CareDx®

# The Transplant Solutions Company

FEBRUARY 26, 2025



**Patrick G,** Kidney Transplant Recipient

# Safe Harbor Statement

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 slides and the accompanying oral presentation include forward-looking statements, including expectations regarding the achievement of CareDx's financial and operational goals, its expectations and prospects for 2025 and its 2025 revenue and adjusted EBITDA targets. These forward-looking statements are based upon information that is currently available to CareDx and its current expectations, speak only as of the date hereof, and are subject to numerous risks and uncertainties, all of which are difficult to predict and many of which are beyond CareDx's control, that could cause the actual results to differ materially from those projected, including general economic and market factors, and global economic and marketplace uncertainties, among others discussed in CareDx's filings with the Securities and Exchange Commission (the "SEC"), including, but not limited to, the Annual Report on Form 10-K for the fiscal year ended December 31, 2024 filed by CareDx with the SEC on or about February 27, 2025, and other reports that CareDx has filed with the SEC.

In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation are inherently uncertain and may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Accordingly, you should not rely upon forward-looking statements as predictions of future events. CareDx undertakes no obligation to update publicly or revise any forward-looking statements for any reason after the date of this presentation or to conform these statements to actual results or to changes in CareDx's expectations.

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. A reconciliation of the forecasted range for Adjusted EBITDA for 2025 is not included in these slides due to the number of variables in the projected range and because we are currently unable to quantify accurately certain amounts that would be required to be included in the U.S. GAAP measure or the individual adjustments for such reconciliation.

Certain data in this presentation was obtained from various external sources, and neither the Company nor its affiliates, advisers or representatives has verified such data with independent sources. Accordingly, neither the Company nor any of its affiliates, advisers or representatives makes any representations as to the accuracy or completeness of that data or undertakes any obligation to update such data after the date of this presentation. Such data involves risks and uncertainties and is subject to change based on various factors.

The trademarks included herein are the property of the owners thereof and are used for reference purposes only. Such use should not be construed as an endorsement of the products or services of the Company.

# Q4 and FY 2024 Highlights

## Q4 Business Highlights

### Testing Services Volume Growth

- Testing services volume of 45,500, increased 14% year-over-year
- Sixth consecutive quarter of sequential testing services volume growth
- AlloSure® Kidney surveillance testing continued to increase in the fourth quarter

### Commercial Coverage

- Expanded AlloMap® Heart coverage by 21 million commercial lives and added 12.2 million new commercial covered lives for AlloSure®

### Clinical Evidence

- Submitted first manuscript of the Kidney Outcomes Allograft Rejection (KOAR) study for publication
- Published study in the journal *Transplant International* shows AlloSeq cfDNA highly accurate in detecting organ transplant rejection

## FY 2024 Financial Results

### Revenue

- Total full year revenue of $333.8 million increased 19% year-over-year

### Testing Volume

- Testing Services volume of 176,000 tests increased 6% year-over-year

### GAAP Net Income / Non-GAAP Income / EBITDA Positive

- GAAP net income of $52.5 million, non-GAAP net income of $30.9 million, and positive adjusted EBITDA of $27.8 million, a significant improvement in FY 2024

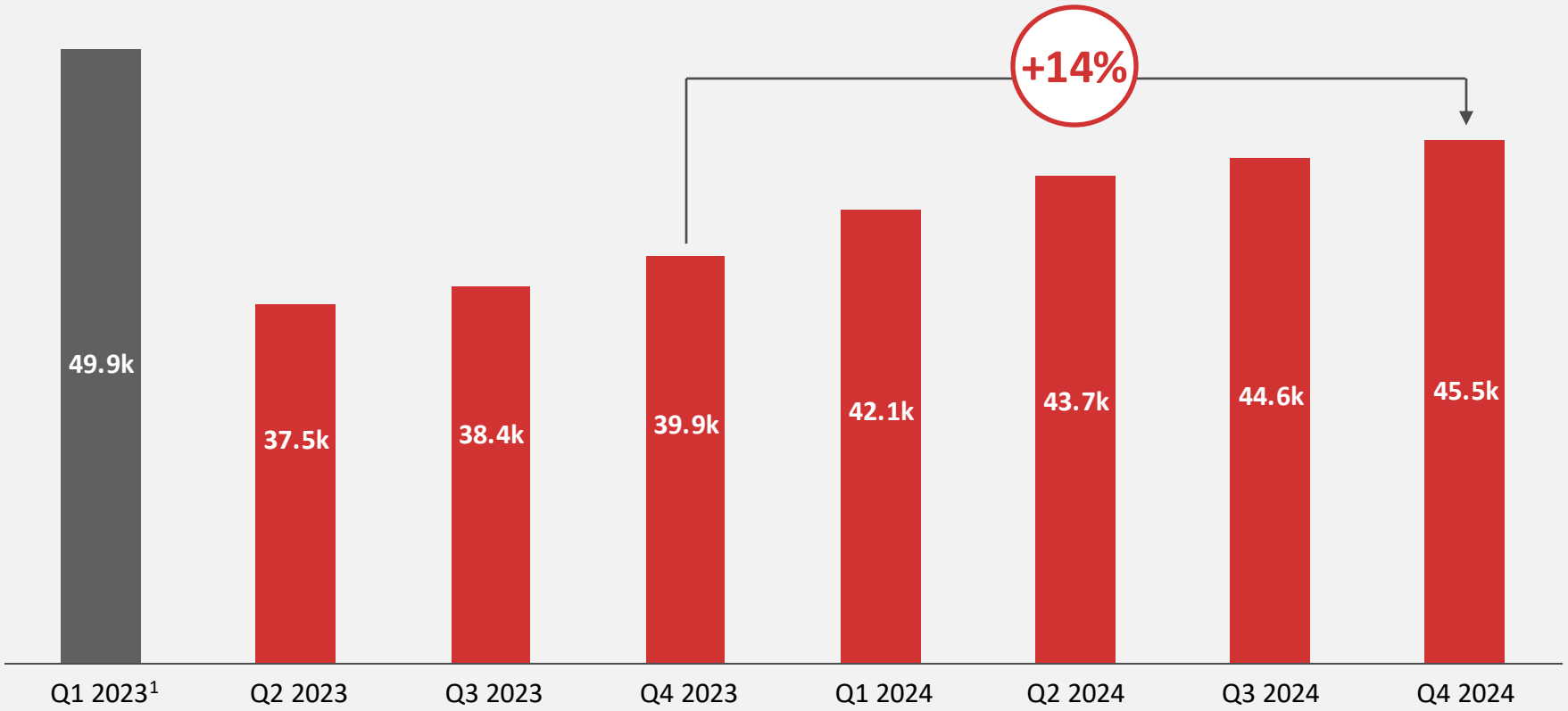
### Strong Cash Balance

- Cash, cash equivalents, and marketable securities of approximately $261 million, with no debt

# Business Highlights

CareDx®

# Achieved Sixth 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.

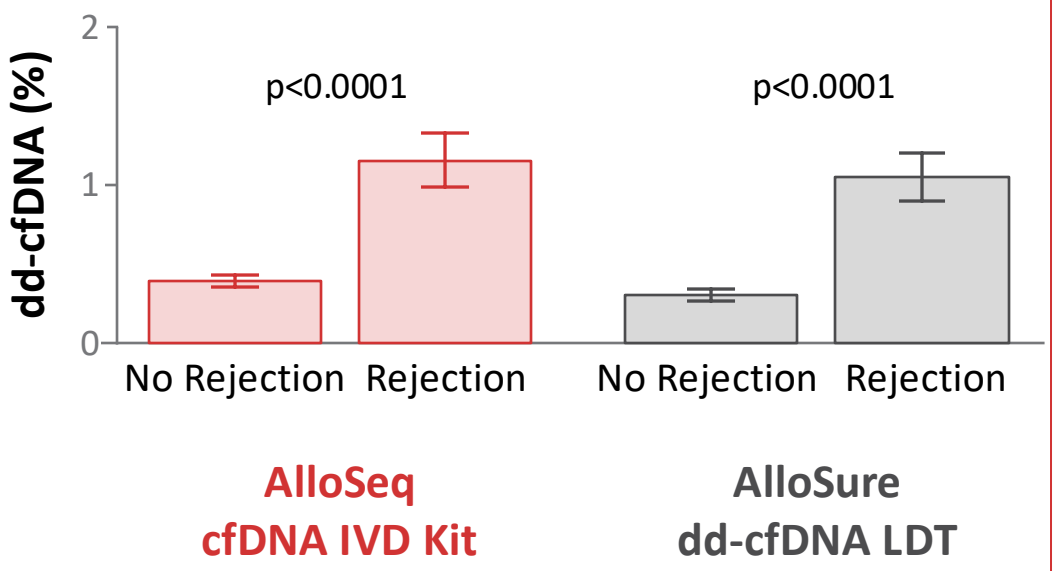


CareDx® | UNLOCKING GROWTH

# AlloSeq cfDNA Delivers Highly Accurate dd-cfDNA Testing to Patients Internationally

- Multicenter prospective study
- 580 kidney transplant patients from 3 centers in Europe
- AlloSeq cfDNA performance consistent with AlloSure
- Over 18,000 kidney, 2,000 heart, and 2,000 lung transplants performed annually across the EU

**Strong Correlation of the Two Tests for Detecting the Allograft Kidney Rejection**




Loupy, A, Certain, A, Tangprasertchai, NS, et al. Evaluation of a Decentralized Donor-Derived Cell-Free DNA Assay for Kidney Allograft Rejection Monitoring. *Transplant International* (2024). DOI=10.3389/ti.2024.13919. AlloSeq cfDNA is available with CE-IVD marking in the E.U. and in the U.K. Not available in the U.S.



CareDx® | UNLOCKING GROWTH

# Key Drivers of Growth in 2025

| | H1 2025 | H2 2025 |
|---|---|---|
| **Go to Market Strategy** | • Launch AlloSure Heart Peds<br>• Launch AlloSure SPK<br>• XynQAPI IOTA Software Release<br>• MTM Program Launch | • Score 7.0 Launch<br>• Launch HistoMap Kidney<br>• AlloView Enhancement |
| **Evidence Generation** | • AlloSeq cfDNA publication<br>• KOAR – 2nd manuscript submitted<br>• SHORE – 2nd manuscript submitted<br>• ISHLT – April | • KOAR – 1st publication<br>• SHORE – 2nd publication<br>• AlloSure Lung publication<br>• World Transplant Congress – August |
| **Operational Excellence** | • Billing team restructuring | • Lab products gross margin improvements |

# Financial Highlights

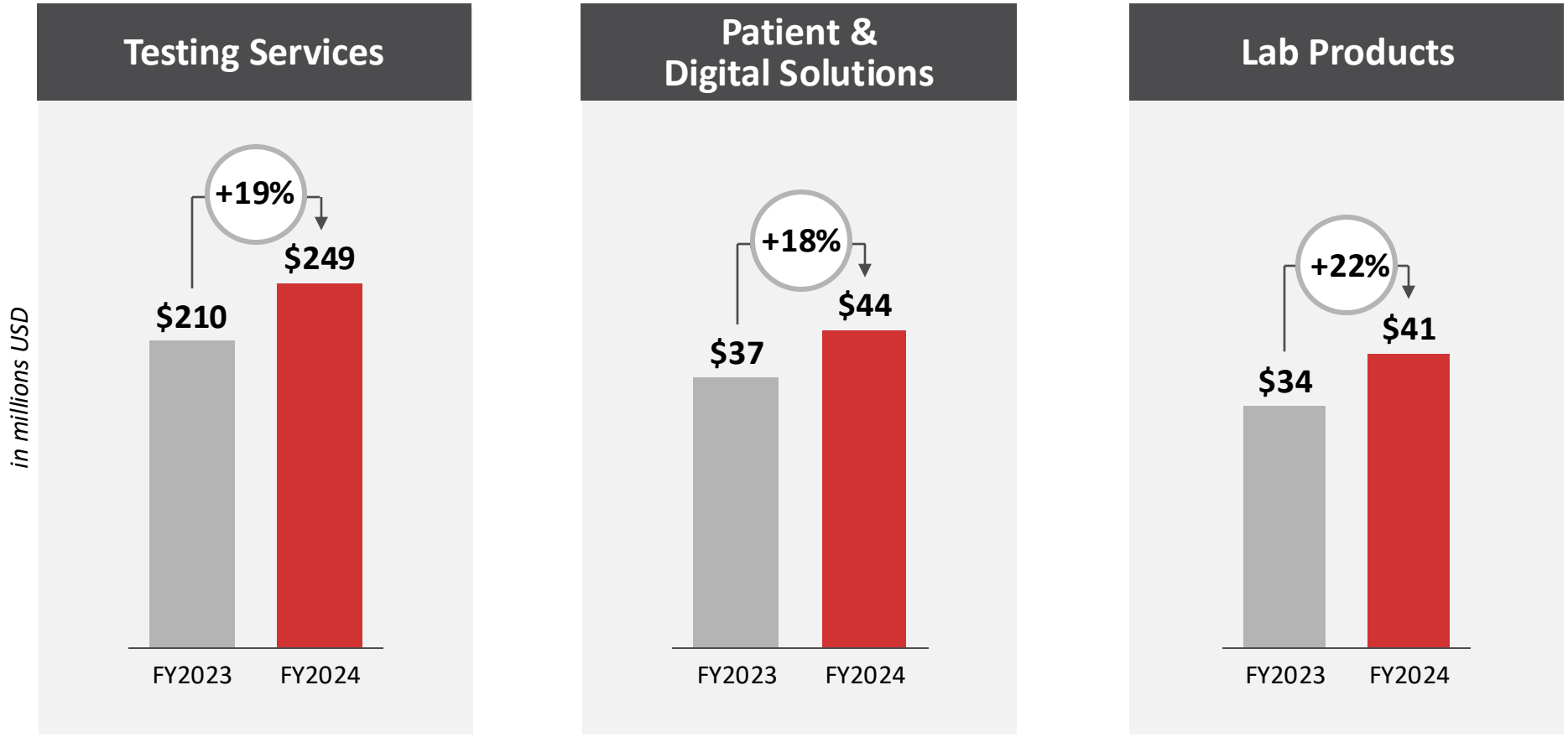
CareDx®

# CareDx FY 2024 Financial Highlights

| | REVENUE | TESTING VOLUME | NON-GAAP GROSS MARGIN[1] | ADJUSTED EBITDA | CASH BALANCE* |
|---|---|---|---|---|---|
| FY 2024 | **$334** million | **176K** | **69.4%** | **$27.8M** positive | **$261** million |
| YEAR-OVER-YEAR | **19%** increase | **6%** increase | **+280** basis points | **+$65.8M** | **+$26** million |

1. Please refer to GAAP to non-GAAP reconciliation for further details in the Appendix.
* Cash balance includes, Cash, Cash Equivalents and Marketable Securities.

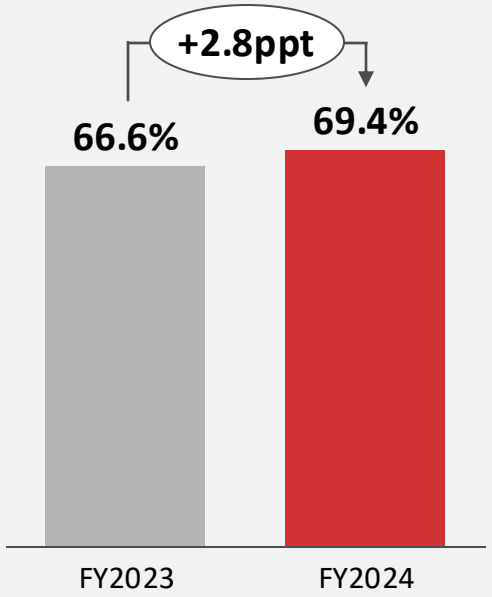
# Revenue Growth Across All Businesses






CareDx® | UNLOCKING GROWTH

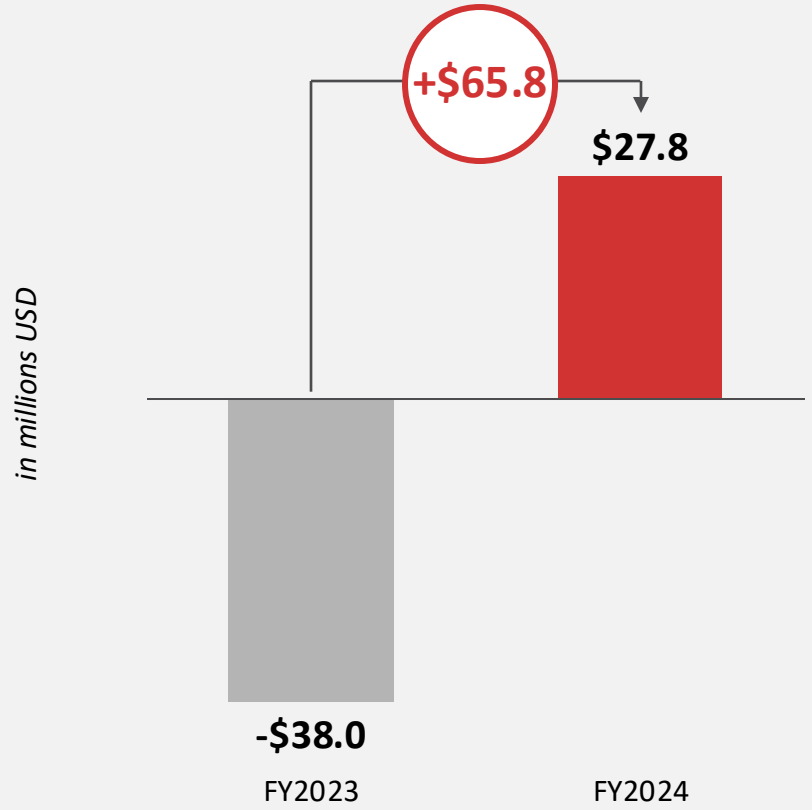
# Non-GAAP Gross Margin Improves 280 Basis Points Year-Over-Year




## Drivers of Improved Gross Margin

- Testing Services volume growth and ASP expansion
- Continued efficiencies in lab operations

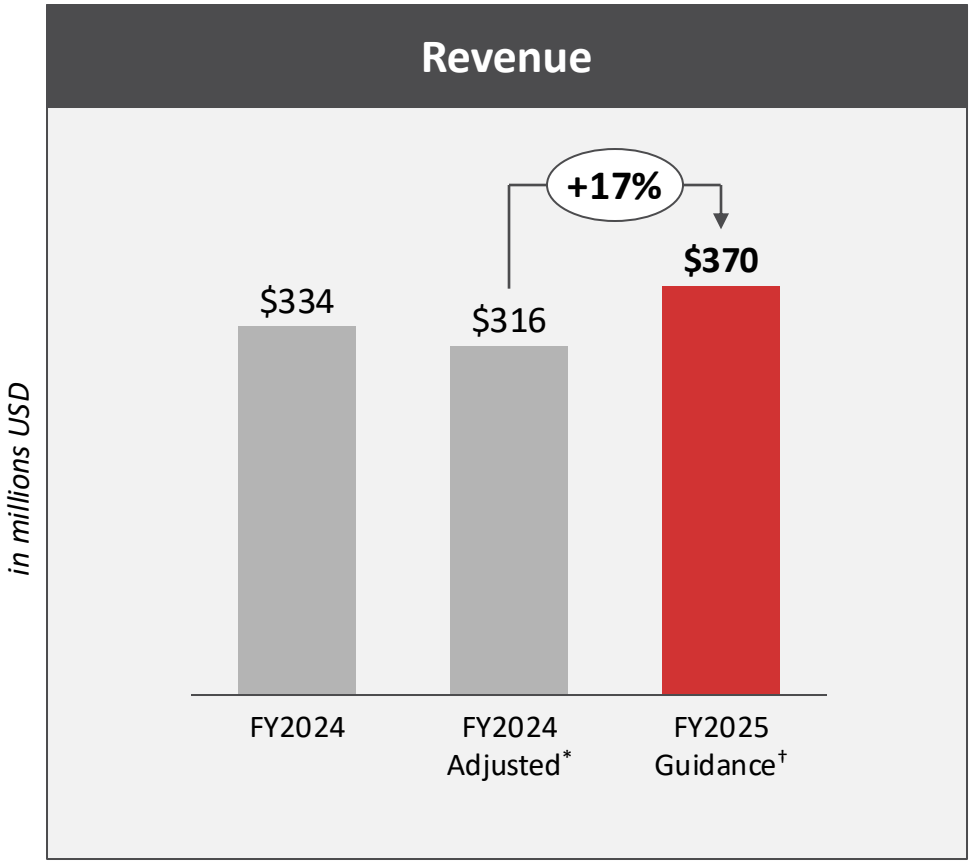
# Operating Leverage and Prudent Expense Management Drives Positive Adjusted EBITDA

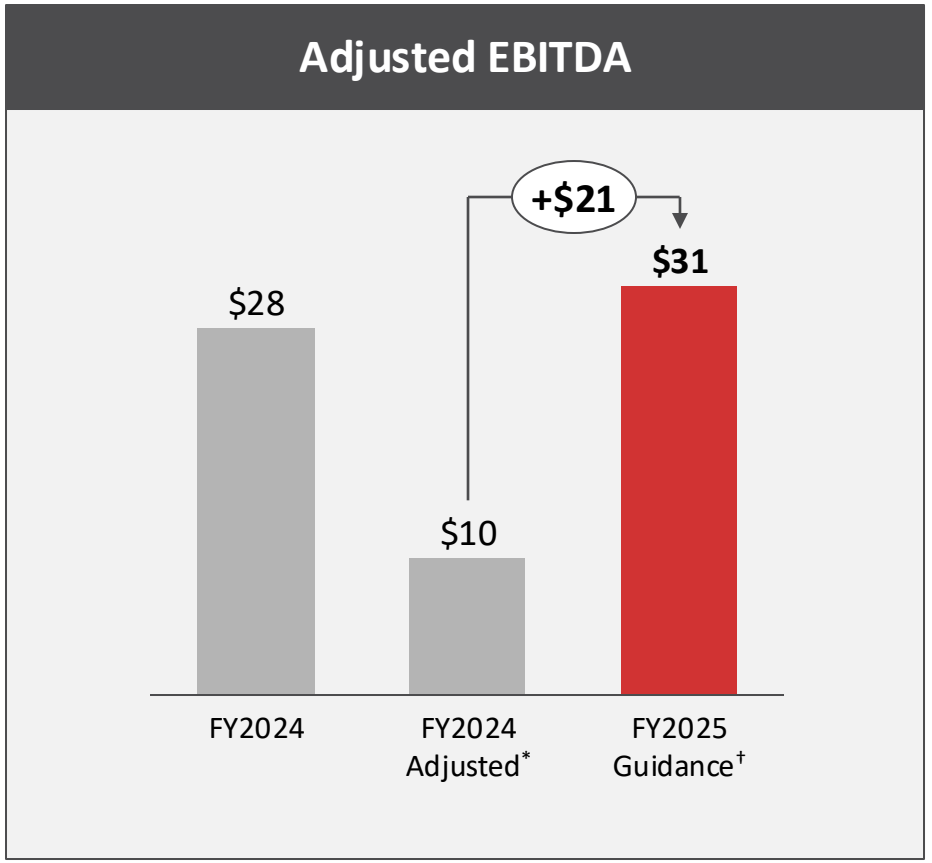



## Drivers of Improved EBITDA

- Strong revenue growth
- Improved gross margin
- Lower operating expenses

# 2025 Guidance




* FY2024 adjusted revenue and adjusted EBITDA excludes $17 million in revenue associated with tests performed in prior periods

† FY2025 guidance represents midpoint of the guidance



CareDx® | UNLOCKING GROWTH

# 2025 Guidance

| Guide Assumptions | |
|---|---|
| **Total Revenue** | **$365M – $375M**<br><br>**Testing Services**<br>• Volume to grow mid-teens year-over-year<br>• Estimate our ASP to be approximately $1,360 per test on a blended basis<br>• No change to Medicare coverage<br><br>**Products & Patient and Digital Solutions**<br>• Mid-teens growth year-over-year |
| **Non-GAAP Gross Margin** | **~70%** |
| **Adjusted EBITDA Gain** | **$29M – $33M** |

CareDx®

Your Partner in Transplant Care™

# Appendix

# Reconciliation of Adjusted EBITDA

| *in millions USD* | FY 2023 | Q1 2024 | Q2 2024 | Q3 2024 | Q4 2024 | FY 2024 |
|---|---|---|---|---|---|---|
| **GAAP Net Income (Loss)** | **(190.3)** | **(19.9)[1]** | **(4.6)[1]** | **(10.6)[1]** | **87.7** | **52.5** |
| Stock-based compensation expense | 49.1 | 16.5[1] | 16.4[1] | 16.9[1] | 16.5 | 66.4 |
| Unrealized loss on investments | 1.2 | - | - | - | - | - |
| Realized gain on investments | (1.5) | - | - | - | - | - |
| Acquisition related amortization of purchased intangibles | 6.5 | 1.7 | 1.6 | 1.6 | 1.5 | 6.3 |
| Acquisition related fees and expenses | 0.6 | - | - | - | - | 0.1 |
| Change in estimated fair value of contingent consideration | 2.7 | 0.3 | 0.2 | 0.2 | 0.2 | 0.9 |
| Asset impairment and write-down | 1.0 | - | - | - | - | - |
| Restructuring | 2.3 | - | 0.1 | - | 1.7 | 1.8 |
| Litigation expense | 96.3 | - | - | - | (96.3) | (96.3) |
| Other charges (gain) | (2.0) | - | - | - | (0.5) | (0.4) |
| Tax effect related to amortization of purchased intangibles | (0.4) | (0.1) | (0.1) | (0.1) | (0.1) | (0.4) |
| **Non–GAAP Net Income (Loss)** | **(34.5)** | **(1.4)** | **13.6** | **8.0** | **10.7** | **30.9** |
| Interest income | (11.9) | (2.9) | (2.8) | (3.0) | (3.1) | (11.8) |
| Income tax expense | 0.5 | - | 0.1 | 0.3 | 0.3 | 0.7 |
| Depreciation expense | 7.9 | 2.2 | 1.9 | 1.9 | 1.8 | 7.8 |
| Other (income) expense, net | - | 0.3 | 0.1 | (0.3) | 0.1 | 0.2 |
| **Adjusted EBITDA** | **(38.0)** | **(1.9)** | **12.9** | **6.9** | **9.8** | **27.8** |

[1] Reflects corrected amount, please refer to Item 9B in the 2024 Annual Report on Form 10-K

# Reconciliation of Non-GAAP Gross Margin

| *in millions USD (except %)* | FY 2023 | Q1 2024 | Q2 2024 | Q3 2024 | Q4 2024 | FY 2024 |
|---|---|---|---|---|---|---|
| **Revenue** | **280.3** | **72.0** | **92.3** | **82.9** | **86.6** | **333.8** |
| | | | | | | |
| **GAAP Cost of Revenue** | **102.2** | **25.9** | **28.0** | **27.6** | **28.2** | **109.7** |
| **GAAP Gross Profit** | **178.1** | **46.1** | **64.3** | **55.3** | **58.4** | **224.1** |
| **GAAP Gross Margin %** | **64%** | **64%** | **70%** | **67%** | **67%** | **67%** |
| Non-GAAP Expense: | | | | | | |
| Stock-based compensation expense | (4.4) | (1.1) | (0.9) | (1.0) | (0.7) | (3.7) |
| Restructuring | (0.2) | - | (0.1) | - | - | (0.1) |
| Acquisition related amortization of purchased intangibles | (4.0) | (1.0) | (1.0) | (0.9) | (0.9) | (3.8) |
| **Non-GAAP Cost of Revenue** | **93.6** | **23.8** | **26.1** | **25.7** | **26.6** | **102.1** |
| | | | | | | |
| **Non-GAAP Gross Profit** | **186.7** | **48.3** | **66.2** | **57.2** | **60.0** | **231.7** |
| **Non-GAAP Gross Margin %** | **67%** | **67%** | **72%** | **69%** | **69%** | **69%** |

CareDx®

# The Transplant Solutions Company

## CONTACT US


INVESTOR RELATIONS
Caroline Corner
investor@caredx.com

CORPORATE HQ
8000 Marina Blvd,
Brisbane, CA 94005

MEDIA RELATIONS
Anna Czene
aczene@caredx.com




**Kristin J,** Stem Cell and Double Lung Recipient