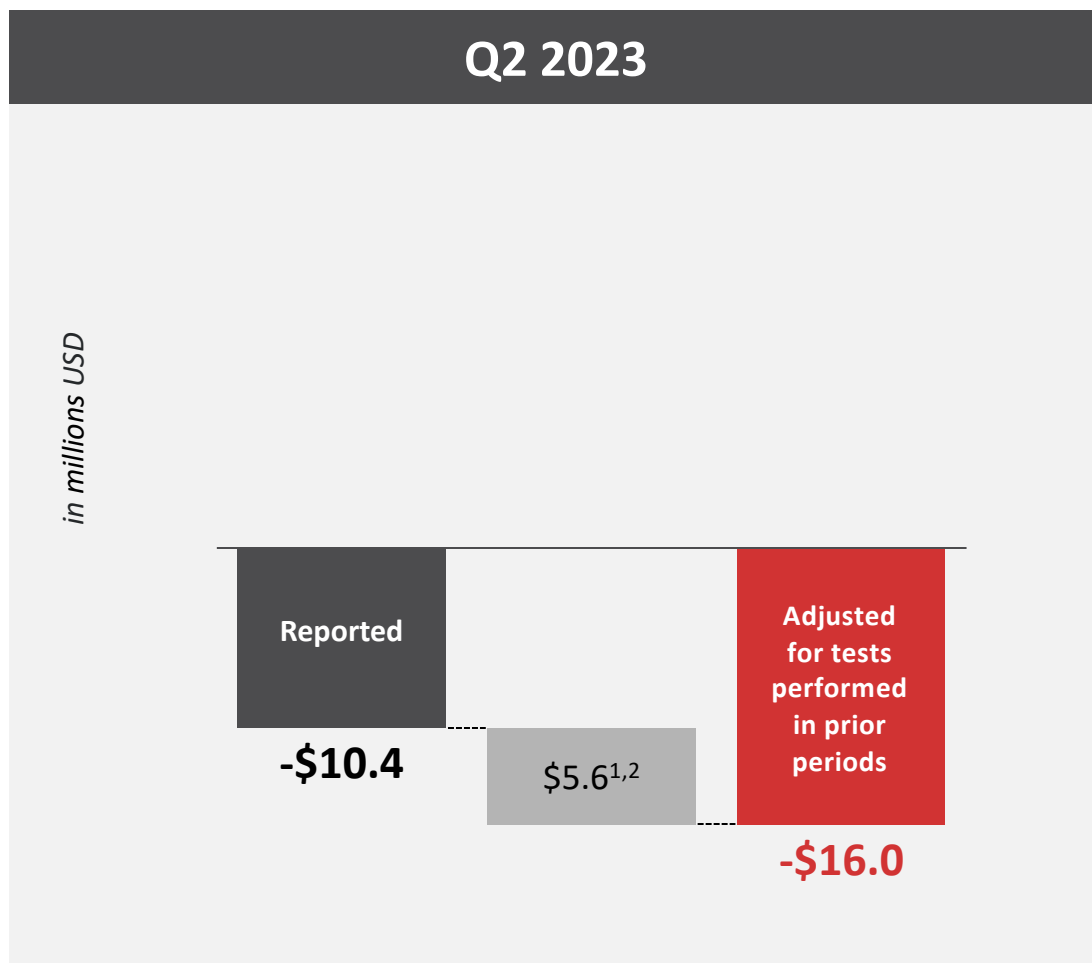
1. Adjusted for revenue associated with tests performed in prior periods.

2. Includes \$7.8M in Medicare revenue associated with AlloSure Kidney tests pertaining to Q1 2023 that the Company submitted in Q2 2023, as disclosed previously.

Strong Year-Over-Year Revenue Growth Across Other Businesses



Revenue Growth Drives Improved Adjusted EBITDA

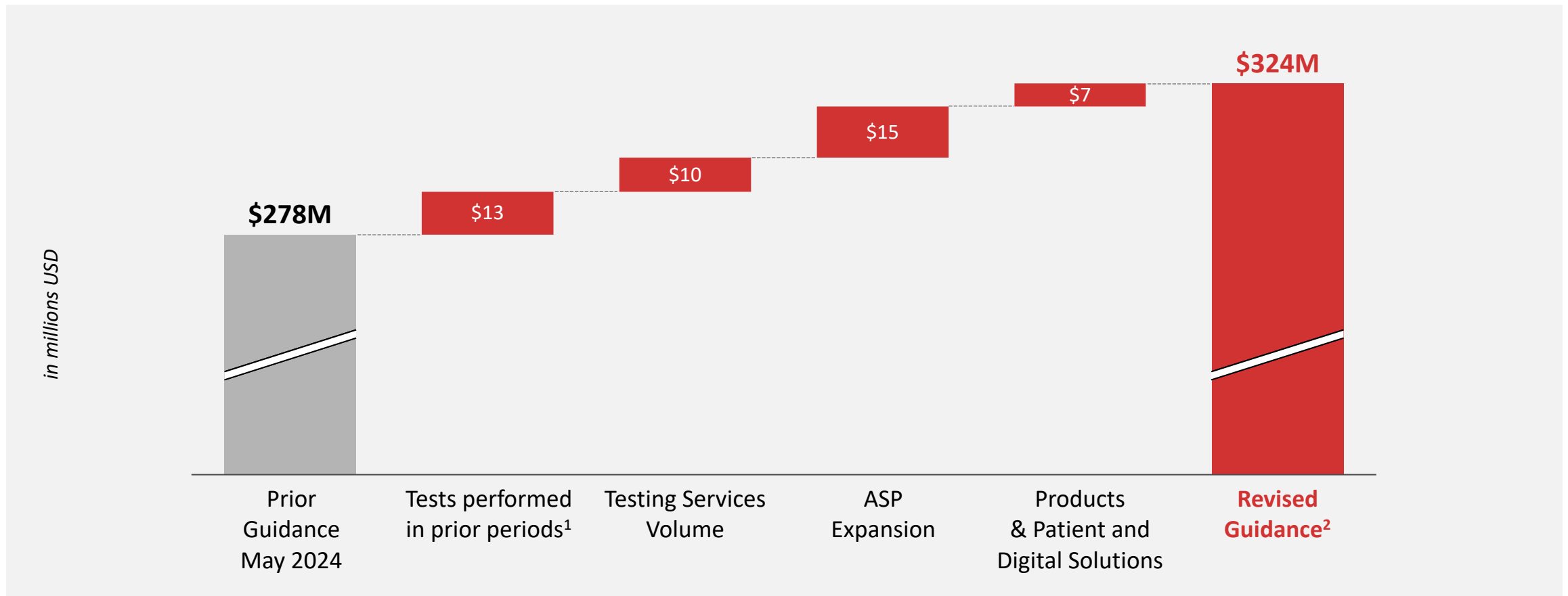


1. Adjusted for revenue associated with tests performed in prior periods.

2. Includes \$7.8M in Medicare revenue associated with AlloSure Kidney tests pertaining to Q1 2023 that the Company submitted in Q2 2023, as disclosed previously.

Revenue Guidance of \$324M at the Mid-Point

Driven by Topline Growth Across Businesses



1. Revenue associated with tests performed in prior periods.

2. 2024 baseline revenue at ~\$310M at the mid-point excluding the revenue associated with tests performed in periods prior to 2024.

Revised 2024 Guidance

Guide Assumptions	May 2024	July 2024
Total Revenue	\$274M – \$282M Testing Services - Low double-digit growth for Testing Services based on annualized actual testing services revenue for the fourth quarter 2023 - Other previously reported assumptions remain unchanged¹ Products - High single-digit growth year-over-year Patient and Digital Solutions - Mid single-digit growth year-over-year 1. No change in Medicare coverage. No incremental revenue assumed from new private payer coverage decisions or one-time benefits associated with collections.	\$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
Non-GAAP Gross Margin	63% – 65% Expected to be at the high end of the range Driven by improvement in Testing Services gross margin	67% – 68% Driven by continued improvement in Testing Services gross margin
Adjusted EBITDA Gain (Losses)	(\$14M – \$24M) Improved top-line and gross margin assumptions	\$9M – \$15M Improved top-line and gross margin assumptions



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Your Partner in Transplant Care[™]

Appendix

Reconciliation of Adjusted EBITDA

in millions USD

	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
GAAP Net Loss	(25.0)	(23.5)	(118.1)	(16.7)	(1.4)
Stock-based compensation expense	12.7	12.7	10.0	13.3	13.2
Unrealized loss (gain) on investments	(0.1)	0.3	-	-	-
Realized gain on investments	-	-	(1.5)	-	-
Acquisition related amortization of purchased intangibles	1.6	1.6	1.7	1.7	1.6
Acquisition related fees and expenses	-	0.3	0.1	0.0	0.0
Change in estimated fair value of contingent consideration	0.1	1.2	0.9	0.3	0.2
Restructuring	0.8	0.0	1.5	(0.0)	0.1
Litigation expense	-	-	96.3	-	-
Other charges (gain)	0.0	(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)	(9.9)	(9.6)	(9.3)	(1.4)	13.6
Interest income	(2.9)	(3.2)	(3.2)	(2.9)	(2.8)
Income tax expense (benefit)	0.1	(0.2)	0.3	0.0	0.1
Depreciation expense	2.1	2.0	2.0	2.2	1.9
Other expense (income), net	0.3	(0.0)	(0.1)	0.3	0.1
Adjusted EBITDA	(10.4)	(10.9)	(10.3)	(1.9)	12.9

Reconciliation of Non-GAAP Gross Margin

<i>in millions USD (except %)</i>	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Revenue	70.3	67.2	65.6	72.0	92.3
GAAP Cost of Revenue	25.9	24.5	25.8	25.9	28.0
GAAP Gross Profit	44.4	42.7	39.8	46.1	64.3
GAAP Gross Margin %	63%	64%	61%	64%	70%
Non-GAAP Expense:					
Stock-based compensation expense	(1.1)	(1.1)	(0.9)	(1.1)	(0.9)
Restructuring	(0.0)	0.0	(0.2)	0.0	(0.0)
Acquisition related amortization of purchased intangibles	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Non-GAAP Cost of Revenue	23.8	22.4	23.7	23.8	26.1
Non-GAAP Gross Profit	46.5	44.8	41.9	48.3	66.2
Non-GAAP Gross Margin %	66%	67%	64%	67%	72%