Table of Contents

As filed with the Securities and Exchange Commission on June 24, 2020.

Registration Statement No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form F-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Renalytix AI plc

(Exact name of registrant as specified in its charter)

England and Wales	8071	Not applicable
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

Avon House 19 Stanwell Road
Penarth, Cardiff CF64 2EZ
United Kingdom
Tel: +44 20 3139 2910
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Renalytix AI, Inc.
1460 Broadway
New York, NY 10036
Tel: +1 646 397 3970
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of all communications, including communications sent to agent for service, should be sent to:

Marc Recht Alison Haggerty Cooley LLP 55 Hudson Yards New York, NY 10001 +1 617 937 2300	Claire A. Keast-Butler David Boles Cooley (UK) LLP Dashwood 69 Old Broad Street London EC2M 1QS United Kingdom +44 (0) 20 7583 4055	Michael D. Maline Thomas S. Levato Goodwin Procter LLP 620 Eighth Avenue New York, NY 10018 +1 212 813 8800	Andrew Harrow Goodwin Procter (UK) LLP 100 Cheapside London EC2V 6DY United Kingdom +44 (0) 20 7447 4200

Approximate date of commencement of proposed sale to public:
As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act.

Emerging growth company ☑

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Proposed maximum aggregate offering price[1]	Amount of registration fee[2]
Ordinary shares, nominal value £0.0025 per share[3][4]	$86,250,000	$11,196

(1) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended. Includes the aggregate offering price of additional ordinary shares, including ordinary shares represented by ADSs, that the underwriters have the option to purchase.

(2) Calculated pursuant to Rule 457(o) under the Securities Act of 1933, as amended, or the Securities Act, based on an estimate of the proposed maximum aggregate offering price.

(3) In the U.S. offering, these ordinary shares are represented by American Depositary Shares, or ADSs, each of which represents ordinary shares of the registrant. Includes (a) additional ordinary shares, including ordinary shares represented by ADSs, which the underwriters have the option to purchase and (b) ordinary shares which are being offered in a private placement in Europe and other countries outside of the United States but which may be resold from time to time in the United States in transactions requiring registration under the Securities Act or exemption therefrom. The total number of ordinary shares in the U.S. offering and the European private placement is subject to reallocation between them. All or part of the ordinary shares may be represented by ADSs.

(4) ADSs issuable upon deposit of the ordinary shares registered hereby are being registered pursuant to a separate registration statement on Form F-6 (File No. 333-).

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended or until the registration statement shall become effective on such date as the Commission, acting pursuant to such Section 8(a), shall determine.

† The term "new or revised financial accounting standards" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Table of Contents

The information contained in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated June 24, 2020

Preliminary prospectus

Ordinary shares

(Including ordinary shares represented by American Depositary Shares)

RENALYTIX AI

We are offering of our ordinary shares in a global offering.

We are offering American Depositary Shares, or ADSs, in the United States, referred to herein as the U.S. offering. Each ADS represents the right to receive ordinary shares and may be evidenced by American Depositary Receipts, or ADRs.

We are concurrently offering ordinary shares in Europe and countries outside the United States in a private placement, referred to herein as the European private placement.

The closing of each of the U.S. offering and the European private placement, together referred to as the global offering, will occur simultaneously. The total number of ordinary shares, including ordinary shares represented by ADSs, in the U.S. offering and the European private placement is subject to reallocation between these offerings as permitted under applicable laws and regulations.

This is the initial public offering of our ADSs and no public market currently exists for our ADSs or ordinary shares in the United States. We have applied to list our ADSs on the Nasdaq Global Market under the symbol "RNLX." Our ordinary shares trade on AIM, a market operated by the London Stock Exchange, under the symbol "RENX." The last reported sale price of our ordinary shares on AIM on , 2020 was £ per ordinary share, equivalent to a price of $ per ADS, based on an exchange rate of $ per £1.00 as of , 2020 and an ADS-to-share ratio of to one.

We are an "emerging growth company" as that term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, have elected to comply with certain reduced public company reporting requirements for this prospectus and future filings. See "Prospectus summary—Implications of being an emerging growth company" and "—Implications of being a foreign private issuer" for additional information.

Investing in our ordinary shares or ADSs involves a high degree of risk. Before buying any ordinary shares or ADSs, you should carefully read the discussion of material risks of investing in our ordinary shares or ADSs in "Risk factors" beginning on page 16 of this prospectus.

	Per ADS	Per ordinary share	Total
Offering price	$	£	$
Underwriting discounts and commissions(1)			
Proceeds, before expenses, to us			

(1) See "Underwriting" for additional information regarding total underwriter compensation.

The underwriters may also exercise their option to purchase up to an additional ADSs in the U.S. offering and ordinary shares in the European private placement from us at the applicable offering price, less underwriting discounts and commissions, for 30 days after the date of this prospectus.

The underwriters expect to deliver the ADSs to purchasers in the U.S. offering and the ordinary shares to purchasers in the European private placement on or about , 2020.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

Joint Global Coordinators and Joint Book-Running Managers

J.P. Morgan **Stifel**

The date of this prospectus is , 2020.

Table of contents

Neither we nor the underwriters have authorized anyone to provide you with information that is different from that contained in this prospectus or in any free writing prospectus we may authorize to be delivered or made available to you. Neither we nor the underwriters take any responsibility for, or provide any assurance as to the reliability of, any other information that others may give you. We and the underwriters are offering to sell ADSs and ordinary shares and seeking offers to purchase ADSs and ordinary shares only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date on the front of this prospectus, regardless of the time of delivery of this prospectus or any sale of ADSs or ordinary shares.

For investors outside the United States: Neither we nor any of the underwriters have taken any action to permit this global offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about and to observe any restrictions relating to this global offering and the distribution of this prospectus.

We are a public limited company incorporated under the laws of England and Wales and a majority of our outstanding securities are owned by non-U.S. residents. Under the rules of the U.S. Securities and Exchange

Commission, or the SEC, we are currently eligible for treatment as a “foreign private issuer.” As a foreign private issuer, we will not be required to file periodic reports and financial statements with the SEC as frequently or as promptly as domestic registrants whose securities are registered under the Securities Exchange Act of 1934, as amended, or the Exchange Act.

About this prospectus

Unless otherwise indicated or the context otherwise requires, all references in this prospectus to the terms “Renalytix,” “Renalytix AI,” “Renalytix AI plc,” “the company,” “we,” “us” and “our” refer to Renalytix AI plc together with its subsidiaries.

This prospectus includes trademarks, trade names and service marks, certain of which belong to us and others that are the property of other organizations. Solely for convenience, trademarks, trade names and service marks referred to in this prospectus appear without the ®, ™ and SM symbols, but the absence of those symbols is not intended to indicate, in any way, that we will not assert our rights or that the applicable owner will not assert its rights to these trademarks, trade names and service marks to the fullest extent under applicable law. We do not intend our use or display of other parties’ trademarks, trade names or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endorsement or sponsorship of us by, these other parties.

Presentation of financial information

Our consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States, or U.S. GAAP, and we present our financial statements in U.S. dollars. Renalytix AI plc’s and Renalytix AI, Inc.’s functional currency is their local currency. The functional currency of Renalytix Al plc is the pound sterling which, for purposes of our consolidated financial statements, is translated into the U.S. dollar for assets and liabilities at the exchange rate at the relevant balance sheet dates and revenue and expenses are translated at the weighted-average exchange rates during the relevant reporting period. Translation adjustments are not included in determining net income (loss) but are included in foreign exchange adjustment to accumulated other comprehensive income (loss), a component of shareholders’ equity.

All references in this prospectus to “$” are to U.S. dollars and all references to “£” are to pounds sterling.

We have made rounding adjustments to some of the figures included in this prospectus. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them.

Prospectus summary

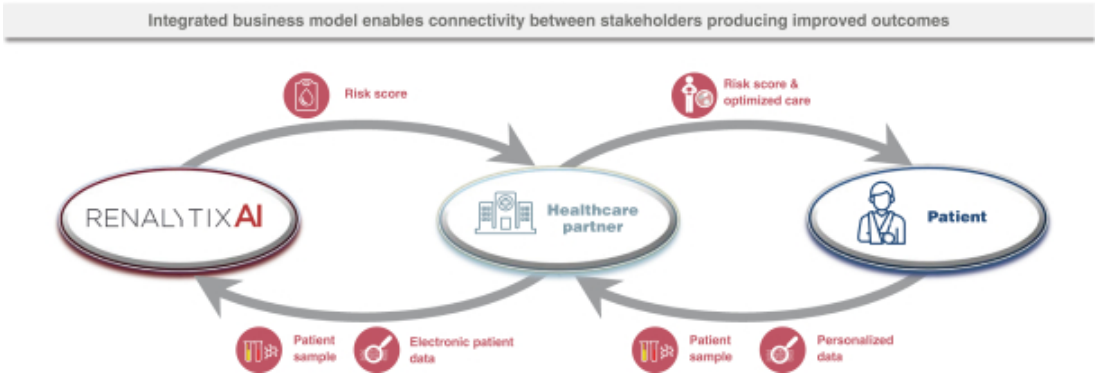
This summary highlights information contained elsewhere in this prospectus and does not contain all of the information you should consider in making your investment decision. Before investing in our ADSs or ordinary shares, you should read this entire prospectus carefully, including the sections of this prospectus titled "Risk factors," "Management's discussion and analysis of financial condition and results of operations," and our financial statements and the related notes. You should carefully consider, among other things, the matters discussed in the section of this prospectus titled "Business" before making an investment decision.

Overview

We are an artificial intelligence-enabled *in vitro* diagnostics company, focused on optimizing clinical management of kidney disease to drive improved patient outcomes and lower healthcare costs. KidneyIntelX, our first-in-class diagnostic platform, employs a proprietary artificial intelligence-enabled algorithm that combines diverse data inputs, including validated blood-based biomarkers, inherited genetics and personalized patient data from electronic health record, or EHR, systems, to generate a unique patient risk score. This patient risk score enables prediction of progressive kidney function decline in chronic kidney disease, or CKD, allowing physicians and healthcare systems to optimize the allocation of treatments and clinical resources to patients at highest risk. CKD affects approximately 37 million individuals in the United States, significantly impacting their quality of life and resulting in Medicare spending of over $120 billion per year. In response to this substantial kidney disease burden, a U.S. Presidential Executive Order on Advancing American Kidney Health was issued in July 2019 to support change in kidney disease care. We believe we are well-positioned to help meet this urgent medical need with KidneyIntelX, a laboratory developed test, or LDT, initially indicated for adult patients with type 2 diabetes and existing CKD, which is referred to as diabetic kidney disease, or DKD. KidneyIntelX has already been granted a common procedural terminology, or CPT, code, national Medicare pricing and a positive coverage determination from a regional, private physician-led health insurance payor. Further, it has been granted breakthrough device designation from the U.S. Food and Drug Administration, or the FDA. Building on these reimbursement and regulatory milestones, we believe our population health-based business model, which includes partnerships with healthcare systems, such as Mount Sinai Health System, will help facilitate commercial adoption of KidneyIntelX in the United States.

We believe that the KidneyIntelX platform will be central to managing CKD, helping to identify which patients could benefit from clinical interventions at earlier stages of CKD before significant and irreversible kidney damage has taken place. For patients with CKD as a result of diabetes, obesity or other factors, early intervention can lower the risk of progressing to life-altering advanced disease, kidney failure, dialysis, suffering and diminished quality of life. For primary care physicians and specialists, KidneyIntelX provides an easy-to-understand, reportable patient risk score integrated with specific guideline-driven clinical recommendations designed to maximize patient treatment and compliance outcomes. For insurance payors, KidneyIntelX can help drive health economics gains over time. For population health and clinical medicine departments, KidneyIntelX provides a powerful prognostic tool to stratify CKD populations into low-, intermediate- and high-risk categories applied to a continuous scale, enabling physicians to optimize the choice of treatment and allocation of clinical resources to benefit patient outcomes and health economics. In our clinical validation studies to date, involving stored specimens from over 1,500 patients with DKD, KidneyIntelX demonstrated the ability to more accurately identify which patients would experience progressive kidney function decline over current clinical practice. Progressive kidney function decline includes rapid kidney function decline, sustained significant decline in kidney function, kidney failure, initiation of long-term dialysis or kidney transplant. We believe early risk stratification, using advanced technology implemented in

partnership with healthcare systems and insurance payors, can help support a fundamental shift towards optimal treatment for the over 850 million people suffering from kidney disease worldwide.



Significant healthcare system costs associated with CKD

According to the United States Renal Data System's 2019 Annual Data Report, Medicare spends over $120 billion per year, or over 20% of its total budget, on the treatment of CKD, including approximately $36 billion for the treatment of patients with end-stage kidney disease, or ESKD. Treatment for kidney failure consumes 6.7% of the total Medicare budget to care for less than 1% of the covered population. In the United States, dialysis costs approximately $90,000 per patient per year and a kidney transplant costs approximately $260,000, with annual follow-up costs averaging approximately $40,000. According to the National Kidney Foundation, more than two million people worldwide are currently treated with dialysis or kidney transplants, making CKD a global public health crisis.

Market opportunity

According to the Centers for Disease Control and Prevention, in the United States alone, CKD affects approximately 37 million people and DKD, the most common type of CKD, affects approximately 12.6 million adults. Based on the Centers for Medicare & Medicaid Services, or CMS, national price for KidneyIntelX of $950 per reportable test, this represents a potential market opportunity of approximately $12 billion assuming one test per patient. The initial commercial launch version of KidneyIntelX is indicated for a subset of these patients, specifically patients 21 years of age or older with earlier stage DKD (Stages 1 through 3). We believe many patients will benefit from the use of KidneyIntelX for multiple tests throughout the course of treatment to provide ongoing risk assessment, enabling care pathway optimization, escalation of treatment and long-term disease management. Further, published data suggests the population of patients that could benefit from our solutions will continue to grow along with the anticipated increase in the occurrence of type 2 diabetes, a significant risk factor for developing CKD, and obesity, the primary driver of type 2 diabetes. We also intend to extend KidneyIntelX application into additional populations of CKD patients beyond those with diabetes, including patients of African ancestry with the *APOL1* high-risk genotype.

Our strategy

Our goal is to lower healthcare costs and improve patient quality of life by transforming the paradigm for kidney disease risk assessment and clinical management through our KidneyIntelX platform. To achieve this goal, we plan to:

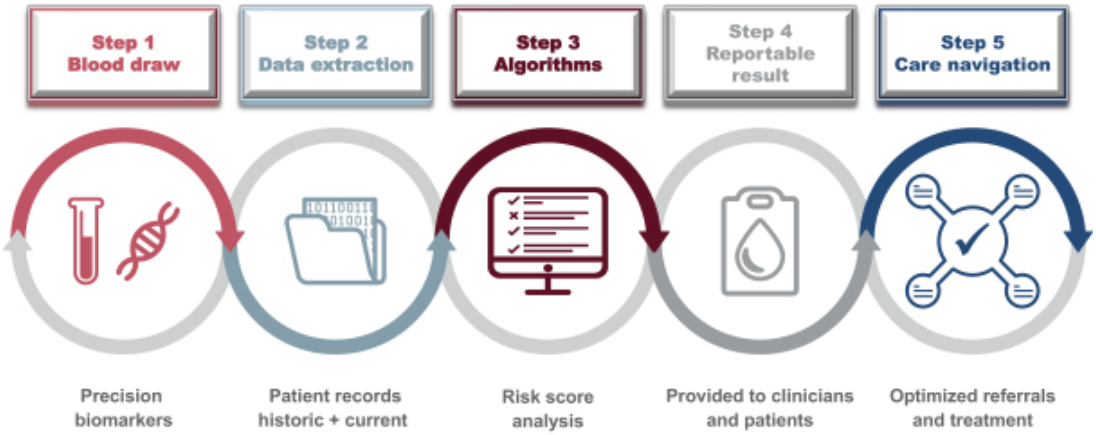
- ***Continue to Build Integrated Partnerships with Healthcare Systems on a Population Health Basis.*** We are focused on building partnerships with healthcare systems and the engagement and support of their clinical

leadership teams, which will enable us to efficiently initiate and deploy our solution to patient populations with DKD.

- ***Further Expand Insurance Payor Coverage.*** We believe that the potential of KidneyIntelX to improve patient outcomes and promote benefits in health economics for patients, physicians and payors provides a strong foundation for our reimbursement strategy.
- ***Continue to Pursue Medicare Coverage.*** Following the receipt of national Medicare pricing at $950 per reportable test for KidneyIntelX in January 2020, we are actively pursuing Medicare coverage determination under the Molecular Diagnostics Services, or MolDX, Program, which would expand our Medicare coverage and expedite the claims payment process.
- ***Obtain FDA Clearance of KidneyIntelX to Further Drive Commercial Adoption in the United States.*** While not required for commercialization as an LDT, we are seeking marketing authorization from the FDA through the de novo classification process, which we refer to as “clearance” from the FDA, as part of our strategy to produce a product capable of becoming the new, long-term standard of care for patients with CKD.
- ***Build Substantial Repository of Kidney Disease-Related Data.*** We intend to build a repository of kidney disease-related data for the development of progressive KidneyIntelX product versions and additional artificial intelligence-powered clinical applications. We are designing applications to examine disease patterns in large patient populations and to optimize clinical care navigation and management effectiveness.
- ***Launch in Major International Markets.*** We plan to pursue the launch of KidneyIntelX in major medical markets outside of the United States, including in the United Kingdom, European Union and China, which have large and growing populations of CKD patients and are facing cost and clinical management challenges similar to the United States.
- ***Expand Our Product Portfolio.*** We believe there are significant opportunities to expand our technology platform through incremental version releases of KidneyIntelX as well as through extending KidneyIntelX application into additional populations of CKD patients beyond those with diabetes, including patients of African ancestry with the *APOL1* high-risk genotype.

The KidneyIntelX solution

We have designed KidneyIntelX, our first-in-class diagnostic platform, to enable risk prediction of progressive kidney function decline in patients with CKD. The initial commercial launch version of KidneyIntelX is indicated for patients 21 years of age or older with earlier stage DKD (Stages 1 through 3) and assesses the risk of progressive kidney function decline over a five-year timeframe. We believe that KidneyIntelX will be the first clinical-grade, quality-controlled and validated product to enable risk prediction in earlier stages of DKD. KidneyIntelX employs an artificial intelligence-enabled algorithm that is capable of using diverse data inputs, including validated blood-based biomarkers from a patient blood draw, inherited genetics and personalized patient data from EHR systems, to generate a unique patient risk score. The patient risk score is then reported to the treating clinician through an interface that provides the reportable risk score, categories of risk classification and specific guideline-driven clinical recommendations.



Validated proprietary blood-based biomarkers

Blood-based biomarkers are typically genes or proteins that indicate the existence and severity of certain conditions (such as kidney disease) and can be measured from a simple blood sample. KidneyIntelX includes inputs from three specific blood-based biomarkers that have previously been examined in several academic and clinical study settings as reported in scientific publications. We are exploring additional biomarkers, including both proteomic and genomic, from blood, urine and other biological samples for subsequent versions of KidneyIntelX that could support enhanced predictive performance and expand indicated uses.

Electronic health records data harmonization, adjudication and machine learning

The use of EHRs has been adopted broadly by hospital systems in the United States, the United Kingdom, the European Union and other developed countries. EHR data are generally collected during routine clinical encounters and contain detailed information on disease and treatment patterns. When assessed in the aggregate, EHR data can provide insights into disease progression and clinical management strategies across diverse populations. EHR factors may include items such as current or past therapeutic regimes, diagnostic results, weight, age, geographic location, physician visiting habits and physician annotations. Additional data factors can be added to the KidneyIntelX algorithm to address different target populations. For example, the next generation test is being developed to address the increased incidence in kidney disorders amongst individuals of African ancestry by incorporating genotyping for *APOL1*.

KidneyIntelX is designed to update risk assessment through dynamic EHR data analyses, potentially providing a clinician and his or her patient with the most up to date information about kidney disease status and risk of progression through the course of treatment over time. We plan to further clinically validate KidneyIntelX with repeat testing in additional clinical validation studies being initiated in the second half of the calendar year 2020.

Partnership model allows integration of the KidneyIntelX software platform with healthcare providers' EHR systems

We are focused on building partnerships with healthcare systems and the engagement and support of their clinical leadership teams, which will enable us to efficiently initiate and deploy our solution.

Integration of the KidneyIntelX software platform with healthcare providers' EHR systems enables seamless electronic test ordering and score reporting. In addition, by deploying KidneyIntelX at a population health and clinical medicine level, we are able to reduce fixed operating costs associated with hiring and maintaining a direct sales force.

Patient-specific continuous risk score

The KidneyIntelX artificial intelligence-enabled algorithm integrates the composite of feature inputs into a continuous patient risk score, which is reported to the treating clinician on a scale from 0 to 100 and also categorized into low-, intermediate- and high-risk strata.

This novel capability of using machine learning-enabled algorithm to generate a continuous risk score enables the timely and accurate prediction of risk of disease progression in the earlier stages of DKD, where active intervention has the most potential to delay or prevent progression to ESKD and the need for dialysis or kidney transplant.

In addition, the KidneyIntelX risk score will be tied to specific clinical guideline recommendations developed by the healthcare system, health insurance providers or practice groups. This care pathway is expected to include elements such as targets for clinician visits and referrals, blood pressure control, diabetes control and prescription of specific medications, as well as modifications to patient behavior, such as appropriate diet, exercise, weight loss and medication adherence, to provide immediate and actionable steps related to kidney health. We also plan to link reportable results to educational modules on kidney disease for patients to improve awareness and influence lifestyle practices.

Potential benefits of KidneyIntelX

We believe that the KidneyIntelX platform will be central to managing CKD, helping to identify which patients could benefit from clinical interventions at earlier stages of CKD before significant and irreversible kidney damage has taken place. In particular, we believe KidneyIntelX could provide the following benefits:

- **For patients**, early intervention can lower the risk of progressing to life-altering advanced disease, kidney failure, dialysis, suffering and diminished quality of life. Patients that are designated to be low- or intermediate-risk, requiring lower intensity of treatments, can continue care with their existing primary care physician or endocrinologist. For example, healthcare providers may be able to use a wider range of preventative and therapeutic measures such as dietary advice (optimizing intake of salt, proteins, fluids and supplements), lifestyle changes (weight management and smoking cessation) and medication. High-risk patients are able to receive appropriate referral to a specialist, increased monitoring intervals, improved awareness of kidney health, referral to dieticians, reinforcement of usage of antagonists of the renin angiotensin aldosterone system, and increased motivation to start recently approved medications, including sodium-glucose transport protein 2, or SGLT2, inhibitors to potentially slow disease progression. All of these factors can result in the delay or prevention of ESKD and may reduce the occurrence of dialysis crashes. In addition, earlier engagement with clinical specialists may allow for more time to advise and educate patients about home-based dialysis and pre-emptive or early kidney transplant.
- **For primary care physicians and specialists**, KidneyIntelX provides an easy-to-understand, reportable patient risk score integrated with specific guideline-driven clinical recommendations designed to maximize patient treatment and compliance outcomes. Primary care physicians are empowered to continue to treat low-risk patients with actionable guidelines, and high-risk patients are appropriately referred to specialist care.

- **For insurance payors**, KidneyIntelX can help drive health economics gains over time by (1) slowing progression to the next stage of CKD, (2) delaying or preventing progression to ESKD and the need for dialysis or kidney transplant and (3) avoiding dialysis crashes. According to a study prepared in collaboration with Boston Healthcare Associates, based on the Medicare price of $950 per reportable test, KidneyIntelX would generate a positive return for health insurers in under 24 months and deliver cost savings of up to $1.3 billion over five years per 100,000 DKD patients.
- **For population health and clinical medicine departments**, KidneyIntelX provides a powerful diagnostic tool to stratify kidney disease populations into low-, intermediate- and high-risk categories applied to a continuous scale, enabling physicians to optimize the choice of treatment and allocation of clinical resources to benefit patient outcomes and health economics.

Our competitive strengths

The KidneyIntelX platform has the following key strengths:

- ***Novel, Artificial Intelligence-enabled Platform to Identify Kidney Disease Risk***. KidneyIntelX is the first artificial intelligence-enabled *in vitro* diagnostic with the ability to identify patients at risk of progressive kidney function decline while in the earlier stages of DKD, when costs and outcomes can be better controlled.
- ***Large and Growing Addressable Market***. CKD affects over 850 million people worldwide, including approximately 37 million people with CKD and approximately 12.6 million adults with DKD in the United States.
- ***Achievements in Reimbursement and Coverage***. KidneyIntelX has received national Medicare pricing and its first private insurance payor positive coverage determination.
- ***Economic Health Benefits***. We have designed KidneyIntelX to provide accurate, real-time, actionable results for patients and physicians while reducing costs and promoting improved health economics for patients, physicians, healthcare systems and payors.
- ***Partnered Business Model at Population Health Level***. We plan to deploy KidneyIntelX to patient populations with DKD on a regional basis through partnerships with healthcare systems and insurance payors that provide coverage to those healthcare systems' patients.
- ***Partnership with Mount Sinai Health System.*** Our company was founded through a collaborative effort with Mount Sinai Health System, one of our significant shareholders and our launch partner for KidneyIntelX. Mount Sinai Health System encompasses the Icahn School of Medicine at Mount Sinai and eight hospital campuses in the New York metropolitan area. It is a pioneer in kidney health and devoted to discovering causes, prevention and treatment of kidney disorders. We expect the commercial launch of our partnership with Mount Sinai Health System, including initiation of patient testing, to occur in the third quarter of calendar year 2020.
- ***Regulatory-compliant Versioning Approach***. KidneyIntelX is designed as a scalable platform that can be optimized and deployed into clinical use on a validated-version by validated-version basis.
- ***Kidney Disease Data Repository***. As a result of our partnered business model at a population health level, we anticipate that we will have the opportunity to build the most comprehensive de-identified kidney disease data repository geared toward early identification of high-risk patients and optimization of care pathways.

Our partnerships

Partnerships with healthcare systems is a core part of our adoption and growth strategy. Integrated partnerships are designed to allow KidneyIntelX to be deployed directly to patient populations and their treating clinicians in a cost-efficient and timely manner.

Mount Sinai Health System

In May 2018, we entered into a license agreement, or the Mount Sinai Agreement, with the Icahn School of Medicine at Mount Sinai, or Mount Sinai, pursuant to which we obtained a worldwide, royalty-bearing, exclusive license under certain patents and a worldwide, royalty-bearing, non-exclusive license under certain know-how of Mount Sinai to develop and commercialize licensed products in connection with the application of artificial intelligence for the diagnosis of kidney disease. Pursuant to the terms of the Mount Sinai Agreement, we are obligated to use commercially reasonable efforts in connection with the development and commercialization of the licensed products, including in accordance with specified diligence milestones.

Our collaborative research studies with Mount Sinai utilize the Mount Sinai Bio*Me* biobank. Bio*Me* is designed to enable researchers to conduct genetic, epidemiologic, molecular and genomic studies using research specimens from consented participants, which are linked with each participant's de-identified health information. All Bio*Me* participants have consented to allow their de-identified data and samples to be used for research purposes. As of January 2020, the Bio*Me* biobank had over 52,000 participants. For KidneyIntelX, this has allowed us to conduct rapid prospective validation of our platform using samples banked at "time zero" (i.e. time of sample collection), prior to the occurrence of progressive kidney function decline.

Commercialization

We plan to deploy KidneyIntelX to patient populations with DKD on a regional basis through partnerships with healthcare systems and insurance payors that provide coverage to those healthcare systems' patients. We believe that our core partnership with Mount Sinai, a large integrated disease network in the New York metropolitan area, will demonstrate the value of our partnership model. We expect the commercial launch of our partnership with Mount Sinai Health System, including initiation of patient testing, to occur in the third quarter of calendar year 2020.

Our coverage and reimbursement strategy

We are actively engaged in efforts to achieve commercial coverage and reimbursement for KidneyIntelX and to contract with third-party payors. Achieving positive coverage determinations eliminates the need for appeals and reduces failures to collect from the patient's third-party payor. Implementing our strategy includes our managed care and medical affairs teams educating third-party payors regarding our health economic and clinical validation data, and future clinical utility and outcomes data, which we believe will validate the value of KidneyIntelX and provide evidence for third-party payors to establish value-based reimbursement.

Risks associated with our business

Our business is subject to a number of risks of which you should be aware before making an investment decision. You should carefully consider all of the information set forth in this prospectus and, in particular,

should evaluate the specific factors set forth in the section titled “Risk factors” before deciding whether to invest in our ADSs or ordinary shares. Among these important risks are the following:

- We have not generated material revenue, have incurred significant losses since our inception and anticipate that we will continue to incur significant losses for the foreseeable future.
- Our limited operating history may make it difficult for you to evaluate the success of our business to date and to assess our future viability.
- We will require substantial additional funding to commercialize and scale KidneyIntelX, which may not be available to us on acceptable terms, or at all, and, if not so available, may require us to delay, limit, curtail or discontinue our operations.
- If we cannot continue to execute on our strategy to partner with healthcare systems to incorporate KidneyIntelX into their treatment regime and integrate their EHR systems with our technology, our revenue prospects could be significantly reduced.
- We are highly reliant on our partnership with Mount Sinai, and our failure to maintain that relationship could negatively impact our business, reputation and strategic goals.
- We may underestimate the timing and complexity of successfully integrating KidneyIntelX into the clinical guidelines of new healthcare systems with which we partner.
- Our ability to be profitable in the future will depend on our ability to successfully commercialize KidneyIntelX, and any other products we may develop in the future, to scale nationally in the United States.
- KidneyIntelX is based on novel artificial intelligence technologies that are rapidly evolving. Our artificial intelligence-enabled algorithms and other technologies depend on our ability to continue to build a substantial repository of kidney disease-related data and validate additional product designs.
- If we are required to conduct additional clinical studies or trials before expanding or continuing the commercial use of KidneyIntelX as an LDT, those studies or trials could lead to delays or future failure to obtain regulatory clearance or approval, which could cause significant delays in commercializing KidneyIntelX and harm our ability to achieve sustained profitability. Success in early clinical study work that we have published and data that we have submitted to the FDA under breakthrough device designation does not ensure that later clinical trials will be successful, and we cannot be sure that the later trials will replicate the results of prior clinical trials and studies.
- Due to our limited resources and access to capital, our strategic decisions with respect to the development of certain diagnostic products may affect the development or timing of our business prospects.
- Acquisitions or joint ventures we may pursue may be unsuccessful.
- Our commercial success could be compromised if we do not obtain and maintain coverage and adequate reimbursement from third-party payors—Medicare, specifically—for KidneyIntelX.
- Payors from whom we may receive reimbursement are able to withdraw or decrease the amount of reimbursement provided for our products at any time in the future.
- If we are unable to compete successfully with respect to our current or future products, we may be unable to increase or sustain our revenues or achieve profitability.
- Our business could be adversely affected by the effects of health epidemics, including the current COVID-19 pandemic, in regions where we or third parties on which we rely have significant manufacturing facilities, concentrations of validation study sites or other business operations.

- Holders of our ADSs have fewer rights than our shareholders and must act through the depositary to exercise their rights.
- We have identified material weaknesses in the design of our internal control over financial reporting. If we are unable to remediate these material weaknesses, or if we experience additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our ADSs and ordinary shares.
- We qualify as a foreign private issuer and, as a result, we will not be subject to U.S. proxy rules and will be subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. domestic public company.
- The rights of our shareholders may differ from the rights typically offered to shareholders of a U.S. corporation.

Implications of being an emerging growth company

As a company with less than $1.07 billion in revenue during our last fiscal year, we qualify as an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As an emerging growth company, we may take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies in the United States. These provisions include:

- an exemption from compliance with any requirement that the Public Company Accounting Oversight Board may adopt regarding mandatory audit firm rotation or a supplement to the auditor’s report providing additional information about the audit and the financial statements;
- reduced disclosure about our executive compensation arrangements;
- an exemption from the non-binding advisory votes on executive compensation, including golden parachute arrangements; and
- an exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act.

As a result, we do not know if some investors will find our ADSs or ordinary shares less attractive. The result may be a less active trading market for our ADSs and ordinary shares, and the price of our ADSs and ordinary shares may become more volatile. We may choose to take advantage of some or all these provisions for up the last day of the fiscal year ending after the fifth anniversary of the global offering or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company if we have more than $1.07 billion in total annual gross revenue, have more than $700 million in market value of our ordinary shares (including those represented by ADSs) held by non-affiliates or issue more than $1.0 billion of non-convertible debt over a three-year period.

In addition, under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies.

Implications of being a foreign private issuer

Our status as a foreign private issuer also exempts us from compliance with certain laws and regulations of the SEC and certain regulations of The Nasdaq Stock Market, or Nasdaq. Consequently, we are not subject to all of

the disclosure requirements applicable to U.S. public companies. For example, we are exempt from certain rules under the Exchange Act that regulate disclosure obligations and procedural requirements related to the solicitation of proxies, consents or authorizations applicable to a security registered under the Exchange Act. In addition, our executive officers and directors are exempt from the reporting and "short-swing" profit recovery provisions of Section 16 of the Exchange Act and related rules with respect to their purchases and sales of our securities. Moreover, we are not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. public companies. Accordingly, there may be less publicly available information concerning our company than there is for U.S. public companies.

In addition, foreign private issuers are not required to file their annual report on Form 20-F until 120 days after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year. Foreign private issuers are also exempt from the Regulation Fair Disclosure, aimed at preventing issuers from making selective disclosures of material information.

We may take advantage of these exemptions until such time as we no longer qualify as a foreign private issuer. In order to maintain our current status as a foreign private issuer, either a majority of our outstanding voting securities must be directly or indirectly held of record by non-residents of the United States, or, if a majority of our outstanding voting securities are directly or indirectly held of record by residents of the United States, a majority of our executive officers or directors may not be United States citizens or residents, more than 50% of our assets cannot be located in the United States and our business must be administered principally outside the United States.

We have taken advantage of certain of these reduced reporting and other requirements in this prospectus. Accordingly, the information contained herein may be different from the information you receive from other public companies in which you hold equity securities.

FractalDx spin-off

We have an exclusive license to FractalDx, a technology portfolio of diagnostic and prognostic products in-licensed from Mount Sinai since late-2018. The FractalDx technology is based principally on sequencing biomarkers from a patient's blood using widely available instrument platforms. We have been developing two products from the portfolio: a prognostic test performed prior to kidney transplant to predict which transplant recipients are most at risk of acute rejection and a diagnostic test for evidence of rejection of the transplanted kidney in advance of any clinical symptoms.

On March 3, 2020, we announced that our board of directors was considering options for the spin-off of FractalDx to provide the opportunity to secure separate financial and management resources for the FractalDx portfolio, with the goal of enabling accelerated development of FractalDx products and achievement of commercial milestones. We refer to this corporate transaction as the FractalDx spin-off.

We are implementing the FractalDx spin-off in advance of a proposed admission to AIM of our newly established subsidiary, Verici Dx Limited, or Verici Dx. In May 2020, we transferred the in-licensed FractalDx technology and associated assets to Verici Dx. The reduction of capital necessary to implement the Fractal Dx spin-off was approved by our shareholders at a general meeting held on May 15, 2020 and confirmed by the High Court in England and Wales on June 9, 2020. Subject to us deciding to proceed with the FractalDx spin-off, we currently expect that the FractalDx spin-off will be completed prior to the completion of the global offering, and we intend to seek the admission to AIM of the shares in Verici Dx thereafter. Prior to completion of a possible

admission to AIM or an equivalent financing transaction, and the establishment of an independent Verici Dx board of directors and independent management team, we will retain control of Verici Dx. As a result of our level of control, we anticipate Verici Dx will continue to be included in our consolidated financial statements and notes thereto.

Joint venture with Mount Sinai for production of COVID-19 antibody tests

In May 2020, we and Mount Sinai entered into an operating agreement, or the Kantaro Operating Agreement, in order to form a joint venture, Kantaro Biosciences LLC, or Kantaro, for the purpose of developing and commercializing laboratory tests for the detection of antibodies against SARS-CoV-2 originally developed by Mount Sinai. In connection with the formation of Kantaro, we entered into an advisory services agreement, or the Advisory Agreement, pursuant to which we have agreed to provide certain advisory services to Kantaro. Kantaro has partnered with Bio-Techne Corporation to develop the new test with the goal of commercially launching in the third quarter of calendar year 2020. The tests are designed for use in any authorized clinical testing laboratory without the need for proprietary equipment. See “Business—Our key agreements—Kantaro Biosciences LLC” for additional information.

Corporate information

We were incorporated as a public limited company under the laws of England and Wales on March 15, 2018, with company number 11257655. Our principal executive offices in the United States are located at 1460 Broadway, New York, New York 10036 and our telephone number is +1 646 397 3970. Our registered office in the United Kingdom is located at Avon House, 19 Stanwell Road, Penarth, Cardiff, CF64 2EZ, United Kingdom, and the telephone number of our registered office is +44 20 3139 2910.

Our ordinary shares have traded on AIM under the symbol “RENX” since November 6, 2018. Our website address is www.renalytixai.com. The information contained on, or that can be accessed from, our website does not form part of this prospectus. Our agent for service of process in the United States is Renalytix AI, Inc.

The global offering

Global offering	ordinary shares offered by us, consisting of ordinary shares represented by ADSs offered in the U.S. offering and ordinary shares offered in the European private placement. The closing of each of the U.S. offering and the European private placement will occur simultaneously. The total number of ordinary shares, including ordinary shares represented by ADSs, in the U.S. offering and the European private placement is subject to reallocation between these offerings as permitted under the applicable laws and regulations.
U.S. offering	ADSs, each representing ordinary shares.
European private placement	ordinary shares.
Ordinary shares to be outstanding immediately after this global offering	ordinary shares (or ordinary shares if the underwriters exercise in full their option to purchase an additional ADSs), including ordinary shares represented by ADSs.
Underwriters' option to purchase additional ADSs in the U.S. offering	We have granted the underwriters an option for a period of 30 days from the date of this prospectus to purchase up to an additional ADSs from us.
Underwriters' option to purchase additional ordinary shares in the European private placement	We have granted the underwriters an option for a period of 30 days from the date of this prospectus to purchase up to an additional ordinary shares from us.
American Depositary Shares	Each ADS represents ordinary shares, nominal value £0.0025 per ordinary share. As a holder of ADSs, you will not be treated as one of our shareholders and you will not have shareholder rights. You will have the rights of an ADS holder or beneficial owner of ADSs (as applicable) as provided in the deposit agreement among us, the depositary and holders and beneficial owners of ADSs from time to time. To better understand the terms of our ADSs, See "Description of American Depositary Shares." We also encourage you to read the deposit agreement, the form of which is filed as an exhibit to the registration statement of which this prospectus forms a part.
Depositary	Citibank, N.A.
Use of proceeds	We estimate that the net proceeds to us from this offering, after deducting estimated underwriting discounts and commissions and estimated offering

	expenses payable by us, will be approximately $ million, or $ million if the underwriters exercise in full their option to purchase additional ADSs, based on an assumed initial public offering price of $ per ADS in the U.S. offering and an assumed offering price of £ per ordinary share in the European private placement, the closing price of our ordinary shares on AIM on , 2020, based on an exchange rate of $ per £1.00 as of , 2020 and an ADS-to-share ratio of to one. The principal purposes of this offering are to obtain additional capital to support our operations, to create a public market for our ADSs in the United States and to facilitate future access to the U.S. public equity markets. We currently intend to use approximately $ million of the net proceeds from this offering for the continued development and planned commercialization of the KidneyIntelX platform, and the remainder for working capital and other general corporate purposes. See "Use of proceeds" for a more complete description of the intended use of proceeds from this offering.
Risk factors	See "Risk factors" and the other information included in this prospectus for a discussion of factors you should carefully consider before deciding to invest in our ADSs or ordinary shares.
Proposed Nasdaq Global Market symbol for our ADSs	"RNLX"
AIM trading symbol for our ordinary shares	"RENX"

The number of ordinary shares, including ordinary shares represented by ADSs, that will be outstanding after this offering is based on 59,416,134 ordinary shares outstanding as of March 31, 2020, and excludes:

- 3,028,858 ordinary shares issuable upon the exercise of options outstanding as of March 31, 2020, with a weighted-average exercise price of £1.63 per share;
- 2,352,755 ordinary shares reserved for future issuance pursuant to our Share Option Plan;
- 8,500,000 ordinary shares reserved for future issuance pursuant to our 2020 Equity Incentive Plan, upon approval by our shareholders, as well as any future increases, including annual automatic evergreen increases, in the number of ordinary shares reserved for future issuance thereunder; and
- 850,000 ordinary shares reserved for future issuance pursuant to our 2020 Employee Share Purchase Plan, upon approval by our shareholders, as well as any future increases, including annual automatic evergreen increases, in the number of ordinary shares reserved for future issuance thereunder.

Except as otherwise noted, the information in this prospectus assumes:

- a 4-for-1 forward share split effected on October 23, 2018;
- a 100-for-1 forward share split effected on May 4, 2018; and
- no exercise by the underwriters of their option to purchase up to additional ordinary shares, including ordinary shares represented by ADSs, in this offering.

Summary consolidated financial data

The following tables present summary consolidated financial data as of the dates and for the periods indicated for our business. We have derived the summary consolidated statements of operations data for the period from March 15, 2018 (inception) through June 30, 2018 and the year ended June 30, 2019 from our audited consolidated financial statements included elsewhere in this prospectus. Our consolidated financial statements are prepared in accordance with U.S. GAAP and presented in U.S. dollars. We have derived the summary consolidated statements of operations data for the nine months ended March 31, 2019 and 2020 and the summary consolidated balance sheet data as of March 31, 2020 from our unaudited interim consolidated financial statements included elsewhere in this prospectus. In our opinion, the unaudited interim consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements and reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of such unaudited interim consolidated financial statements.

Our historical results are not necessarily indicative of our future results, and our interim results are not necessarily indicative of the results to be expected for a full year or any other period. You should read this data together with our consolidated financial statements and related notes appearing elsewhere in this prospectus and the information under the sections titled “Capitalization” and “Management’s discussion and analysis of financial condition and results of operations.”

(in thousands, except share and per share amounts)	Period from March 15, 2018 (inception) through June 30, 2018	Year ended June 30, 2019	Nine months ended March 31, 2019	Nine months ended March 31, 2020
Consolidated statements of operation and comprehensive loss:				
Operating expenses:				
Acquired in-process research and development	$ —	$ 35,286	$ 35,286	$ —
Research and development	193	4,316	3,081	3,659
General and administrative expenses	374	2,737	1,904	3,770
Loss from operations	(567)	(42,339)	(40,271)	(7,429)
Other income (expense), net	(5)	38	117	562
Net loss	$ (572)	$ (42,301)	$ (40,154)	$ (6,867)
Net loss per ordinary share, basic and diluted	$ (0.03)	$ (0.99)	$ (1.04)	$ (0.12)
Weighted average ordinary shares, basic and diluted	20,000,000	42,561,600	38,750,787	58,968,134

(in thousands)	As of March 31, 2020 Actual	As adjusted[1]
Consolidated balance sheet data:		
Cash, cash equivalents and short-term investments	$17,826	$
Total assets	19,926	
Total liabilities	1,303	
Total shareholders' equity	18,623	

(1) As adjusted information gives effect to our issuance and sale of ADSs and ordinary shares in the global offering and our receipt of the net proceeds therefrom, based on an assumed initial public offering price of $ per ADS in the U.S. offering and an assumed offering price of £ per ordinary share in the European private placement, the closing price of our ordinary shares on AIM on , 2020, based on an exchange rate of $ per £1.00 as of , 2020 and an ADS-to-share ratio of to one, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Each $1.00 (£) increase in the assumed initial public offering price of $ per ADS (£ per ordinary share) would increase the as adjusted amount of each of cash, cash equivalents and short-term investments, total assets, total liabilities and total shareholders' equity by $ million, assuming that the total number of ADSs and ordinary shares offered by us in the global offering, as set forth on the cover page of this prospectus, remains the same. Each $1.00 (£) decrease in the assumed initial public offering price of $ per ADS (£ per ordinary share) would decrease the as adjusted amount of each of cash, cash equivalents and short-term investments, total assets and total shareholders' equity by $ million, assuming that the total number of ADSs and ordinary shares offered by us in the global offering, as set forth on the cover page of this prospectus, remains the same. An increase (decrease) of 1,000,000 in the number of ordinary shares, including ordinary shares represented by ADSs, offered by us as set forth on the cover page of this prospectus would increase (decrease) the as adjusted amount of each of cash, cash equivalents and short-term investments, total assets, total liabilities and total shareholders' equity by $ million, assuming the assumed initial public offering price per ADS and the assumed offering price per ordinary share remains the same. This as adjusted information is illustrative only and will depend on the actual offering price and other terms of this offering determined at pricing.

Risk factors

Investing in our ADSs or ordinary shares involves a high degree of risk. You should carefully consider the following risk factors and all other information contained in this prospectus, including our consolidated financial statements and the related notes, before investing in the ADSs or ordinary shares. The risks and uncertainties described below are those significant risk factors, currently known and specific to us, that we believe are relevant to an investment in the ADSs and ordinary shares. If any of these risks materialize, our business, results of operations or financial condition could suffer, the price of the ADSs or ordinary shares could decline and you could lose part or all of your investment. Additional risks and uncertainties not currently known to us or that we now deem immaterial may also harm us and adversely affect your investment in the ADSs or ordinary shares.

Risks related to our financial condition and capital requirements

We have not generated material revenue, have incurred significant losses since our inception and anticipate that we will continue to incur significant losses for the foreseeable future.

Since inception, our operations have been primarily limited to developing clinical-grade, artificial intelligence-enabled *in vitro* diagnostics for kidney disease and investing in our technology platform. We are currently continuing to conduct clinical utility and other studies for KidneyIntelX to determine its clinical value and performance in different CKD populations and we expect to continue to conduct additional clinical studies for the foreseeable future. We have not yet generated revenue from sales of KidneyIntelX and we cannot guarantee that our commercialization and partnership efforts will result in significant revenue to us. Consequently, any predictions about our future success or viability, or any evaluation of our business and prospects, may not be accurate.

We have incurred losses in each year since our inception. Our net losses for the period from March 15, 2018 (inception) through June 30, 2018 and the year ended June 30, 2019 were $0.6 million and $42.3 million, respectively, and $6.9 million for the nine months ended March 31, 2020. We have devoted most of our financial resources to research and development, including planning and conducting clinical validation and other studies for KidneyIntelX and evaluating its potential health economic impacts.

We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future, and these net losses may fluctuate significantly. We anticipate that our expenses will increase substantially as we conduct clinical utility and other studies for KidneyIntelX and prepare for its commercial launch, develop and refine our artificial intelligence technology platform, seek regulatory clearances or approvals for KidneyIntelX or any other product we develop, establish and maintain partnerships with healthcare systems, pursue our coverage and reimbursement strategy and continue to invest in our infrastructure to support our manufacturing and other activities.

Our limited operating history may make it difficult for you to evaluate the success of our business to date and to assess our future viability.

We are an artificial intelligence-enabled *in vitro* diagnostics company with a limited operating history. Our company was formed in March 2018. As an organization, we have limited experience in establishing and maintaining successful partnerships with healthcare systems, manufacturing KidneyIntelX at commercial scale, conducting sales and marketing activities necessary for successful commercialization and achieving major reimbursement milestones. We may encounter unforeseen expenses, difficulties, complications and delays in achieving our business objectives. Our very short history as an operating company makes any assessment of our future success or viability subject to significant uncertainty. If we do not address these risks successfully or are unable to transition at some point to a company capable of supporting commercial activities and maintaining partnerships with healthcare systems, then our business will suffer.

We will require substantial additional funding to commercialize and scale KidneyIntelX, which may not be available to us on acceptable terms, or at all, and, if not so available, may require us to delay, curtail or discontinue our operations.

We expect our expenses to increase in connection with our ongoing activities, particularly as we conduct our ongoing and planned clinical utility studies of KidneyIntelX in preparation for deployment with multiple healthcare provider partners and commercial sales at scale. We have submitted KidneyIntelX for regulatory review with the New York State Department of Health and voluntarily intend to seek Food and Drug Administration, or FDA, marketing authorization through the FDA's de novo classification process, which we refer to as "clearance" from the FDA. We expect to incur significant commercialization expenses related to product manufacturing, marketing, sales and distribution. Furthermore, upon the closing of the global offering, we expect to incur additional costs associated with operating as a company that is both publicly listed on Nasdaq in the United States and admitted to trading on AIM in the United Kingdom.

Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. If we are unable to raise capital when needed or on attractive terms, we could be forced to delay, curtail or discontinue our research and development programs or any future commercialization efforts. We expect that our existing cash, cash equivalents and short-term investments, together with anticipated net proceeds from the global offering, will enable us to fund our operating expenses and capital expenditure requirements for at least , and to advance the KidneyIntelX platform through completion of the FDA clearance process. We have based this estimate on assumptions that may prove to be wrong, and we could use our capital resources sooner than we currently expect, or our operating plan may change as a result of many factors unknown to us. These factors, among others, may necessitate that we seek additional capital sooner than currently planned. In addition, we may seek additional capital due to favorable market conditions or strategic considerations, even if we believe we have sufficient funds for our current or future operating plans.

Our future capital requirements will depend on many factors, including:

- the cost, progress and results of our ongoing and planned clinical utility and other studies;
- the cost, timing and outcome of our efforts to enter into and, once secured, maintain partnership agreements with healthcare systems for the commercial sale of KidneyIntelX;
- the degree to which any of our healthcare system partners order KidneyIntelX;
- the cost of any arrangements under which we may agree to pre-fund the supply of KidneyIntelX tests in anticipation of eventual reimbursement, which reimbursement may not occur at the level we anticipate or at all;
- the cost of manufacturing clinical and commercial supply of KidneyIntelX;
- the cost, timing and outcome of regulatory review of KidneyIntelX, including any post-marketing studies that could be required by regulatory authorities;
- the cost, timing and outcome of identified and potential future commercialization activities, including manufacturing, marketing, sales and distribution, for KidneyIntelX;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims, including any claims by third parties that we are infringing upon their intellectual property rights;
- the timing and amount of future revenue, if any, received from commercial sales of KidneyIntelX;
- the sales price and availability of adequate third-party coverage and reimbursement for KidneyIntelX;

- the effect of competing technological and market developments; and
- the extent to which we acquire or invest in businesses, products and technologies, such as Kantaro, although we currently have no other commitments or agreements to complete any such transactions.

Any efforts to secure additional financing may divert our management from their day-to-day activities, which may adversely affect our ability to continue development and commercialization of KidneyIntelX. In addition, we cannot guarantee that future financing will be available in sufficient amounts or on terms acceptable to us, if at all. Moreover, the terms of any financing may adversely affect our business, the holdings or the rights of our shareholders or holders of our ADSs, or the value of our ordinary shares or ADSs.

If we are unable to obtain funding on a timely basis, we may be required to significantly curtail, delay or discontinue our research and development programs relating to KidneyIntelX or any commercialization efforts, be unable to expand our operations, or be unable to otherwise capitalize on our business opportunities, as desired, which could harm our business and potentially cause us to discontinue operations.

Risks related to our business and strategy

If we cannot continue to execute on our strategy to partner with healthcare systems to incorporate KidneyIntelX into their treatment regime and integrate their EHR systems with our technology, our revenue prospects could be significantly reduced.

We have not yet commercially launched our partnership with Mount Sinai or any other healthcare system. Partnerships with healthcare systems are a core part of our adoption and growth strategy.

Our ability to execute on this strategy could suffer if:

- we are unable to maintain current or future partnerships or if our current or future partners do not believe KidneyIntelX is a clinically and economically beneficial diagnostic to incorporate into their treatment paradigm for patients with kidney disease;
- we are unable to build new partnerships with healthcare systems and secure partnership agreements;
- treating clinicians or our current or future partners decline to deploy KidneyIntelX in their patient populations; or
- we encounter difficulties integrating with our partners' EHR systems for test ordering and reporting.

The strength of our partnerships will depend on many factors, including effectiveness of patient and clinician compliance, the effectiveness of our efforts to educate clinicians and healthcare systems on the implementation and use of KidneyIntelX and the effectiveness of our efforts to integrate KidneyIntelX into the clinical workflow and integrate with the healthcare system's EHR systems for test ordering and reporting. The success of a partnership may also be dependent on factors that are beyond our control, such as healthcare system budgetary cuts, changes in key executive, administrative, IT and clinical personnel, changes in control or acquisitions and changes in the local regulatory environment.

If our partnership strategy is unsuccessful, we may need to change our commercialization strategy and build a direct sales force, which would involve significant time and expense and which may not be successful.

We may underestimate the timing and complexity of successfully integrating KidneyIntelX into the clinical guidelines of new healthcare systems with which we partner.

Integration of KidneyIntelX with healthcare providers' clinical workflow is a core part of our adoption and growth strategy. To assist with KidneyIntelX utility and system-wide integration, we deploy a variety of critical

supporting resources to providers, including direct customer service, care navigation and specialist educator functions. Integrated partnerships are designed to allow KidneyIntelX to be deployed directly to patient populations and their treating clinicians in a cost-efficient and timely manner.

Each deployment and integration of KidneyIntelX in a new health system is complex and must be meticulously tailored to the specifics of the health system, including, among other factors:

- the behavioral dynamics of the patients and clinicians, including across specialties;
- the clinical workflow and norms of each clinical specialty;
- the way in which new solutions like KidneyIntelX are communicated, recommended or mandated within the healthcare system;
- the quality and depth of the healthcare system's EHR system;
- the health system partner's IT resources and expertise and time available to ensure a smooth and robust integration with the KidneyIntelX platform; and
- other factors such as specific institutional clinical protocols and practices.

Although we carefully study each potential partnership and expend significant time and resources to support the deployment of KidneyIntelX, we may underestimate the time, costs and complexity of integration, and our integration efforts may ultimately be unsuccessful.

Our ability to be profitable in the future will depend on our ability to successfully commercialize KidneyIntelX, and any other products we may develop in the future, to scale nationally in the United States.

Our ability to be profitable in the future will depend on our ability to commercially scale KidneyIntelX and any other products we may develop in the future in the United States. We are planning to initially market KidneyIntelX as an LDT and are concurrently pursuing marketing authorization from the FDA. Successfully scaling commercial activities with KidneyIntelX as an LDT and pursuing FDA clearance or approval will require us to be successful in a range of challenging activities, including:

- continuing to expand study data for KidneyIntelX, including data demonstrating the clinical utility over the short, intermediate and long term use of KidneyIntelX in different clinical settings;
- expanding our manufacturing of commercial supply for KidneyIntelX;
- establishing sales, marketing and distribution capabilities to effectively market and sell KidneyIntelX in the United States, Europe and in other territories;
- achieving market acceptance by patients and the medical community of KidneyIntelX; and
- negotiating and securing coverage and adequate reimbursement from third-party payors, including Medicare, for KidneyIntelX.

If KidneyIntelX fails to demonstrate clinical utility, does not gain regulatory clearance or approval or does not achieve market acceptance, we may never become profitable. Our net losses have had, and will continue to have, an adverse effect on our shareholders' equity and working capital. Because of the numerous risks and uncertainties associated with diagnostic product development and commercialization, we are unable to accurately predict the timing or amount of increased expenses or when, or if, we will be able to achieve profitability. The amount of future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenues.

Risks related to development of our products and technology platform

KidneyIntelX is based on novel artificial intelligence technologies that are rapidly evolving. Our artificial intelligence-enabled algorithms and other technologies depend on our ability to continue to build a substantial repository of kidney disease-related data and validate additional product designs.

KidneyIntelX is a first-in-class *in vitro* diagnostics platform that employs a proprietary artificial intelligence-enabled algorithm to combine diverse data inputs, including validated blood-based biomarkers, inherited genetics and personalized patient data from EHR systems to generate a unique patient risk score. This use of artificial intelligence-enabled algorithms that combine both biological markers of disease along with EHR systems is a novel approach to kidney disease patient risk stratification. This new category of medical device and the kidney disease clinical indication are rapidly evolving fields of specialty that include uncertainties in acceptance, utility and clinical practice. There is no guarantee that we have fully understood all the implications of introducing a novel technology such as KidneyIntelX into such a large and evolving field of medicine.

In addition, we must execute on our strategy to build a significant repository of kidney disease-related data to support the robustness and accuracy of KidneyIntelX and allow us to develop additional artificial intelligence-enabled applications. We believe that access to contemporary and historical patient data, combined with the ability to analytically and clinically validate study results in a quality controlled framework, provides us with a robust, reproducible method for product development. Moreover, the depth, specificity and quality of data are of paramount importance to developing novel solutions such as KidneyIntelX that can demonstrate clinical utility across a range of practice specialties and patient demographics. These features are also central to our product strategy of demonstrating both short- and long-term impact on patient outcomes and health economics. If we are unable to continue to build our data repository, we may not be able to keep pace with rapidly evolving technology and improve the predictive capabilities and clinical utility of KidneyIntelX, and our business could be harmed.

If we are required to conduct additional clinical studies or trials before expanding or continuing the commercial use of KidneyIntelX as an LDT, those studies or trials could lead to delays or future failure to obtain regulatory clearance or approval, which could cause significant delays in commercializing KidneyIntelX and harm our ability to achieve sustained profitability. Success in early clinical study work that we have published and data that we have submitted to the FDA under breakthrough device designation does not ensure that later clinical trials will be successful, and we cannot be sure that the later trials will replicate the results of prior clinical trials and studies.

If the FDA decides to require that we obtain clearance or approval to expand or continue commercialization of KidneyIntelX, we may be required to conduct additional clinical testing and analysis before submitting a regulatory notification or application for commercial sales. Clinical trials and studies must be conducted in compliance with FDA regulations or the FDA may take enforcement action or reject the data presented. The data collected from these clinical trials or studies may ultimately be used to support market clearance or approval for KidneyIntelX. It may take substantial time, up to several years, to conduct the requisite studies and trials to obtain clearance or approval from the FDA. Even if our trial and study work is completed as planned, we cannot be certain that their results will support our intended use and performance claims or that the FDA will agree with our conclusions. Success in early clinical study work that we have published and data that we have submitted to the FDA under breakthrough device designation does not ensure that later clinical trials will be successful, and we cannot be sure that the later trials will replicate the results of prior clinical trials and studies. If we are required to conduct additional clinical trials, whether using prospectively acquired samples or archival samples, delays in the commencement or completion of clinical testing could significantly increase our development costs and delay commercialization. Many of the factors that may cause or lead to a delay in the commencement or completion of future clinical trials and studies may also ultimately lead to delay or denial of

regulatory clearance or approval. The commencement of clinical trials and studies may be delayed due to insufficient patient enrollment, which is a function of many factors, including the size of the patient population, the nature of the protocol, the proximity of patients to clinical sites and the eligibility criteria for clinical data generation. Moreover, the clinical trial and study processes may fail to demonstrate that KidneyIntelX is effective for the proposed indicated use, which could cause us to abandon or delay development.

We may find it necessary to engage contract research organizations, or CROs, to perform data collection and analysis and other aspects of our clinical trials, which might increase the cost and complexity of our trials. We may also depend on clinical investigators, medical institutions and contract research organizations to perform the trials properly. If these parties do not successfully carry out their contractual duties or obligations or meet expected deadlines, or if the quality, completeness or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols or for other reasons, our clinical trials may have to be extended, delayed or terminated. It is possible that the COVID-19 pandemic may have an impact on the workforce of the third parties and contract research organizations on which we may rely, which could adversely impact our ability to perform data collection and analysis and other aspects of our clinical trials on expected timeframes or to complete such studies and trials. Many of these factors would be beyond our control. We may not be able to enter into replacement arrangements without undue delays or considerable expenditures. If there are delays in testing or approvals as a result of the failure to perform by third parties, our research and development costs would increase, and we may not be able to obtain regulatory clearance or approval for our current assays and our planned future assays. In addition, we may not be able to establish or maintain relationships with these parties on favorable terms, if at all. Each of these outcomes would harm our ability to market our assays or to achieve sustained profitability.

We are voluntarily seeking FDA clearance of KidneyIntelX. If we do not successfully complete this process and if the FDA were to require approval or clearance of KidneyIntelX, we could incur substantial costs and time delays associated with meeting requirements for premarket clearance or approval or we could experience decreased demand for, or reimbursement of, our products.

We intend to initially provide KidneyIntelX as an LDT under CLIA in our International Organization for Standardization, or ISO, 13485:2016 certified laboratory in Salt Lake City, Utah and through our New York City based laboratory facility. Historically, the FDA has exercised enforcement discretion with respect to most LDTs and has not required laboratories that offer LDTs to comply with the agency's requirements for medical devices (e.g., establishment registration, device listing, quality systems regulations, premarket clearance or premarket approval, and post-market controls). In recent years, however, the FDA has stated it intends to end its policy of enforcement discretion and regulate certain LDTs as medical devices. To this end, on October 3, 2014, the FDA issued two draft guidance documents, entitled "Framework for Regulatory Oversight of Laboratory Developed Tests (LDTs)" and "FDA Notification and Medical Device Reporting for Laboratory Developed Tests (LDTs)", respectively, that set forth a proposed risk-based regulatory framework that would apply varying levels of FDA oversight to LDTs. The FDA has indicated that it does not intend to modify its policy of enforcement discretion until the draft guidance documents are finalized. In January 2017, the FDA announced that it would seek further comment from stakeholders on the oversight of LDTs. On January 13, 2017 the FDA issued a "Discussion Paper on Laboratory Developed Tests (LDTs)," which states that the material in the document does not represent a final version of the LDT draft guidance documents that were published in 2014 or position of the FDA. Similar to the FDA's 2014 draft guidance, the FDA's discussion paper proposes a risk-based framework that would require most LDTs to comply with most of the FDA's regulatory requirements for medical devices. Unlike the draft guidance, however, the discussion paper describes a framework where currently marketed LDTs would generally not be subject to FDA premarket review; instead, FDA would general require only new or modified tests to be approved or cleared by the agency. In the discussion paper, the FDA also states that there is "a growing consensus that additional oversight of LDTs is necessary." The timing of when, if at all, the draft

guidance documents will be finalized is unclear, and even then, the new regulatory requirements are proposed to be phased-in. Nevertheless, the FDA may decide to regulate certain LDTs on a case-by-case basis at any time and/or may seek to regulate LDTs in a manner that differs from the phased-in approaches described in the draft guidance and discussion paper.

Legislative proposals have been introduced in Congress or publicly circulated, each of which would implement differing approaches to the regulation of LDTs. We cannot predict whether any of these legislative proposals will be enacted into law or the impact such new legal requirements would have on our business. In the meantime, we maintain our CLIA certification, which permits us to offer LDTs for diagnostic purposes.

FDA review, if required and successfully accomplished, would be expected to have some advantages. Certain health insurance payors have paid higher amounts over LDT prices for FDA approved or cleared tests, recognizing the additional costs of bringing a test through regulatory review. Some payors also accept FDA approval or clearance as a presumptive evidence of an assay's analytic validity and clinical validity, which can reduce the barriers to coverage since the payor can focus its review on clinical utility.

If we do not successfully complete the FDA clearance process for KidneyIntelX, a requirement of premarket review could negatively affect our business until such review is completed and clearance to market or approval is obtained. The FDA could require that we stop selling KidneyIntelX pending clearance or approval. If the FDA allows KidneyIntelX to remain on the market but there is uncertainty about it or if labeling claims the FDA allows us to make are very limited, orders from laboratory supply distributors and physicians, or reimbursement from third-party payors, may decline. The regulatory approval process may involve, among other things, successfully completing additional clinical trials and making a 510(k) submission or filing a premarket approval application or de novo request for classification with the FDA. If the FDA requires premarket review, KidneyIntelX may not be cleared or approved on a timely basis, if at all.

A breakthrough device designation by the FDA for KidneyIntelX may not lead to a faster development, regulatory review or clearance or approval process, and it may not increase the likelihood that KidneyIntelX will receive marketing authorization from the FDA.

In May 2019, we announced that the FDA granted breakthrough device designation for KidneyIntelX as an artificial intelligence-enabled *in vitro* diagnostics for kidney disease. The FDA's breakthrough devices program is a voluntary program for certain medical devices and device-led combination products that provide for more effective treatment or diagnosis of life-threatening or irreversibly debilitating diseases or conditions. The goal of the program is to provide patients and health care providers with timely access to these medical devices by speeding up their development, assessment and review, while preserving the statutory standards for premarket approval, 510(k) clearance and de novo marketing authorization, consistent with the FDA's mission to protect and promote public health.

The receipt of a breakthrough device designation for KidneyIntelX may not result in a faster development process, review or approval compared to conventional FDA procedures and does not assure ultimate marketing authorization by the FDA. In addition, even if a product qualifies as a breakthrough device, the FDA may later decide that the product no longer meets the conditions for qualification.

If we obtain marketing authorization for KidneyIntelX, it will be subject to ongoing regulation and could be subject to post-marketing restrictions or withdrawal from the market.

If KidneyIntelX is authorized by the FDA for marketing in the United States, the test will be subject to the FDA's quality system regulation, or QSR, labeling regulations, registration and listing, the Medical Device Reporting regulation which requires that manufacturers report to the FDA if their device may have caused or contributed to a death or serious injury or malfunctioned in a way that would likely cause or contribute to a death or serious

injury if it were to recur and the Reports of Corrections and Removals regulation, which requires manufacturers to report recalls and field actions to the FDA if initiated to reduce a risk to health posed by the device or to remedy a violation of the FDCA. The FDA enforces these requirements by inspection and market surveillance. If the FDA finds a violation, it can institute a wide variety of enforcement actions, ranging from an untitled or public warning letter to more severe sanctions such as fines, injunctions and civil penalties; recall or seizure of products; operating restrictions and partial suspension or total shutdown of production; refusing requests for 510(k) clearance or PMA approval of new products; withdrawing a marketing authorization already granted; and criminal prosecution.

Accordingly, assuming we receive FDA marketing clearance for KidneyIntelX, we will continue to expend time, money and effort in all areas of regulatory compliance.

Due to our limited resources and access to capital, our strategic decisions with respect to the development of certain diagnostic products may affect the development or timing of our business prospects.

Because we have limited resources and access to capital to fund our operations, we must decide which diagnostic products to pursue and the amount of resources to allocate to each. As such, we are currently primarily focused on the development of KidneyIntelX.

For example, in our half-year report published on March 3, 2020, we announced that our board of directors was considering the spin-off and admission to AIM of FractalDx, a technology portfolio of diagnostic and prognostic products in-licensed by us from Mount Sinai since late 2018. The FractalDx spin-off is being effected through the establishment of a new subsidiary, Verici Dx. Our board of directors has determined that the FractalDx spin-off may provide the opportunity to secure separate financial and management resources for the FractalDx portfolio, with the goal of enabling accelerated development of FractalDx products and achievement of commercial milestones. On May 15, 2020, our shareholders approved at a general meeting the reduction of our share capital by the cancellation of our share premium account in its entirety in order to create realized profits, which is necessary to implement the distribution in specie as we currently have negative reserve balances, and will also improve our distributable reserves position. The reduction of capital was confirmed by the High Court in England and Wales on June 9, 2020. Subject to us deciding to proceed with the FractalDx spin-off, we currently expect that the FractalDx spin-off will be completed prior to the completion of the global offering, and we intend to seek the admission to AIM of the shares in Verici Dx thereafter. See “Business—Recent developments” for more details on the proposed FractalDx spin-off. We have based certain of our financial projections and allocation of resources on the assumption that we complete the FractalDx spin-off and subsequent financing transaction. Until such time as we secure separate financial and management resources for Verici Dx, members of our management team and board of directors will be responsible for the management of Verici Dx, which may result in management distraction from the development and commercialization of our KidneyIntelX platform and other execution challenges. In addition, the entity created to effect the spin-off is newly formed, and there is risk that not all of the relevant assets have been transferred appropriately, and risk that there may be other claims from shareholders or other stakeholders arising out of the spin-off with respect to the terms or structure of the spin-off. Failure to complete the FractalDx spin-off and subsequent financing transaction as planned and on a timely basis could require us to continue to expend resources on the FractalDx program, which may have a negative effect on our financial position and results of operation.

Our decisions concerning the allocation of research, collaboration, management and financial resources toward particular diagnostic and prognostic programs or potential new products may not lead to the development of viable commercial products and may divert resources away from more promising opportunities. We may not choose the right product or programs to develop, or may be required to collaborate with third parties to advance a particular product at terms that are less than optimal to us. If we make incorrect determinations regarding the market potential of our diagnostic products or misread trends in the diagnostics industry, our business prospects could be harmed.

Acquisitions or joint ventures we may pursue may be unsuccessful.

We may consider the acquisition of other products or businesses that either complement or expand our existing business, or may enter into joint ventures. For example, in May 2020, we and Mount Sinai entered into the Kantaro Operating Agreement to form Kantaro for the purpose of developing and commercializing laboratory tests for the detection of antibodies against SARS-CoV-2 originally developed by Mount Sinai. Kantaro and any future acquisitions or joint ventures we pursue may involve a number of risks, including some or all of the following:

- difficulty in identifying acceptable acquisition candidates;
- the inability to consummate acquisitions or joint ventures on favorable terms and to obtain adequate financing, which financing may not be available to us at times, in amounts or on terms acceptable to us, if at all;
- the diversion of management's attention from our core business;
- the disruption of our ongoing business;
- entry into markets in which we have limited or no experience;
- the inability to integrate our acquisitions or enter into joint ventures without substantial costs, delays or other problems;
- unexpected liabilities for which we may not be adequately indemnified;
- inability to enforce indemnification and non-compete agreements;
- the failure to successfully incorporate acquired products into our business;
- the failure of the acquired business or joint venture to perform as well as anticipated;
- the failure to realize expected synergies and cost savings;
- the loss of key employees or customers of the acquired business;
- increasing demands on our operational systems and the potential inability to implement adequate internal controls covering an acquired business or joint venture;
- possible adverse effects on our reported operating results, particularly during the first several reporting periods after the acquisition is completed; and
- impairment of goodwill relating to an acquired business, which could reduce reported income.

For example, in the case of Kantaro, we have committed to lend up to $250,000 to Kantaro and provide services to Kantaro pursuant to an Advisory Agreement. Certain of our employees will spend time and resources providing services to Kantaro and Erik Lium, Ph.D., a member of our board of directors, will serve as chairman of the board of managers of Kantaro. These individuals will be required to allocate time and resources between us and Kantaro. In addition, we may be subject to additional or unexpected claims or liability due to our participation in Kantaro. Moreover, if Kantaro is unsuccessful, we will have dedicated time, money and other resources that we are not able to recoup. Any of these risks could have an adverse effect on our business, financial condition or results of operations.

Risks related to reimbursement and regulation

Our commercial success could be compromised if we do not obtain and maintain coverage and adequate reimbursement from third-party payors—Medicare, specifically—for KidneyIntelX.

The commercial success of KidneyIntelX and any future products we may develop will depend on the extent to which our customers obtain and maintain coverage and adequate reimbursement from third-party payors, including government payors such as Medicare and Medicaid, managed care organizations and commercial payors.

There are three key components for reimbursement in the United States: (1) coding, (2) pricing and (3) coverage. “Coding” refers to distinct numeric and alphanumeric billing codes, including Current Procedural Terminology, or CPT, codes that are used to report the provision of certain health care services, including laboratory services, to third-party payors. “Coverage” refers to decisions made by third-party payors as to whether or not to provide their members access to and pay for such health care services, and if so, what conditions, such as specific diagnoses and clinical indications, are covered.

We received a CPT code for KidneyIntelX, effective as of October 1, 2019 from the American Medical Association. We also received Medicare national pricing for KidneyIntelX set at $950 per reportable test result, effective from January 2020 until December 2022, and we are currently undergoing a Medicare coverage determination process with results expected in calendar year 2021. Our success is highly dependent on receiving a positive Medicare coverage determination. If we do not receive a positive Medicare coverage determination, we could experience negative consequences including:

- We would be forced to rely on private insurance coverage, which would greatly decrease our intended market opportunity for KidneyIntelX;
- A negative coverage determination could adversely affect our ability to enter into new partnerships with healthcare systems; and
- We may need to conduct additional clinical validation, utility and other studies as part of an appeal of a negative Medicare coverage decision, and even if we expended the substantial time and resources to conduct such studies, they may not be successful and they may not result in a positive Medicare coverage determination.

Coverage and reimbursement by a payor may depend on a number of factors, including a payor’s determination that our products are:

- not experimental or investigational;
- medically necessary;
- appropriate for the specific patient;
- cost-effective;
- supported by peer-reviewed publications; and
- included in clinical practice guidelines.

Accordingly, even though we received Medicare national pricing for KidneyIntelX set at $950 per reportable test result, we may not be reimbursed at that rate. As we enter into partnerships and contracts with healthcare systems and third-party payors, we will establish a reimbursement rate through contractual negotiations.

In the United States, the principal decisions about reimbursement for new medical products are typically made by CMS. CMS decides whether and to what extent a new product will be covered and reimbursed under Medicare and private payors tend to follow CMS to a substantial degree. Because there is no uniform policy of coverage and reimbursement in the United States, each payor generally determines for its own enrollees or insured patients whether to cover or otherwise establish a policy to reimburse our diagnostic tests, and seeking payor approvals is a time-consuming and costly process. We cannot be certain that coverage for our current and our planned future products will be provided in the future by additional payors or that existing agreements, policy decisions or reimbursement levels will remain in place, remain adequate, or be fulfilled under existing terms and provisions. If we cannot obtain coverage and adequate reimbursement from private and governmental payors such as Medicare and Medicaid for our current products or new products that we may develop in the future, demand for such products may decline or may not grow as we expect, which could limit our ability to generate revenue and have a material adverse effect on our financial condition, results of operations and cash flow. In order to secure coverage and reimbursement for our products that might be approved for sale, we may need to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of the product, in addition to the costs required to obtain FDA or other comparable regulatory approvals. Additionally, companies may also need to provide discounts to purchasers, private health plans or government healthcare programs. Nonetheless, products may not be considered medically necessary or cost effective. Further, we may experience delays and interruptions in the receipt of payments from payors due to missing documentation and/or other issues, which could cause delay in collecting our revenue.

In addition, the coverage and reimbursement market is ever changing and we are not in control of how our competitors' coverage and pricing strategies are established. Some of our competitors have widespread brand recognition and substantially greater financial and technical resources and development, production and marketing capabilities than we do. Others may develop lower-priced, less complex tests that payors and physicians could view as functionally equivalent to our products, which could force us to lower the list price of our tests and impact our operating margins and our ability to achieve and maintain profitability. Payors may compare our products to our competitors and utilize them as precedents, which may impact our coverage and/or reimbursement. In addition, technological innovations that result in the creation of enhanced diagnostic tools that are more effective than ours may enable other clinical laboratories, hospitals, physicians or medical providers to provide specialized diagnostic tests similar to ours in a more patient-friendly, efficient or cost-effective manner than is currently possible. If we cannot compete successfully against current or future competitors, we may be unable to increase or create market acceptance and sales of our products, which could prevent us from increasing or sustaining our revenue or achieving or sustaining profitability.

In some foreign countries, the proposed pricing for a product must be approved before it may be lawfully marketed. The requirements governing pricing vary widely from country to country. For example, the European Union, or EU, provides options for its member states to restrict the range of products for which their national health insurance systems provide reimbursement and to control the prices of medicinal products for human use. To obtain reimbursement or pricing approval, some of these countries may require the completion of clinical trials that compare the cost effectiveness of a particular product to the current standard of care. A Member State may approve a specific price for the product or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the product on the market. There can be no assurance that any country that has price controls or reimbursement limitations for diagnostic products will allow favorable reimbursement and pricing arrangements for any of our products. Historically, products launched in the EU do not follow price structures of the United States and generally prices tend to be significantly lower.

The coverage and reimbursement market may be additionally impacted by future legislative changes. There are increasing efforts by governmental and third-party payors in the United States and abroad to cap or reduce

healthcare costs which may cause such organizations to limit both coverage and the level of reimbursement for newly approved products and, as a result, they may not cover or provide adequate payment for our products. Specifically, there have been several recent U.S. Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to drug and medical device pricing, reduce the cost under Medicare, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies. We expect to experience pricing pressures in connection with the sale of any of our products due to the trend toward managed healthcare, the increasing influence of health maintenance organizations, cost containment initiatives and additional legislative changes. At the federal level, the Trump administration's budget proposal for fiscal year 2021 contains further price control measures that could be enacted during the budget process or in other future legislation sessions. While any proposed measures will require authorization through additional legislation to become effective, Congress and the Trump administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs.

Payors from whom we may receive reimbursement are able to withdraw or decrease the amount of reimbursement provided for our products at any time in the future.

Our commercial success depends on our ability to maintain coverage and adequate reimbursement from those payors that decide to cover and reimburse our products. Further, one payor's determination to provide coverage for a product does not assure that other payors will also provide coverage and reimbursement for the product, and the level of coverage and reimbursement can differ significantly from payor to payor. Payors could withdraw coverage and stop providing reimbursement for our products in the future or may reimburse our products only on a case-by-case basis. Managing reimbursement on a case-by-case basis is time consuming and contributes to an increase in the number of days it takes us to collect accounts receivable and increases our risk of non-payment. Negotiating reimbursement on a case-by-case basis also typically results in the provision of reimbursement at a significant discount to the list price of our products.

Further, even if we obtain written agreements regarding coverage and reimbursement with certain payors, these agreements are not guarantees of indefinite coverage in an adequate amount. For example, these agreements are typically terminable without cause by either party and are typically renewable annually, and the applicable payor could opt against renewal upon expiration. In addition, the terms of certain of our written arrangements may require us to seek pre-approval from the payor or put in place other controls and procedures prior to conducting a test for a customer. To the extent we fail to follow these requirements, we may fail to receive some or all of the reimbursement payments to which we are otherwise entitled. These payors must also conclude that our claim satisfies the applicable contractual criteria. In addition, our written agreements regarding reimbursement with payors may not guarantee us the receipt of reimbursement payments at what we believe to be the applicable contracted rate for each reimbursement claim that we submit to such payors. If payors withdraw coverage for our products or reduce the reimbursement amounts for our products, our ability to generate revenue could be limited, which may have a material adverse effect on our financial condition, results of operations and cash flow. Further, due to the COVID-19 pandemic, millions of individuals have lost or will be losing employer-based insurance coverage, which may adversely affect our ability to commercialize our products.

Long payment cycles of Medicare, Medicaid and/or other third-party payors, or other payment delays, could hurt our cash flows and increase our need for working capital.

Medicare and Medicaid have complex billing and documentation requirements that we must satisfy in order to receive payment, and the programs can be expected to carefully audit and monitor our compliance with these requirements. We must also comply with numerous other laws applicable to billing and payment for healthcare services, including, for example, privacy laws. Failure to comply with these requirements may result in, among

other things, non-payment, refunds, exclusion from government healthcare programs, and significant administrative, civil or criminal penalties, any of which may have a material adverse effect on our revenues and earnings. In addition, failure by third-party payors to properly process our payment claims in a timely manner could delay our receipt of payment for our products and services, which may have a material adverse effect on our cash flows.

Billing for our products is complex and requires substantial time and resources to collect payment.

Billing for clinical laboratory testing services is complex, time-consuming and expensive. With respect to KidneyIntelX, we anticipate we, through a third party service provider, will be billing various payors, including Medicare, Medicaid, private insurance payors and patients, all of which have different billing requirements. The billing arrangements and applicable law differ, which complicates our compliance efforts. To the extent laws or contracts require us to bill patient co-payments or co-insurance, we must also comply with these requirements. We may also face increased risk in our collection efforts, including potential write-offs of accounts receivable and long collection cycles, which could adversely affect our business, results of operations and financial condition.

Several factors make the billing process complex, including:

- differences between the billing rates and reimbursement rates for our products;
- compliance with complex federal and state regulations related to billing government healthcare programs, including Medicare and Medicaid;
- risk of government and commercial audits related to billing;
- disputes among payors as to which party is responsible for payment;
- differences in coverage and information and billing requirements among payors, including the need for prior authorization and/or advanced notification;
- the effect of patient co-payments or co-insurance and our ability to collect such payments from patients;
- changes to billing codes used for our products;
- changes to requirements related to our current or future clinical trials, including our registry studies, which can affect eligibility for payment;
- ongoing monitoring provisions of local coverage decisions for our products, which can affect the circumstances under which a claim would be considered medically necessary;
- incorrect or missing billing information; and
- the resources required to manage the billing and claims appeals process.

Billing code changes can result in a risk of an error being made in the claim adjudication process. Claims adjudication errors can occur with claims submission, third-party transmission or in the processing of the claim by the payor. Claim adjudication errors may result in a delay in payment processing or a reduction in payment processing or a reduction in the amount of the payment we receive. The addition of billing codes will require changes to our billing process and financial reporting systems. Failure or delays in effecting these changes in external billing and internal systems and processes could negatively affect our collection rates, revenue and cost of collecting.

Additionally, our billing activities will require us to implement compliance procedures and oversight, train and monitor our employees, and undertake internal audits to evaluate compliance with applicable laws and

regulations as well as internal compliance policies and procedures. If a payor denies a claim we may submit, we may challenge the reason, low payment amount or payment denials. Payors also conduct external audits to evaluate payments, which add further complexity to the billing process. If the payor makes an overpayment determination, there is a risk that we may be required to return all or some portion of prior payments we have received.

Additionally, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively, the ACA, requires providers and suppliers to report and return any overpayments received from government payors under the Medicare and Medicaid programs within 60 days of identification. Failure to identify and return such overpayments exposes the provider or supplier to liability under federal false claims laws. These billing complexities, and the related uncertainty in obtaining payment for our products, could negatively affect our revenue and cash flow, our ability to achieve profitability, and the consistency and comparability of our results of operations.

We rely on third-party billing provider software, and an in-house billing function, to transmit claims to payors, and any delay in transmitting claims could have an adverse effect on our revenue.

While we manage the overall processing of claims, we rely on third-party billing provider software to transmit the actual claims to payors based on the specific payor billing format. The potential exists for us to experience delays in claims processing when third-party providers make changes to their invoicing systems. Additionally, coding for diagnostic assays may change, and such changes may cause short-term billing errors that may take significant time to resolve. If claims are not submitted to payors on a timely basis or are erroneously submitted, or if we are required to switch to a different software provider to handle claim submissions, we may experience delays in our ability to process these claims and receipt of payments from payors, or possibly denial of claims for lack of timely submission, which would have an adverse effect on our revenue and our business.

Complying with numerous regulations pertaining to our business is an expensive and time-consuming process, and any failure to comply could result in substantial penalties or our inability to operate.

We are and will be subject to multiple different state and federal laws and regulations that require significant expense, expertise and professional support to remain within compliance. For example, we operate under CLIA, a federal law regulating clinical laboratories that perform testing on specimens derived from humans for the purpose of providing information for the diagnosis, prevention or treatment of disease. CLIA is intended to ensure the quality and reliability of clinical laboratories in the United States by mandating specific standards in the areas of personnel qualifications, administration, and participation in proficiency testing, patient test management, quality control, quality assurance and inspections. Under CLIA, we are required to hold a certificate applicable to the type of laboratory tests we perform and to comply with standards applicable to our operations, including test processes, personnel, facilities administration, equipment maintenance, recordkeeping, quality systems and proficiency testing, which are intended to ensure, among other things, that clinical laboratory testing services are accurate, reliable and timely.

We must maintain CLIA compliance and certification to be eligible to bill for clinical laboratory services provided to federal health care program beneficiaries. We have received CLIA certificates for our Utah and New York laboratories. To renew our CLIA certificates, we are subject to survey and inspection every two years to assess compliance with program standards. We also may be subject to additional unannounced inspections. Laboratories performing high complexity testing are required to meet more stringent requirements than laboratories performing less complex tests. In addition, a laboratory that is certified as “high complexity” under CLIA may develop, manufacture, validate and use LDTs. CLIA requires analytical validation including accuracy, precision, specificity, sensitivity and establishment of a reference range for any LDT used in clinical testing. The regulatory and compliance standards applicable to the testing we perform may change over time, and any such changes could have a material effect on our business.

Penalties for non-compliance with CLIA requirements include a range of enforcement actions, including suspension, limitation or revocation of the laboratory's CLIA certificate, as well as directed plan of correction, state on-site monitoring, civil monetary penalties, civil injunctive suit or criminal penalties.

In addition to federal certification requirements of laboratories under CLIA, CLIA provides that states may adopt laboratory regulations and licensure requirements that are more stringent than those under federal law. A number of states have implemented their own more stringent laboratory regulatory requirements. Such laws, among other things, establish standards for the day-to-day operation of a clinical laboratory, including the training and skills required of personnel and quality control.

For example, in New York, KidneyIntelX also must be approved by the New York State Department of Health before it is offered in New York. As part of this process, the State of New York requires validation of our tests. New York State requires additional regulatory approvals for laboratories producing clinical results through the oversight of the NYS-CLEP program. These approvals were received in June 2020.

If we were to lose our CLIA certification, whether as a result of a revocation, suspension or limitation, we would no longer be able to offer our tests, which would limit our revenues and seriously harm our business. If we were to lose, or fail to obtain, a license in any other state where we are required to hold a license, we would not be able to test specimens from those states, which also could limit our revenues and seriously harm our business.

We are subject to federal and state healthcare fraud and abuse laws and regulations and could face substantial penalties if we are unable to fully comply with such laws.

We are or expect to become subject to broadly applicable health care laws, including fraud and abuse, transparency, and privacy and security laws, which are regulated and enforced by both the federal government and the states in which we conduct our business. These health care laws and regulations include, for example:

- the federal physician self-referral prohibitions, commonly known as the Stark Law, which prohibit billing a patient or governmental or private payor for certain designated health services, including clinical laboratory services, when the physician ordering the service, or a member of such physician's immediate family, has a financial relationship, such as an ownership or investment interest in or compensation arrangement with us, unless the relationship meets an applicable exception to the prohibition. Several Stark Law exceptions are relevant to many common financial relationships involving clinical laboratories and referring physicians, including: (1) fair market value compensation for the provision of items or services; (2) payments by physicians to a laboratory for clinical laboratory services; (3) space and equipment rental arrangements that satisfy certain requirements, and (4) personal services arrangements that satisfy certain requirements. A laboratory cannot submit claims to the Medicare Part B program for services furnished in violation of the Stark Law, and Medicaid reimbursements may be at risk as well. The Stark Law is a strict liability statute, meaning the prohibitions apply regardless of intent to induce or reward referrals or the motive for the financial relationship;
- the federal Anti-Kickback Statute, or AKS, which prohibits, among other things, persons or entities from soliciting, receiving, offering or providing remuneration, directly or indirectly, overtly or covertly, in cash or in kind, in return for or to induce either the referral of an individual for, or the purchase, lease, order or recommendation of, any good, facility, item or services for which payment may be made under a federal health care program such as the Medicare and Medicaid programs. A violation of the AKS may result in imprisonment, significant administrative and civil penalties and monetary fines and to exclude healthcare providers and others engaged in prohibited activities from Medicare, Medicaid and other federal healthcare programs. The government may also assert that a claim that includes items or services resulting from a violation of the AKS constitutes a false or fraudulent claim under the federal false claims act. Additionally, a

person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;

- the Health Insurance Portability and Accountability Act of 1996, or HIPAA, which established additional federal civil and criminal liability for, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any health care benefit program or making false statements in connection with the delivery of or payment for health care benefits, items or services. Like the AKS, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH and their respective implementing regulations, which imposes certain requirements on certain covered healthcare providers, health plans, and healthcare clearinghouses as well as their respective business associates that perform services for them that involve the use, or disclosure of, individually identifiable health information relating to the privacy, security and transmission of individually identifiable health information. HITECH also created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions;
- federal false claims and civil monetary penalties laws, including the False Claims Act, or FCA, which, prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, false or fraudulent claims for payment to the federal government. Manufacturers can be held liable under the FCA even when they do not submit claims directly to government payors if they are deemed to "cause" the submission of false or fraudulent claims. The government may deem manufacturers to have "caused" the submission of false or fraudulent claims by, for example, providing inaccurate billing or coding information to customers or promoting a product off-label. The FCA also permits a private individual acting as a "whistleblower" to bring actions on behalf of the federal government alleging violations of the FCA and to share in any monetary recovery;
- the federal Physician Payments Sunshine Act requirements under the ACA, and its implementing regulations, which require certain manufacturers of drugs, devices, biologics and medical supplies to report to CMS information related to payments available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) and other transfers of value made to or at the request of covered recipients, such as physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, and certain ownership and investment interests held by physicians and their immediate family members. Effective January 1, 2022, these reporting obligations will extend to include transfers of value made to certain non-physician providers such as physician assistants and nurse practitioners;
- federal physician self-referral prohibitions, commonly known as the Stark Law, which prohibits, among other things, physicians who have a financial relationship, including an investment, ownership or compensation relationship with an entity, from referring Medicare patients for designated health services, which include clinical laboratory services, unless an exception applies;
- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers; and
- state law equivalents of each of the above federal laws, such as anti-kickback, false claims and self-referred laws, which may apply to items or services reimbursed by any third-party payor, including commercial insurers, state and foreign laws that require medical device companies to comply with the medical device

industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers and other potential referral sources, and state and foreign laws that require device manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers, marketing expenditures or product pricing; state and local laws that require the registration of medical device sales representatives.

The scope and enforcement of each of these laws is uncertain and subject to rapid change in the current environment of healthcare reform, especially in light of the lack of applicable precedent and regulations. Ensuring business arrangements comply with applicable healthcare laws, as well as responding to possible investigations by government authorities, can be time- and resource-consuming and can divert a company's attention from the business.

Any action brought against us for violation of these laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. If our operations, including any of our partnerships with healthcare systems, are found to be in violation of any of these laws and regulations, we may be subject to any applicable penalty associated with the violation, including, among others, significant administrative, civil and criminal penalties, damages, fines, disgorgement, reputational harm, imprisonment, integrity oversight and reporting obligations, and exclusion from participation in government funded healthcare programs such as Medicare and Medicaid. Additionally, we could be required to refund payments received by us, and we could be required to curtail or cease our operations. Any of the foregoing consequences could seriously harm our business and our financial results.

Healthcare policy changes, including recently enacted legislation reforming the U.S. healthcare system, may have a material adverse effect on our business, financial condition and results of operations.

The ACA substantially changed the way health care is financed by both governmental and private insurers. Among other things, the ACA required each certain medical device manufacturer to pay an excise tax equal to 2.3%, or Medical Device Excise Tax, of the price for which such manufacturer sells its medical devices that are listed with the FDA. However, this tax was permanently eliminated as part of the 2020 federal spending package, effective January 1, 2020. The ACA also includes provisions of importance that:

- expanded eligibility criteria for Medicaid programs by, among other things, allowing states to offer Medicaid coverage to certain individuals with income at or below 133% of the federal poverty level, thereby potentially increasing a manufacturer's Medicaid rebate liability;
- expanded manufacturers' rebate liability under the Medicaid Drug Rebate Program by increasing the minimum rebate for both branded and generic drugs and revising the definition of "average manufacturer price," or AMP, for calculating and reporting Medicaid drug rebates on outpatient prescription drug prices;
- addressed a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected;
- established the Medicare Part D coverage gap discount program by requiring manufacturers to provide 50% (increased to 70% pursuant to the Bipartisan Budget Act of 2018, effective as of 2019) point-of-sale-discounts off the negotiated price of applicable brand drugs to eligible beneficiaries during their coverage gap period as a condition for the manufacturers' outpatient drugs to be covered under Medicare Part D; and
- created a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research.

Although some of these provisions may negatively impact payment rates for clinical laboratory tests, the ACA also extends coverage to over 30 million previously uninsured people. Some of the provisions of the ACA have

yet to be implemented, and there remain judicial and Congressional challenges to certain aspects of the ACA, as well as efforts by the Trump administration to repeal or replace certain aspects of the ACA. Since January 2017, the president of the United States has signed executive orders and other directives designed to delay, circumvent, or loosen certain requirements mandated by the ACA. Concurrently, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA.

On January 20, 2017, President Trump signed the first Executive Order, directing federal agencies with authorities and responsibilities under the ACA to waive, defer, grant exemptions from, or delay the implementation of any provision of the ACA that would impose a fiscal burden on states or a cost, fee, tax, penalty or regulatory burden on individuals, healthcare providers, health insurers, or manufacturers of pharmaceuticals or medical devices. On October 13, 2017, President Trump signed the second Executive Order terminating the cost-sharing subsidies that reimburse insurers under the Affordable Care Act. The current administration has concluded that cost-sharing reduction, or CSR, payments to insurance companies required under the ACA have not received necessary appropriations from Congress and announced that it will discontinue these payments immediately until those appropriations are made. The loss of the CSR payments is expected to increase premiums on certain policies issued by qualified health plans under the ACA. Several state Attorneys General filed suit to stop the administration from terminating the subsidies, but their request for a restraining order was denied by a federal judge in California on October 25, 2017. The loss of the cost share reduction payments is expected to increase premiums on certain policies issued by qualified health plans under the ACA. Further, on June 14, 2018, the U.S. Court of Appeals for the Federal Circuit ruled that the federal government was not required to pay to third-party payors more than $12 billion in ACA risk corridor payments that they argued were owed to them. However, on April 27, 2020, the United States Supreme Court reversed the Federal Circuit decision that previously upheld Congress's denial of $12 billion in risk corridor funding. The effects of this gap in reimbursement on third-party payors, the viability of the ACA marketplace, providers, and potentially our business, are not yet known. While Congress has not passed repeal legislation, it has enacted laws that modify certain provisions of the ACA such as removing penalties effective January 1, 2019, for not complying with the ACA's individual mandate to carry health insurance and eliminating the implementation of certain ACA-mandated fees. On December 14, 2018, a Texas U.S. District Court Judge ruled that the ACA is unconstitutional in its entirety because the "individual mandate" was repealed by Congress as part of the Tax Cuts and Jobs Act of 2017. Additionally, on December 18, 2019, the U.S. Court of Appeals for the 5th Circuit upheld the District Court ruling that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the ACA are invalid as well. On March 2, 2020, the United States Supreme Court granted the petitions for writs of certiorari to review this case and has allotted one hour for oral arguments, which are expected to occur in the fall. It is unclear how such litigation and other efforts to repeal and replace the ACA will impact the ACA. Litigation over the ACA is likely to continue, with unpredictable and uncertain results.

In addition, other legislative changes have been proposed and adopted since the ACA was enacted. The Protecting Access to Medicare Act of 2014, or PAMA, was signed to law, which, among other things, significantly altered the payment methodology under the CLFS. Under the law, issued in 2016 and the reporting period beginning in 2017 and every three years thereafter (or annually in the case of advanced diagnostic laboratory tests), applicable clinical laboratories must report laboratory test payment data for each Medicare-covered clinical diagnostic laboratory test that it furnishes during the specified time period. The reported data must include the payment rate (reflecting all discounts, rebates, coupons and other price concessions) and the volume of each test that was paid by each private payor (including health insurance issuers, group health plans, Medicare Advantage plans and Medicaid managed care organizations). Effective January 1, 2018, the Medicare payment rate for each clinical diagnostic laboratory test is equal to the weighted median amount for the test from the most recent data collection period. The payment rate applies to laboratory tests furnished by a hospital laboratory if the test is separately paid under the hospital outpatient prospective payment system.

Also, under PAMA, CMS is required to adopt temporary billing codes to identify new tests and new advanced diagnostic laboratory tests that have been cleared or approved by the FDA. For an existing test that is cleared or approved by the FDA and for which Medicare payment is made as of April 1, 2014, CMS is required to assign a unique billing code if one has not already been assigned by the agency. In addition to assigning the code, CMS is required to publicly report payment for the tests. Further, under PAMA, CMS is required to adopt temporary billing codes to identify new tests and new advanced diagnostic laboratory tests that have been cleared or approved by the FDA. We cannot determine at this time the full impact of PAMA on our business, financial condition and results of operations.

Additionally, the Budget Control Act of 2011, among other things, created the Joint Select Committee on Deficit Reduction to recommend proposals in spending reductions to Congress. The Joint Select Committee did not achieve its targeted deficit reduction of at least $1.2 trillion for the years 2013 through 2021, triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions to Medicare payments to providers and suppliers of up to 2% per fiscal year, starting in 2013, and, due to subsequent legislative amendments to the statute, will remain in effect through 2030 unless additional congressional action is taken. These Medicare sequester reductions will be suspended from May 1, 2020 through December 31, 2020 due to the COVID-19 pandemic. The full impact on our business of the sequester law is uncertain. In addition, the Middle-Class Tax Relief and Job Creation Act of 2012, or MCTRJCA, mandated an additional change in Medicare reimbursement for clinical laboratory tests. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors.

Some of our laboratory assay business is subject to the Medicare Physician Fee Schedule. The Medicare Access and CHIP Reauthorization Act of 2015 ended the use of the statutory formula, also referred to as the Sustainable Growth Rate, for clinician payment and established a quality payment incentive program, also referred to as the Quality Payment Program. This program provides clinicians with two ways to participate, including through the Advanced Alternative Payment Models, or APMs, and the Merit-based Incentive Payment System, or MIPS. In November 2019, CMS issued a final rule finalizing the changes to the Quality Payment Program. At this time, it is unclear how the introduction of the Quality Payment Program will impact overall physician reimbursement under the Medicare program. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors.

We cannot predict whether future health care initiatives will be implemented at the federal or state level, or how any future legislation or regulation may affect us. The expansion of government's role in the U.S. health care industry, and changes to the reimbursement amounts paid by Medicare and other payors for our current assays and our planned future assays, may reduce our profits, if any, and have a materially adverse effect on our business, financial condition, results of operations and cash flows. Moreover, Congress has proposed on several occasions to impose a 20% coinsurance payment requirement on patients for clinical laboratory tests reimbursed under the Medicare Clinical Laboratory Fee Schedule, which would require us to bill patients for these amounts. In the event that Congress were to ever enact such legislation, the cost of billing and collecting for our products could often exceed the amount actually received from the patient.

Our business activities may be subject to the Foreign Corrupt Practices Act and similar anti-bribery and anti-corruption laws.

Our business activities may be subject to the Foreign Corrupt Practices Act, or FCPA, and similar anti-bribery or anti-corruption laws, regulations or rules of other countries in which we operate, including, in the U.K., the Bribery Act 2010. The FCPA generally prohibits offering, promising, giving, or authorizing others to give anything of value, either directly or indirectly, to a non-U.S. government official in order to influence official action, or otherwise obtain or retain business. The FCPA also requires public companies to make and keep

books and records that accurately and fairly reflect the transactions of the corporation and to devise and maintain an adequate system of internal accounting controls. Our business is heavily regulated and therefore involves significant interaction with public officials, including officials of non-U.S. governments. Recently, the SEC and Department of Justice have increased their FCPA enforcement activities with respect to biotechnology and medical device companies. There is no certainty that all of our employees, agents, contractors, or those of our affiliates, will comply with all applicable laws and regulations, particularly given the high level of complexity of these laws. Violations of these laws and regulations could result in fines, criminal sanctions against us, our officers, or our employees, the closing down of our facilities, requirements to obtain export licenses, cessation of business activities in sanctioned countries, implementation of compliance programs, and prohibitions on the conduct of our business. Any such violations could include prohibitions on our ability to offer our products in one or more countries and could materially damage our reputation, our brand, our international expansion efforts, our ability to attract and retain employees, and our business, prospects, operating results, and financial condition.

We are subject to stringent and changing privacy laws, information security laws, regulations, policies and contractual obligations related to data privacy and security. Our actual or perceived failure to comply with such obligations could harm our reputation, subject us to significant fines and liability, or otherwise adversely affect our business.

We collect, store, process and transmit sensitive data, including legally protected health information, or PHI, personally identifiable information, intellectual property and proprietary business information. As we seek to expand our business, we are, and will increasingly become, subject to numerous state, federal and foreign laws, regulations and standards, as well as contractual obligations, relating to the collection, use, retention, security, disclosure, transfer and other processing of sensitive and personal information in the jurisdictions in which we operate. In many cases, these laws, regulations and standards apply not only to third-party transactions, but also to transfers of information between or among us, our subsidiaries and other parties with which we have commercial relationships. These laws, regulations and standards may be interpreted and applied differently over time and from jurisdiction to jurisdiction, and it is possible that they will be interpreted and applied in ways that will materially and adversely affect our business, financial condition and results of operations. The regulatory framework for data privacy, data security and data transfers worldwide is rapidly evolving, and there has been an increasing focus on privacy and data protection issues with the potential to affect our business, and as a result, interpretation and implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future. Failure to comply with any of these laws and regulations could result in enforcement actions against us, including fines, imprisonment of company officials and public censure, claims for damages by affected individuals, damage to our reputation and loss of goodwill, any of which could have a material adverse effect on our business.

There are numerous U.S. federal and state laws and regulations related to the privacy and security of health information. These laws and regulations include HIPAA, as amended by HITECH, which establishes a set of national privacy and security standards for the protection of PHI, by health plans, healthcare clearinghouses and certain healthcare providers, referred to as covered entities, and the business associates with whom such covered entities contract for services. HIPAA requires covered entities and business associates to develop and maintain policies and procedures with respect to PHI that is used or disclosed, including the adoption of administrative, physical and technical safeguards to protect such information and ensure the confidentiality, integrity and availability of electronic PHI. HIPAA also implemented the use of standard transaction code sets and standard identifiers that covered entities must use when submitting or receiving certain electronic healthcare transactions, including activities associated with the billing and collection of healthcare claims. The United States Office of Civil Rights may impose penalties on a covered entity for a failure to comply with a requirement of HIPAA. Penalties will vary significantly depending on factors such as the date of the violation,

whether the covered entity knew or should have known of the failure to comply, or whether the covered entity's failure to comply was due to willful neglect. These penalties include significant civil monetary penalties, criminal penalties and, in certain instances, imprisonment. HIPAA also authorizes state attorneys general to file suit on behalf of their residents. Courts may award damages, costs and attorneys' fees related to violations of HIPAA in such cases. While HIPAA does not create a private right of action allowing individuals to sue us in civil court for violations of HIPAA, its standards have been used as the basis for duty of care in state civil suits such as those for negligence or recklessness in the misuse or breach of PHI. Furthermore, in the event of a breach as defined by HIPAA, the covered entity has specific reporting requirements under HIPAA regulations. In the event of a significant breach, the reporting requirements could include notification to the general public. Enforcement activity can result in reputational harm, and responses to such enforcement activity can consume significant internal resources. Additionally, if we are unable to properly protect the privacy and security of PHI, we could be found to have breached our contracts. Determining whether PHI has been handled in compliance with applicable privacy standards and our contractual obligations can be complex and we cannot be sure how these regulations will be interpreted, enforced or applied to our operations.

In addition, many states in which we operate have laws that protect the privacy and security of sensitive and personal information. Certain state laws may be more stringent or broader in scope, or offer greater individual rights, with respect to sensitive and personal information than federal, international or other state laws, and such laws may differ from each other, which may complicate compliance efforts. Where state laws are more protective than HIPAA, we must comply with the state laws we are subject to, in addition to HIPAA. In certain cases, it may be necessary to modify our planned operations and procedures to comply with these more stringent state laws. Further, in some cases where we process sensitive and personal information of individuals from numerous states, we may find it necessary to comply with the most stringent state laws applicable to any of the information. For example, the California Consumer Privacy Act of 2018, or the CCPA, which increases privacy rights for California residents and imposes stringent data privacy and security obligations on companies that process their personal information, came into effect on January 1, 2020. Among other things, the CCPA requires covered companies to provide new disclosures to California consumers and provide such consumers new data protection and privacy rights, including the ability to opt-out of certain sales of personal information. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the loss of personal information. This private right of action may increase the likelihood of, and risks associated with, data breach litigation. The CCPA was amended in September 2018 and November 2019, and it is possible that further amendments will be enacted, but even in its current form it remains unclear how various provisions of the CCPA will be interpreted and enforced. Despite the delay in adopting regulations, the California State Attorney General will commence enforcement actions against violators beginning July 1, 2020. While any information we maintain in our role as a business associate may be exempt from the CCPA, other records and information we maintain on our customers may be subject to the CCPA. New legislation proposed or enacted in Illinois, Massachusetts, Nevada, New Jersey, New York, Rhode Island, Washington and other states, and a proposed right to privacy amendment to the Vermont Constitution, imposes, or has the potential to impose, additional obligations on companies that collect, store, use, retain, disclose, transfer and otherwise process confidential, sensitive and personal information, and will continue to shape the data privacy environment nationally. State laws are changing rapidly and there is discussion in Congress of a new federal data protection and privacy law to which we would become subject if it is enacted. All of these evolving compliance and operational requirements impose significant costs that are likely to increase over time, may require us to modify our data processing practices and policies, divert resources from other initiatives and projects, and could restrict the way products and services involving data are offered, all of which may have a material and adverse impact on our business, financial condition and results of operations.

Laws, regulations and standards in many foreign jurisdictions apply broadly to the collection, use, retention, security, disclosure, transfer and other processing of personal information, which impose significant

compliance obligations. For example, in the EU and the United Kingdom, the processing of personal data, including clinical trial data, is governed by the provisions of the General Data Protection Regulation, or the GDPR. Following the United Kingdom's withdrawal from the EU on January 31, 2020, pursuant to the transitional arrangements agreed between the United Kingdom and EU, the GDPR will continue to have effect in U.K. law, until December 31, 2020, in the same fashion as was the case prior to that withdrawal as if the United Kingdom remained a member state of the EU for such purposes. Following December 31, 2020, it is likely that the data protection obligations of the GDPR will continue to apply to U.K.-based organization's processing of personal data in substantially unvaried form and fashion, for at least the short term thereafter. The GDPR came into effect in May 2018, superseding the European Union Data Protection Directive, and it applies to any company established in the EU as well as those outside the EU if they process personal data in relation to the offering of goods or services to individuals in the EU and/or the monitoring of their behavior. The GDPR imposes more stringent data privacy and security requirements on both processors and controllers of personal data, including health data from clinical trials. In particular, the GDPR imposes several requirements relating to ensuring there is a lawful basis for processing personal data, extends the rights of individuals to whom the personal data relates, materially expands the definition of what is expressly noted to constitute personal data, requires additional disclosures about how personal data is to be used, imposes limitations on retention of personal data, imposes strict rules on the transfer of personal data out of the EEA to third countries, creates mandatory data breach notification requirements in certain circumstances, and establishes onerous new obligations on service providers who process personal data simply on behalf of others. The GDPR authorizes competent authorities to impose penalties and fines for certain violations of up to 4% of an undertaking's total global annual revenue for the preceding financial year or €20 million, whichever is greater. In addition to administrative fines, a wide variety of other potential enforcement powers are available to competent authorities in respect of potential and suspected violations of the GDPR, including extensive audit and inspection rights, and powers to order temporary or permanent bans on all or some processing of personal data carried out by noncompliant actors. European data protection authorities may interpret the GDPR and national laws differently and impose additional requirements, which contributes to the complexity of processing personal data in or from the EEA or United Kingdom. Guidance on implementation and compliance practices is often updated or otherwise revised. Given the breadth and depth of changes in data protection obligations, complying with its requirements has caused us to expend significant resources and such expenditures are likely to continue into the near future as we respond to new interpretations, additional guidance, and potential enforcement actions and patterns. While we have taken steps to comply with the GDPR, and implementing legislation in applicable member states, we cannot assure you that our efforts to achieve and remain in compliance have been, and/or will continue to be, fully successful.

We make public statements about our use and disclosure of personal information through our privacy policy, self-certifications, information provided on our internet platform and press statements. Although we endeavor to comply with our public statements and documentation, we may at times fail to do so or be alleged to have failed to do so. Moreover, despite our efforts, we may not be successful in achieving compliance if our employees or vendors fail to comply with our published policies, certifications and documentation. The publication of our privacy policy and other statements that provide promises and assurances about data privacy and security can subject us to potential government or legal action if they are found to be deceptive, unfair or misrepresentative of our actual practices. Any failure, real or perceived, by us to comply with our posted privacy policies or with any legal or regulatory requirements, standards, certifications or orders or other privacy or consumer protection-related laws and regulations applicable to us could cause our customers to reduce their use of our products and services and could materially and adversely affect our business, financial condition and results of operations. In many jurisdictions, enforcement actions and consequences for non-compliance can be significant and are rising. In addition, from time to time, concerns may be expressed about whether our products, services or processes compromise the privacy of customers and others. Concerns

about our practices with regard to the collection, use, retention, security, disclosure, transfer and other processing of personal information or other privacy-related matters, even if unfounded, could damage our reputation and materially and adversely affect our business, financial condition and results of operations.

Many statutory requirements, both in the United States and abroad, include obligations for companies to notify individuals of security breaches involving certain personal information, which could result from breaches experienced by us or our third-party service providers. For example, laws in all 50 U.S. states and the District of Columbia require businesses to provide notice to consumers whose sensitive personal information has been disclosed as a result of a data breach. These laws are not consistent, and compliance in the event of a widespread data breach is difficult and may be costly. Moreover, states have been frequently amending existing laws, requiring attention to changing regulatory requirements. We also may be contractually required to notify customers or other counterparties of a security breach. Although we may have contractual protections with our third-party service providers, contractors and consultants, any actual or perceived security breach could harm our reputation and brand, expose us to potential liability or require us to expend significant resources on data security and in responding to any such actual or perceived breach. Any contractual protections we may have from our third-party service providers, contractors or consultants may not be sufficient to adequately protect us from any such liabilities and losses, and we may be unable to enforce any such contractual protections.

In addition to the possibility of fines, lawsuits, regulatory investigations, public censure, other claims and penalties, and significant costs for remediation and damage to our reputation, we could be materially and adversely affected if legislation or regulations are expanded in a manner that requires changes in our data processing practices and policies or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively impact our business. Complying with these various laws could cause us to incur substantial costs or require us to change our business practices and compliance procedures in a manner adverse to our business. Any inability to adequately address data privacy or security-related concerns, even if unfounded, or to comply with applicable laws, regulations, standards and other obligations relating to data privacy and security, could result in additional cost and liability to us, harm our reputation and brand, damage our relationships with customers and have a material and adverse impact on our business.

Our employees, principal investigators, consultants, professional service providers, manufacturers and commercial partners may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements, and insider trading.

We are exposed to the risk of fraud or other misconduct by our employees, principal investigators, consultants, professional service providers, manufacturers and commercial partners. Misconduct by these parties could include intentional failures to comply with the regulations of the FDA and non-United States regulatory authorities, comply with healthcare fraud and abuse laws and regulations in the United States and abroad, report financial information or data accurately, or disclose unauthorized activities to us. In particular, sales, marketing, and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing, and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs, and other business arrangements. Such misconduct could also involve the improper use of information obtained in the course of clinical studies, which could result in regulatory sanctions and cause serious harm to our reputation. Prior to the completion of the global offering, we will implement a code of conduct applicable to all of our employees, but it is not always possible to identify and deter employee misconduct, and our code of conduct and the other precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses, or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could result in the imposition of significant fines or other

sanctions, which could have a significant impact on our business. Whether or not we are successful in defending against such actions or investigations, we could incur substantial costs, including legal fees, and divert the attention of management in defending ourselves against any of these actions or investigations.

If we use hazardous materials in a manner that causes injury, we could be liable for damages.

Our activities currently require the use of hazardous chemicals and biohazardous waste, including chemical, biological agents and compounds, human blood and urine. We cannot eliminate the risk of accidental contamination or injury to employees or third parties from the use, storage, handling, or disposal of these materials. In the event of contamination or injury, we could be held liable for any resulting damages, and any liability could exceed our resources or any applicable insurance coverage we may have. Additionally, we are subject on an ongoing basis to federal, state, and local laws and regulations governing the use, storage, handling, and disposal of these materials and specified waste services. The cost of compliance with these laws and regulations may become significant and could negatively affect our business, financial condition and results of operations.

Risks related to our reliance on third parties

We are highly reliant on our partnership with Mount Sinai, and our failure to maintain that relationship could negatively impact our business, reputation and strategic goals.

Mount Sinai is our initial launch partner for KidneyIntelX. To the extent that we are unable to timely launch our commercial partnership with Mount Sinai or such partnership fails to produce the anticipated outcomes, our business and reputation could be harmed. Under the Mount Sinai Agreement, we and Mount Sinai agreed to conduct a clinical utility study, subject to execution of a further written clinical utility study agreement. If we do not ultimately enter into any such agreement, conduct the anticipated clinical utility study or receive the potential revenue of up to $6.0 million from the sales of tests to Mount Sinai in connection with such study, our ability to achieve our strategic goals and commercial objectives could be adversely affected. There can be no certainty that we will complete the anticipated clinical utility study with Mount Sinai or that the Mount Sinai Agreement will not be terminated early. If our partnership with Mount Sinai is terminated and if we have not yet established, or are unable to establish, partnerships with other healthcare systems, our business would be adversely affected.

We also license intellectual property from Mount Sinai. In May 2018, we entered into the Mount Sinai Agreement pursuant to which we obtained a worldwide, royalty-bearing, exclusive license under certain patents and a worldwide, royalty-bearing, non-exclusive license under certain know-how of Mount Sinai to develop and commercialize licensed products in connection with the application of artificial intelligence for the diagnosis of kidney disease. Pursuant to the terms of the Mount Sinai Agreement, we are obligated to use commercially reasonable efforts in connection with the development and commercialization of the licensed products, including in accordance with specified diligence milestones. If we fail to meet our obligations under the Mount Sinai Agreement or if the Mount Sinai Agreement is terminated for any reason, it could negatively impact our business and strategic goals.

Further, our collaborative research studies with Mount Sinai utilize the Mount Sinai Bio*Me* biobank. Bio*Me*, which is a biobank linked to longitudinal de-identified EHR data from consented participants, has allowed us to conduct rapid prospective validation of our platform using samples banked at “time zero” (i.e. time of sample collection), prior to the occurrence of progressive kidney function decline. If, for any reason, we are unable to continue our collaborative research studies that rely on the use of Bio*Me*, and a comparable biobank is not available or a collaborative relationship has not been established, our ability to support the continued development and validation of our KidneyIntelX platform could be harmed.

We rely on a limited number of suppliers or, with respect to our multiplex biomarker assays, a single supplier, for the assay reagents and associated materials and may not be able to find replacements or immediately transition to alternative suppliers.

We have sourced and will continue to source components of our technology, including instruments and reagents and other laboratory materials, from third parties. The assay reagents and materials for the KidneyIntelX test are sourced from Meso Scale Diagnostics, LLC, or MSD, and the assay is performed on the MSD instrument platform. The instruments used are not specific to KidneyIntelX; we purchase them directly from MSD as standard items along with a comprehensive service agreement. The multiplex assay plate (whereby three biomarkers—sTNFR1, sTNFR2 and KIM-1—are measured concurrently in a single well), diluents, calibrators, quality controls, detection antibodies and other assay materials were developed specifically for us under a master services agreement we entered into in 2018. In the event that this supply is interrupted, we believe the assay could be substantially reproduced through a combination of use of off-the-shelf materials provided by MSD and access to critical raw materials such as antibodies available from other manufacturers. Alternatively, the assay could be transferred to another technology platform, including those supplied by leading diagnostics manufacturers. However, either of these scenarios would require substantial development time, effort and extensive analytical and clinical validation and potentially new regulatory clearance.

If the supply of components we receive does not meet our quality control or performance standards, we may not be able to use the components, or if we use them not knowing that they are of inadequate quality, which occasionally occurs with respect to certain reagents, our tests may not work properly or at all, or they may provide erroneous results. As a result, we may be subject to significant delays caused by interruption in production or manufacturing or to lost revenue from such interruption or from spoiled tests. In addition, any natural or other disaster, including global pandemics or diseases such as the current COVID-19 pandemic, acts of war or terrorism, shipping embargoes, labor unrest or political instability or similar events at our third-party manufacturers' facilities that cause a loss of manufacturing capacity would heighten the risks that we face.

In the event of any adverse developments with our suppliers, in particular for those products that are sole sourced, or if any of our suppliers modifies any of the components they supply to us, our ability to supply our products may be interrupted, and obtaining substitute components could be difficult or require us to re-design or re-validate our products. In addition, if we obtain FDA clearance, approval or authorization for any of our tests as an *in vitro* diagnostic, such issues with suppliers or the components that we source from suppliers could affect our commercialization efforts for such an *in vitro* diagnostic. Our failure to maintain a continued supply of components that meets our quality control requirements, or changes to or termination of our agreements or inability to renew our agreements with these parties or enter into new agreements with other suppliers, particularly in the case of sole suppliers, could result in the loss of access to important components of our tests and impact our test performance or affect our ability to perform our tests in a timely manner or at all, which could impair, delay or suspend our commercialization activities. Moreover, in the event that we transition to a new supplier from any of our sole suppliers, doing so could be time-consuming and expensive, may result in interruptions in our ability to supply our products to the market, could affect the performance of our tests or could require that we re-validate KidneyIntelX using replacement equipment and supplies, and should such a change be made following obtaining an FDA marketing authorization, may require a new submission, such as, for example, a new 510(k) and obtaining FDA clearance prior to implementation of the modified test, which could delay the performance of our tests and result in increased costs. Any of these occurrences could have a material adverse effect on our business, financial condition and results of operations.

If one or more of our laboratory facilities become damaged or inoperable, if we are required to vacate any of our laboratory facilities, or if we are delayed in obtaining or unable to obtain additional laboratory space or delayed in commencing operations in our laboratory facilities, our ability to manufacture our products, pursue our research and development efforts and fulfill our contractual obligations may be jeopardized.

We currently have laboratories in New York and Utah. These facilities are not fully redundant. Our facilities and equipment could be harmed or rendered inoperable by natural or man-made disasters, including war, fire, earthquake, power loss, communications or Internet failure or interruption, terrorism, or pandemic which may render it difficult or impossible for us to provide these services for some period of time. The inability to provide these services or to reduce the backlog of analyses that could develop if one or more of our laboratories become inoperable, for even a short period of time, may result in the loss of customers or harm to our reputation, and we may be unable to regain those customers or repair our reputation in the future. Furthermore, our facilities and the equipment we use to perform our research and development work could be unavailable or costly and time-consuming to repair or replace. It would be difficult, time-consuming, and expensive to rebuild any of our facilities or license or transfer our proprietary technology to a third party, particularly in light of the licensure and accreditation requirements for commercial laboratories like ours. We may be unable to negotiate commercially reasonable terms with such third parties. Adverse consequences resulting from an interruption of our overall laboratory operations could harm relationships with our customers and regulatory authorities, and our reputation, and could affect our ability to generate revenue.

We may also construct, acquire, or enter into relationships with third parties to procure additional laboratory space inside and outside the United States to support our existing and new services. If we are unable to obtain or are delayed in obtaining or establishing new laboratory space to support these commercialization and development efforts, or if our potential future ex-United States laboratory operations are harmed or are rendered inoperable, we could fail to meet certain contractual obligations and agreed upon timelines with certain of our partners or provide existing services and develop and launch new services in certain territories, which could result in harm to our business and reputation, and adversely affect our business, financial condition, and results of operations. As we continue to transition some of our services to new laboratories, we could experience disruptions in overall laboratory operations and could require adjustments to meet regulatory requirements, resulting in our inability to meet customer turnaround time expectations. Any delays in this transition could result in slower realization of laboratory efficiencies anticipated from operating an additional laboratory facility. Adverse consequences resulting from an interruption of our overall laboratory operations could harm relationships with our customers and regulators, and our reputation, and could affect our ability to generate revenue.

We carry insurance for damage to our property and laboratory and the disruption of our business, but this insurance may not cover all of the risks associated with damage to our property or laboratory or disruption to our business, may not provide coverage in amounts sufficient to cover our potential losses, may be challenged by insurers underwriting the coverage, and may not continue to be available to us on acceptable terms, if at all.

Risks related to our business operations and industry

If we are unable to compete successfully with respect to our current or future products, we may be unable to increase or sustain our revenues or achieve profitability.

We face competition from clinical reference laboratories and diagnostics manufacturers, including large diagnostic laboratories such as Quest Diagnostics Inc. and Laboratory Corporation of America Holdings (LabCorp) and large diagnostics manufacturers such as ThermoFisher Scientific Inc., Danaher Corporation, Roche Holding AG, Abbott Laboratories, Bio-Rad Laboratories, Inc., Ortho Clinical Diagnostics NV and Siemens

Healthineers AG, all of which have widespread brand recognition and market penetration and substantially greater financial, technical, research and development and selling and marketing capabilities than we do.

We also face competition from data analytics companies that have developed technology-based or artificial intelligence-based approaches to healthcare applications and medical devices and that currently or in the future may develop diagnostic or prognostic products focused on kidney disease.

Principal competitive factors in our market include:

- quality and strength of clinical and analytical validation data;
- proprietary access to extensively validated biomarkers for CKD;
- partnerships with healthcare systems;
- confidence in diagnostic or prognostic performance;
- technical performance and innovation to deliver products that provide clinically actionable results;
- reputation among health systems, physicians and payors as a provider of high-value diagnostic products;
- third-party reimbursement achievements;
- regulatory achievements;
- inclusion in practice guidelines;
- economic health benefits; and
- ease of use and willingness of physicians to include products as part of their routine care for patients with kidney disease.

While we believe we compete effectively based on these factors, our product is novel and market acceptance is untested at this time. Further, even if we are able to secure partnerships with additional healthcare systems, commercial and clinical acceptance rates are currently unknown. Many of our competitors and potential competitors have longer operating histories, larger customer bases, greater brand recognition and market penetration, substantially greater financial, technological and research and development resources and selling and marketing capabilities, and more experience dealing with third-party payors. As a result, they may be able to respond more quickly to changes in customer requirements, devote greater resources to the development, promotion and sale of their diagnostic tests. We may not be able to compete effectively against these organizations should they choose to enter the market for early stage kidney disease prognostics.

Our long-term strategy depends in part on our ability to improve KidneyIntelX, through versioning, to keep pace with rapid advances in artificial intelligence, technology, medicine and science. If we experience delays or challenges in creating and deploying new versions of KidneyIntelX, our operating results and competitive position could be harmed.

The diagnostics industry is characterized by rapid technological changes, scientific breakthroughs, frequent new product and service introductions and enhancements, and evolving industry standards, all of which could make KidneyIntelX obsolete. Further, the field of artificial intelligence is rapidly advancing and we must ensure that we keep pace with these changes in our technology and algorithms in order to ensure that KidneyIntelX delivers accurate and clinically relevant results.

Our future success will depend on our ability to keep pace with the evolving needs of our customers and the evolution of our industry on a timely and cost-effective basis and to pursue new market opportunities that

develop as a result of scientific and technological advances. In recent years, there have been numerous advances in technologies relating to life sciences research and the diagnosis and treatment of kidney disease. There have also been advances in technologies used to computationally analyze very large amounts of biologic information. If we do not update KidneyIntelX through the creation and deployment of new versions to reflect advances in artificial intelligence, new scientific knowledge about new disease diagnostics and therapies or the diseases we seek to target, KidneyIntelX could become obsolete.

If we lose, or cannot garner, the support of key thought leaders, it may be difficult to establish KidneyIntelX as a standard of care for patients at risk for kidney disease, which may limit our revenue growth and ability to achieve profitability.

We have established relationships with key thought leaders at premier medical institutions and networks. If these key thought leaders determine that KidneyIntelX is not clinically effective, that alternative technologies and products are more effective, or if they elect to use internally developed products, we could encounter significant difficulty validating our technology platform, driving adoption, and establishing KidneyIntelX as a standard of care, which would limit our revenue growth and our ability to achieve profitability.

We may be unable to manage our future growth effectively, which could make it difficult to execute our business strategy.

We plan to grow our business operations initially in the United States. Any future growth could create strain on our organizational, administrative, and operational infrastructure, including laboratory operations, quality control, customer service, and sales force management. We may not be able to maintain the quality or expected turnaround times of our services or satisfy customer demand as it grows. Our ability to manage our growth properly will require us to continue to improve our operational, financial, and managerial controls, as well as our reporting systems and procedures.

For example, we believe we have capacity at our facilities in Utah and New York to manufacture and process sufficient KidneyIntelX tests to meet projected demand in the near-term. However, our strategy is based on a model that assumes we will be successful in entering into partnerships with healthcare systems and third-party payors, which could result in large increases in demand for KidneyIntelX tests as these new partnerships are forged. It will be critical that we carefully manage our ability to scale as we seek new partnerships. If we fail to do so effectively, we may not be able to meet the demand of the partners we engage, we may fail to produce and process tests in a timely manner or may be forced to forego growth opportunities because we failed to adequately scale our business. Any of these could have a material adverse effect on our business.

Adverse market and economic conditions may exacerbate certain risks associated with commercializing our products.

Future sales of our products will be dependent on purchasing decisions of and reimbursement from government health administration authorities, distributors and other organizations. As a result of adverse conditions affecting the global economy and credit and financial markets, including disruptions due to political instability, global pandemics and diseases such as the current COVID-19 pandemic, or otherwise, these organizations may defer purchases, may be unable to satisfy their purchasing or reimbursement obligations, or may delay payment for any of our products.

Our business could be adversely affected by the effects of health epidemics, including the current COVID-19 pandemic, in regions where we or third parties on which we rely have significant manufacturing facilities, concentrations of validation study sites or other business operations.

Our business could be adversely affected by health epidemics in regions where we have concentrations of validation study sites or other business operations, and could cause significant disruption in the operations of third parties upon whom we rely.

The current COVID-19 pandemic could materially affect our operations, including at our U.S. headquarters in New York and at our validation study sites, as well as the business or operations of our partner, Mount Sinai, and other third parties with whom we conduct business. In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic, and the U.S. government imposed travel restrictions on travel between the United States, Europe and certain other countries. Further, the president of the United States declared the COVID-19 pandemic a national emergency, invoking powers under the Stafford Act, the legislation that directs federal emergency disaster response. In response to the COVID-19 pandemic, many state, local and foreign governments have put in place quarantines, executive orders, shelter-in-place orders and similar government orders and restrictions in order to control the spread of the disease. We have implemented work-from-home policies for all employees with exceptions being made for essential laboratory personnel. Such orders and policies may negatively impact productivity, disrupt our business and delay our clinical programs and timelines, the magnitude of which will depend, in part, on the length and severity of the restrictions and other limitations on our ability to conduct our business in the ordinary course. In addition, such orders or policies, such or the perception that such orders, shutdowns or other restrictions on the conduct of business operations could occur, related to COVID-19 or other infectious diseases could impact personnel at third-party manufacturing facilities in the United States and other countries, or the availability or cost of materials, which would disrupt our supply chain.

In addition, our validation studies and commercial launch plans or timelines may be affected by the COVID-19 pandemic. For example, our key partner, Mount Sinai, is located in New York and is currently dedicating substantial resources to the fight against this pandemic. Our planned clinical utility study with Mount Sinai is currently delayed. Moreover, when we are able to initiate this study, some patients may not be able to comply with study protocols if quarantines impede patient movement or interrupt healthcare services. Similarly, our ability to recruit and retain patients and principal investigators and site staff who, as healthcare providers, may have heightened exposure to COVID-19, could be adversely impacted.

The spread of COVID-19, which has caused a broad impact globally, may materially affect us economically. While the potential economic impact brought by, and the duration of, COVID-19 may be difficult to assess or predict, a widespread pandemic could result in significant disruption of global financial markets, reducing our ability to access capital, which could in the future negatively affect our liquidity. In addition, a recession or market correction resulting from the spread of COVID-19 could materially affect our business and the value of our ADSs and ordinary shares.

The global pandemic of COVID-19 continues to rapidly evolve. The ultimate impact of the COVID-19 pandemic or a similar health epidemic is highly uncertain and subject to change. We do not yet know the full extent of potential delays or impacts on our business, our clinical trials, healthcare systems or the global economy as a whole. However, these effects could have a material impact on our operations, and we will continue to monitor the COVID-19 situation closely.

The loss or transition of any of our executive officers or our inability to attract and retain highly skilled scientists, clinicians, and salespeople could adversely affect our business.

Our success depends on the skills, experience, and performance of key members of our executive team. The individual and collective efforts of these individuals will be important as we continue to develop our artificial intelligence technology, develop and seek regulatory clearance for our products and prepare for commercialization. The loss or incapacity of key members of our executive team could adversely affect our operations if we experience difficulties in hiring qualified successors.

Our research and development programs and laboratory operations depend on our ability to attract and retain highly skilled scientists and technicians. We may not be able to attract or retain qualified scientists and technicians in the future due to the intense competition for qualified personnel among life science businesses. We also face competition from universities and public and private research institutions in recruiting and retaining highly qualified scientific personnel. We may have difficulties locating, recruiting, or retaining qualified sales people. Recruitment and retention difficulties can limit our ability to support our research and development and sales programs, which could in turn have an adverse effect on our business, financial condition and results of operations.

We will need to expand our organization and we may experience difficulties in managing this growth, which could disrupt our operations.

As we mature, we expect to expand our full-time employee base and to hire more scientists and technicians. Our management may need to divert a disproportionate amount of its attention away from our day-to-day activities and devote a substantial amount of time toward managing these growth activities. We may not be able to effectively manage the expansion of our operations, which may result in weaknesses in our infrastructure, operational mistakes, loss of business opportunities, loss of employees and reduced productivity among remaining employees. Our expected growth could require significant capital expenditures and may divert financial resources from other projects, such as the development of additional products or technologies. If our management is unable to effectively manage our growth, our expenses may increase more than expected, our ability to generate and/or grow revenues could be reduced, and we may not be able to implement our business strategy. Our future financial performance and our ability to commercialize products and compete effectively will depend, in part, on our ability to effectively manage any future growth.

Our future growth depends, in part, on our ability to penetrate international markets, where we would be subject to additional regulatory burdens and other risks and uncertainties.

Our future profitability will depend on our ability to commercialize our products in the United States, United Kingdom, the European Union and other territories around the world. If we commercialize our products in international markets, we would be subject to additional risks and uncertainties, including:

- economic weakness, including inflation, or political instability in particular economies and markets;
- the burden of complying with complex and changing non-U.S. regulatory, tax, accounting and legal requirements, many of which vary between countries;
- different medical practices and customs in non-U.S. countries affecting acceptance in the marketplace;
- tariffs and trade barriers;
- other trade protection measures, import or export licensing requirements or other restrictive actions by U.S. or other governments;
- longer accounts receivable collection times;

- longer lead times for shipping;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- workforce uncertainty in countries where labor unrest is common;
- language barriers for technical training;
- reduced protection of intellectual property rights in some countries outside the United States, and related prevalence of generic alternatives to therapeutics;
- foreign currency exchange rate fluctuations and currency controls;
- differing reimbursement landscapes globally;
- uncertain and potentially inadequate reimbursement of our products;
- natural disasters, political and economic instability, including wars, terrorism and political unrest, outbreak of disease, boycotts, curtailment of trade and other business restrictions; and
- the interpretation of contractual provisions governed by laws outside the United States in the event of a contract dispute.

Sales of our products outside the United States could also be adversely affected by the imposition of governmental controls, political and economic instability, trade restrictions and changes in tariffs.

If we were sued for product liability or professional liability, we could face substantial liabilities that exceed our resources.

The marketing, sale, and use of our products could lead to the filing of product liability claims were someone to allege that our diagnostic tests identified inaccurate or incomplete information regarding the risk or likely severity of the patient's kidney disease, the risk of rejection of a patient's kidney transplant, or otherwise failed to perform as designed. We may also be subject to liability for errors in, a misunderstanding of, or inappropriate reliance upon the information we provide in the ordinary course of our business activities. A product liability or professional liability claim could result in substantial damages and be costly and time-consuming for us to defend.

We maintain product and professional liability insurance, but this insurance may not fully protect us from the financial impact of defending against product liability or professional liability claims. Any product liability or professional liability claim brought against us, with or without merit, could increase our insurance rates or prevent us from securing insurance coverage in the future. Additionally, any product liability lawsuit could damage our reputation or cause current partners to terminate existing agreements and potential partners to seek other partners, any of which could impact our results of operations.

We depend on our information technology and telecommunications systems, and those of our third-party service providers, contractors and consultants, and any failure of these systems could harm our business.

We depend on our information technology and telecommunications systems and those of our third-party service providers, contractors and consultants for significant elements of our operations, including our KidneyIntelX platform, which is dependent upon Microsoft Azure cloud computing services. We have installed and are expanding a number of enterprise software systems that affect a broad range of business processes and functional areas, including, for example, systems handling human resources, financial controls and reporting, contract management, and other infrastructure operations. These information technology and telecommunications systems support a variety of functions, including laboratory operations, test validation, sample tracking, quality control, customer service support, billing and reimbursement, research and development activities, scientific and medical curation, and general administrative activities.

Despite the implementation of preventative and detective security controls, such information technology and telecommunications systems are vulnerable to damage or interruption from a variety of sources, including telecommunications or network failures or interruptions, system malfunction, natural disasters, malicious human acts, terrorism and war. Such information technology and telecommunication systems, including our servers, are additionally vulnerable to physical or electronic break-ins, security breaches from inadvertent or intentional actions by our employees, third-party service providers, contractors, consultants, business partners, and/or other third parties, or from cyber-attacks by malicious third parties (including the deployment of harmful malware, ransomware, denial-of-service attacks, social engineering, and other means to affect service reliability and threaten the confidentiality, integrity, and availability of information). The risk of a security breach or disruption, particularly through cyber-attacks or cyber intrusion, including by computer hackers, foreign governments, and cyber terrorists, has generally increased as the number, intensity, and sophistication of attempted attacks and intrusions from around the world have increased. We may not be able to anticipate all types of security threats, and we may not be able to implement preventive measures effective against all such security threats. The techniques used by cyber criminals change frequently, may not be recognized until launched, and can originate from a wide variety of sources, including outside groups such as external service providers, organized crime affiliates, terrorist organizations, or hostile foreign governments or agencies.

Failures or significant downtime of our information technology or telecommunications systems, or those used by our third-party service providers, contractors or consultants could prevent us, now or when we commercialize our products, from conducting our *in vitro* diagnostic tests, preparing and providing reports and data to physicians, billing payors, processing reimbursement appeals, handling patient or physician inquiries, conducting research and development activities, and managing the administrative aspects of our business. The costs related to significant security breaches or disruptions could be material and exceed the limits of any cybersecurity insurance we maintain against such risks. If the information technology systems of our third-party service providers and other contractors and consultants become subject to disruptions or security breaches, we may have insufficient recourse against such third parties and we may have to expend significant resources to mitigate the impact of such an event, and to develop and implement protections to prevent future events of this nature from occurring. Any disruption or loss of information technology or telecommunications systems on which critical aspects of our operations depend could have an adverse effect on our business, financial condition and results of operations.

Security breaches, loss of data, and other disruptions of our or our third-party service providers' or contractors' information technology or telecommunications systems could result in a material disruption of our services, compromise sensitive information related to our business or other personal information, prevent us from accessing critical information and expose us to liability, which could adversely affect our business and our reputation.

In the ordinary course of our business, we and our third-party service providers, contractors and consultants, including our third-party billing and collections provider, collect, store and transmit sensitive data, including legally PHI, personally identifiable information, intellectual property and proprietary business information owned or controlled by us or our customers, payors and partners. We manage and maintain our applications and data utilizing a combination of on-site systems, managed data center systems, and cloud-based data center systems. We also communicate, and facilitate the exchange of, sensitive patient data to and between customers and their contracted or affiliated healthcare providers through online customer-facing portals. These applications and related data encompass a wide variety of business-critical information including research and development information, commercial information, and business and financial information.

The secure processing, storage, maintenance, and transmission of sensitive data and confidential information is vital to our operations and business strategy. Although we have implemented security measures and a formal, dedicated enterprise security program to prevent unauthorized access to patient data and other sensitive data

and confidential information, applications such as our online customer-facing portals are currently accessible through public web portals and may, in the future, be accessible through dedicated mobile applications, and there is no guarantee we can protect our online portals or our mobile applications from breach. In addition, our information technology and infrastructure, and that of our third-party service providers, contractors and consultants, may be vulnerable to attacks by hackers or malicious software, or as a result of physical break-ins, disruptions or breaches due to malfeasance or other inadvertent or intentional actions by our employees, third-party service providers, contractors, business partners, and/or other third parties. Any security breaches or disruptions of our information technology systems or those of our third-party service providers and other contractors could compromise the security or integrity of our networks or result in the loss, misappropriation, and/or unauthorized access, use, modification or disclosure of, or the prevention of access to, sensitive data or confidential information (including trade secrets or other intellectual property, proprietary business information, and personal information), which could result in financial, legal, business, and reputational harm to us. For example, any such event that leads to unauthorized access, use, or disclosure of personal information, including personal information regarding our customers or employees, could harm our reputation directly, compel us to comply with federal and/or state breach notification laws and foreign law equivalents, subject us to mandatory corrective action, and otherwise subject us to liability under laws and regulations that protect the privacy and security of personal information, which could disrupt our operations and result in significant legal and financial exposure and reputational damages that could potentially have a material adverse effect on our business, financial condition, results of operations and prospects. If we fail to make adequate or timely disclosures to the public or to law enforcement agencies following any such event, whether due to delayed discovery or a failure to follow existing protocols, that could result in significant fines, penalties, orders, sanctions and proceedings or actions against us by governmental bodies and other regulatory authorities, clients or third parties, which could affect our financial condition, operating results and our reputation, and any such proceeding or action, and any related indemnification obligation, could damage our reputation, force us to incur significant expenses in defense of these proceedings, distract our management, increase our costs of doing business or result in the imposition of financial liability.

Cyber-attacks are increasing in frequency and evolving in nature. We are at risk of attack by a variety of adversaries, including state-sponsored organizations, organized crime, hackers or “hactivists” (activist hackers), through the use of increasingly sophisticated methods of attack, including long-term, persistent attacks referred to as advanced persistent threats. The techniques used to obtain unauthorized access or sabotage systems include, among other things, computer viruses, malicious or destructive code, ransomware, social engineering attacks (including phishing and impersonation), hacking and denial-of-service attacks. For example, we have been subject to phishing incidents and we may experience additional incidents in the future. Our systems are also subject to compromise from internal threats, such as theft or malfeasance by employees, vendors and other third parties with otherwise legitimate access to our systems. Given the unpredictability of the timing, nature and scope of information technology disruptions, and given that these techniques change frequently and are increasingly sophisticated, there can be no assurance that any security procedures and controls that we or our vendors have implemented will be sufficient to prevent cyber-attacks from occurring. Certain measures that could increase the security of our systems, such as data encryption (including data at rest encryption), heightened monitoring and logging, scanning for source code errors or deployment of multi-factor authentication, take significant time and resources to deploy broadly, and such measures may not be deployed in a timely manner or be effective against an attack. As cybersecurity threats continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities. The inability to implement, maintain and upgrade adequate safeguards could have a material adverse effect on our business.

We have numerous vendors and other third parties who receive personal data from us in connection with the services we offer our clients. In addition, we have migrated certain data, and may increasingly migrate data, to

a cloud hosted by third-party vendors. Some of these vendors and third parties also have direct access to our systems. Due to applicable laws and regulations or contractual obligations, we may be held responsible for any information security failure or cyber-attack attributed to our vendors that relates to the information we share with them. In addition, because we do not control our vendors and our ability to monitor their data security is limited, we cannot ensure the security measures they take will be sufficient to protect confidential, proprietary, or sensitive data, including personal data. We are at risk of a cyber-attack involving a vendor or other third party, which could result in a breakdown of such third party's data protection processes or the cyber-attackers gaining access to our infrastructure or data through the third party. Regardless of whether an actual or perceived cyber-attack is attributable to us or our vendors, such an incident could, among other things, result in improper disclosure of information, harm our reputation and brand, reduce the demand for our products and services, lead to loss of customer confidence in the effectiveness of our security measures, disrupt normal business operations or result in our systems or products and services being unavailable. In addition, it may require us to spend material resources to investigate or correct the breach and to prevent future security breaches and incidents, expose us to uninsured liability, increase our risk of regulatory scrutiny, expose us to legal liabilities, including litigation, regulatory enforcement, indemnity obligations or damages for contract breach, divert the attention of management from the operation of our business and cause us to incur significant costs, any of which could affect our financial condition, operating results and our reputation. Moreover, there could be public announcements regarding any such incidents and any steps we take to respond to or remediate such incidents, and if securities analysts or investors perceive these announcements to be negative, it could, among other things, have a substantial adverse effect on the price of our ADSs or ordinary shares. In addition, our remediation efforts may not be successful. Any of the foregoing events could have a material adverse effect on our business, financial condition and results of operations.

A security breach may cause us to breach customer contracts. Our agreements with certain customers may require us to use industry-standard or reasonable measures to safeguard sensitive personal information or confidential information. A security breach could lead to claims by our customers, their end-users, or other relevant stakeholders that we have failed to comply with such legal or contractual obligations. As a result, we could be subject to legal action or our customers could end their relationships with us. There can be no assurance that the limitations of liability in our contracts would be enforceable or adequate or would otherwise protect us from liabilities or damages.

In addition, litigation resulting from security breaches may adversely affect our business. Unauthorized access to our platform, systems, networks, or physical facilities could result in litigation with our customers, our customers' end users, or other relevant stakeholders. These proceedings could force us to spend money in defense or settlement, divert management's time and attention, increase our costs of doing business, or adversely affect our reputation. We could be required to fundamentally change our business activities and practices or modify our products and/or platform capabilities in response to such litigation, which could have an adverse effect on our business. If a security breach were to occur, and the confidentiality, integrity or availability of our data or the data of our partners, our customers or our customers' end-users was disrupted, we could incur significant liability, or our platform, systems or networks may be perceived as less desirable, which could negatively affect our business and damage our reputation.

We may not have adequate insurance coverage with respect to security breaches or disruptions. The successful assertion of one or more large claims against us that exceeds our available insurance coverage, or results in changes to our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an adverse effect on our business. In addition, we cannot be sure that our existing insurance coverage and coverage for errors and omissions will continue to be available on acceptable terms or that our insurers will not deny coverage as to any future claim.

Changes in U.S. tax law could adversely affect our business and could differ materially from the financial statements provided herein.

The rules dealing with U.S. federal, state and local income taxation are constantly under review by the Internal Revenue Service, the U.S. Treasury Department and other governmental bodies. Changes to tax laws (which changes may have retroactive application) could adversely affect us or holders of our ADSs or ordinary shares. In recent years, many such changes have been made and changes are likely to continue to occur in the future. Future changes in tax laws could have a material adverse effect on our business, cash flow, financial condition or results of operations. We urge investors to consult with their legal and tax advisers regarding the implication of potential changes in tax laws on an investment in our ADSs or ordinary shares.

Our ability to use our U.S. net operating loss carryforwards and certain other U.S. tax attributes may be limited.

As of June 30, 2019, we had U.S. federal and state net operating loss carryforwards of approximately $4.8 million and $9.5 million, respectively, due to prior period losses. U.S. federal net operating losses incurred in taxable years beginning after December 31, 2017 may be carried forward indefinitely, but the deductibility of such federal net operating losses may be limited to 80% of our taxable income in taxable years beginning after December 31, 2020. It is uncertain if and to what extent various states will conform to the Tax Cuts and Jobs Act of 2017. In addition, under Sections 382 and 383 of the U.S. Internal Revenue Code of 1986, as amended, or the Code, if a corporation undergoes an “ownership change” (generally defined as a greater than 50 percentage-point cumulative change (by value) in the equity ownership of certain shareholders over a rolling three-year period), the corporation’s ability to use its pre-change net operating losses and other pre-change tax attributes to offset its post-change taxable income or taxes may be limited. We have not completed an analysis to determine whether any such limitations have been already triggered. We may also experience ownership changes as a result of the global offering or future issuances of our shares or as a result of subsequent shifts in our share ownership, some of which are outside our control. Therefore, as a result of ownership changes with respect to our ordinary shares, our ability to use our current net operating losses and other pre-change tax attributes to offset post-change taxable income or taxes could be subject to limitation. We will be unable to use our net operating losses if we do not attain profitability sufficient to offset our available net operating losses prior to their expiration.

We may be unable to use U.K. carryforward tax losses or tax credits to reduce future tax payments, or to benefit from favorable U.K. tax legislation.

As a U.K. resident trading entity, we are subject to U.K. corporate taxation. Due to the nature of our business, we have generated losses since inception. As of June 30, 2019, we had cumulative carryforward tax losses of approximately $1.7 million. Subject to any relevant restrictions (including those that limit the percentage of profits that can be reduced by carried forward losses and those that can restrict the use of carried forward losses where there is a change of ownership of more than half the ordinary shares of the company and a major change in the nature, conduct or scale of the trade), we expect these to be available to carry forward and offset against future operating profits. As a company that carries out extensive research and development activities, we may benefit from the U.K. research and development tax credit regime under the scheme for small and medium-sized enterprises, or SMEs, and also claim a Research and Development Expenditure Credit, or RDEC, to the extent that our projects are grant funded. Under the SME scheme, we are able to surrender some of our trading losses that arise from our qualifying research and development activities for a cash rebate of up to 33.35% of such qualifying research and development expenditures. The net tax benefit of the RDEC is expected to be 9.72%. Qualifying expenditures largely are comprised of employment costs for research staff, consumables, outsourced CRO costs and utilities costs incurred as part of research projects. Specified subcontracted qualifying research expenditures are eligible for a cash rebate of up to 21.67%. We may not be

able to continue to claim payable research and development tax credits in the future if we cease to qualify as a small or medium-sized company, based on size criteria concerning employee headcount, turnover and gross assets.

In the event we generate revenues in the future, we may benefit from the U.K. “patent box” regime that allows profits attributable to revenues from patents or patented products to be taxed at an effective rate of 10%. We are the exclusive licensee or owner of one patent and several patent applications which, if issued, would cover our products, and accordingly, future upfront fees, milestone fees, product revenues and royalties could be taxed at this tax rate. When taken in combination with the enhanced relief available on our research and development expenditures, we expect a long-term lower effective rate of corporation tax to apply to us. If, however, there are unexpected adverse changes to the U.K. research and development tax credit regime or the “patent box” regime, or for any reason we are unable to qualify for such advantageous tax legislation, or we are unable to use net operating loss and tax credit carryforwards and certain built-in losses to reduce future tax payments, our business, results of operations, and financial condition may be adversely affected.

Future changes to tax laws could materially adversely affect our company and reduce net returns to our shareholders.

The tax treatment of the company is subject to changes in tax laws, regulations and treaties, or the interpretation thereof, tax policy initiatives and reforms under consideration and the practices of tax authorities in jurisdictions in which we operate, as well as tax policy initiatives and reforms related to the Organisation for Economic Co-Operation and Development’s Base Erosion and Profit Shifting, or BEPS Project, the European Commission’s state aid investigations and other initiatives. Such changes may include (but are not limited to) the taxation of operating income, investment income, dividends received or (in the specific context of withholding tax) dividends paid. We are unable to predict what tax reform may be proposed or enacted in the future or what effect such changes would have on our business, but such changes, to the extent they are brought into tax legislation, regulations, policies or practices, could affect our financial position and overall or effective tax rates in the future in countries where we have operations, reduce post-tax returns to our shareholders, and increase the complexity, burden and cost of tax compliance.

Tax authorities may disagree with our positions and conclusions regarding certain tax positions, resulting in unanticipated costs, taxes or non-realization of expected benefits.

A tax authority may disagree with tax positions that we have taken, which could result in increased tax liabilities. For example, Her Majesty’s Revenue & Customs or another tax authority could challenge our allocation of income by tax jurisdiction and the amounts paid between our affiliated companies pursuant to our intercompany arrangements and transfer pricing policies, including amounts paid with respect to our intellectual property development. Similarly, a tax authority could assert that we are subject to tax in a jurisdiction where we believe we have not established a taxable connection, often referred to as a “permanent establishment” under international tax treaties, and such an assertion, if successful, could increase our expected tax liability in one or more jurisdictions. A tax authority may take the position that material income tax liabilities, interest and penalties are payable by us, in which case, we expect that we might contest such assessment. Contesting such an assessment may be lengthy and costly and if we were unsuccessful in disputing the assessment, the implications could increase our anticipated effective tax rate, where applicable.

Risks related to our intellectual property

If we are unable to obtain and maintain sufficient patent protection for our products, or if the scope of the patent protection is not sufficiently broad, our competitors could develop and commercialize products similar or identical to ours, and our ability to commercialize our products successfully may be adversely affected.

Our success depends in large part on our ability to obtain and maintain patent protection in the United States and other countries with respect to our proprietary products. If we do not adequately protect our intellectual property, competitors may be able to erode or negate any competitive advantage we may have, which could harm our business and ability to achieve profitability. To protect our proprietary position, we file patent applications in the United States and abroad related to our novel products that are important to our business. The patent application and approval process is expensive and time-consuming. We may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner.

- we may not have been the first to make the inventions covered by pending patent applications or issued patents;
- we may not have been the first to file patent applications for our products or the compositions we developed or for their uses;
- others may independently develop identical, similar or alternative products or compositions and uses thereof;
- our disclosures in patent applications may not be sufficient to meet the statutory requirements for patentability;
- any or all of our pending patent applications may not result in issued patents;
- we may not seek or obtain patent protection in countries that may eventually provide us a significant business opportunity;
- any patents issued to us may not provide a basis for commercially viable products, may not provide any competitive advantages, or may be successfully challenged by third parties;
- our compositions and methods may not be patentable;
- others may design around our patent claims to produce competitive products which fall outside of the scope of our patents; or
- others may identify prior art or other bases which could invalidate our patents.

Our pending patent applications cannot be enforced against third parties practicing the technology claimed in such applications unless and until patent issues from such applications. Because the issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, our patents or pending patent applications may be challenged in the courts or patent offices in the United States and abroad. For example, we may be subject to a third party preissuance submission of prior art to the U.S. Patent and Trademark Office, or USPTO, or become involved in post-grant review procedures, oppositions, derivations, reexaminations, inter partes review or interference proceedings, in the United States or elsewhere, challenging our patent rights or the patent rights of others. An adverse determination in any such challenges may result in loss of exclusivity or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and products. In addition, given the amount of time required for the development, testing and regulatory review of new products, patents protecting such products might expire before or shortly after such products are commercialized.

Obtaining and maintaining a patent portfolio entails significant expense and resources. Part of the expense includes periodic maintenance fees, renewal fees, annuity fees, various other governmental fees on patents and/or applications due in several stages over the lifetime of patents and/or applications, as well as the cost associated with complying with numerous procedural provisions during the patent application process. We may not choose to pursue or maintain protection for particular inventions. In addition, there are situations in which failure to make certain payments or noncompliance with certain requirements in the patent process can result in abandonment or lapse of a patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. If we choose to forgo patent protection or allow a patent application or patent to lapse purposefully or inadvertently, our competitive position could suffer.

Even if our patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors from competing with us or otherwise provide us with any competitive advantage. Our competitors may be able to circumvent our patents by developing similar or alternative technologies or products in a non-infringing manner. Our competitors may also seek approval to market their own products similar to or otherwise competitive with our products. In these circumstances, we may need to defend or assert our patents, or both, including by filing lawsuits alleging patent infringement. In any of these types of proceedings, a court or other agency with jurisdiction may find our patents invalid or unenforceable, or that our competitors are competing in a non-infringing manner. Thus, even if we have valid and enforceable patents, these patents still may not provide protection against competing products or processes sufficient to achieve our business objectives.

Legal actions to enforce our patent rights can be expensive and may involve the diversion of significant management time. In addition, these legal actions could be unsuccessful and could also result in the invalidation of our patents or a finding that they are unenforceable. We may or may not choose to pursue litigation or other actions against those that have infringed or are currently infringing our patent rights, or used them without authorization, due to the associated expense and time commitment of monitoring these activities. If we fail to protect or to enforce our intellectual property rights successfully, our competitive position could suffer, which could harm our results of operations.

Even if we have or obtain patents covering our products or compositions, we may still be prevented from making, using, selling, offering for sale, or importing our products or technologies because of the patent rights of others. Others may have filed, and in the future may file, patent applications covering compositions or products that are similar or identical to ours. These filings could materially affect our ability to develop or sell our products. Because patent applications can take many years to issue and are not published for a period of time after filing, there may be currently pending applications unknown to us that may later result in issued patents that our products or compositions may infringe. These patent applications may have priority over patent applications filed by us.

We may become involved in lawsuits to protect or enforce our patents or other intellectual property, which could be expensive, time consuming and unsuccessful and issued patents covering our products could be found invalid or unenforceable if challenged in court.

If we initiate legal proceedings against a third party to enforce a patent covering one of our products or technologies, the defendant could counterclaim that the patent covering one of our products or technologies is invalid or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity and unenforceability of an asserted patent or patents are commonplace. Grounds for a validity challenge include alleged failures to meet any of several statutory requirements, including lack of novelty, obviousness, written description or non-enablement. Grounds for unenforceability assertions include allegations that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. Third parties may also raise similar claims before administrative

bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include re-examination, post-grant review and/or inter partes review and equivalent proceedings in foreign jurisdictions, such as, opposition proceedings. Such proceedings could result in revocation or amendment of our patents in such a way that they no longer cover our products or competitive products. Similarly, we may initiate proceedings before the Patent Trial and Appeal Board, or PTAB, of the USPTO, such as post grant review, or PGR, derivation, or *inter partes* review, against patents granted to third parties.

Even if we establish infringement, the court may decide not to grant an injunction against further infringing activity and instead award only monetary damages, which may or may not be an adequate remedy. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation in the United States, there is a risk that some of our confidential information could be compromised by disclosure during litigation. There could also be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a material adverse effect on the price of our ADSs or ordinary shares. Moreover, there can be no assurance that we will have sufficient financial or other resources to file and pursue such infringement claims in the federal courts, which typically last for years before they are concluded. Even if we ultimately prevail in such claims, the monetary cost of such litigation and the diversion of the attention of our management and scientific personnel could outweigh any benefit we receive as a result of the proceedings.

Diagnostic patents and patent applications involve highly complex legal and factual questions, which, if determined adversely to us, could negatively impact our patent position.

The patent positions of diagnostic companies can be highly uncertain and involve complex legal and factual questions. The interpretation and breadth of claims allowed in some patents covering our diagnostic products may be uncertain and difficult to determine, and are often affected materially by the facts and circumstances that pertain to the patented compositions and the related patent claims. The standards of the USPTO are evolving and could change in the future. Consequently, we cannot predict the issuance and scope of patents with certainty. Patents, if issued, may be challenged, invalidated or circumvented. U.S. patents and patent applications may also be subject to derivation or interference proceedings, and U.S. patents may be subject to reexamination proceedings, post-grant review and/or *inter partes* review in the USPTO. Foreign patents may be subject also to opposition or comparable proceedings in the corresponding foreign patent office, which could result in either loss of the patent or denial of the patent application or loss or reduction in the scope of one or more of the claims of the patent or patent application. In addition, such interference, reexamination, post-grant review, *inter partes* review and opposition proceedings may be costly. Accordingly, rights under any issued patents may not provide us with sufficient protection against competitive products or processes.

In addition, changes in or different interpretations of patent laws in the United States and foreign countries may permit others to use our discoveries or to develop and commercialize our technology and products without providing any compensation to us, or may limit the number of patents or claims we can obtain. The laws of some countries do not protect intellectual property rights to the same extent as U.S. laws and those countries may lack adequate rules and procedures for defending our intellectual property rights.

If we fail to obtain and maintain patent protection and trade secret protection for our products, we could lose our competitive advantage and competition we face would increase, reducing any potential revenues and adversely affecting our ability to attain or maintain profitability.

If we are sued for infringing intellectual property rights of third parties, such litigation could be costly and time consuming and could prevent or delay us from developing or commercializing our products.

Our commercial success depends, in part, on our ability to develop, manufacture, market and sell our products and use our technologies without infringing the intellectual property and other proprietary rights of third

parties. If any third-party patents or patent applications are found to cover our products or their methods of use, we may not be free to manufacture or market our products as planned without obtaining a license, which may not be available on commercially reasonable terms, or at all.

There is a substantial amount of intellectual property litigation in the biotechnology and pharmaceutical diagnostic industries, and we may become party to, or threatened with, litigation or other adversarial proceedings regarding intellectual property rights with respect to our products, including interference proceedings before the USPTO. Third parties may assert infringement claims against us based on existing or future intellectual property rights. The outcome of intellectual property litigation is subject to uncertainties that cannot be adequately quantified in advance. The biotechnology and pharmaceutical diagnostic industries have produced a significant number of patents, and it may not always be clear to industry participants, including us, which patents cover various types of products or methods of use. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. If we were sued for patent infringement, we would need to demonstrate that our products or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid or unenforceable, and we may not be able to do this. Proving invalidity is difficult. For example, in the United States, proving invalidity requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents. Even if we are successful in these proceedings, we may incur substantial costs and the time and attention of our management and scientific personnel could be diverted in pursuing these proceedings, which could significantly harm our business and operating results. In addition, we may not have sufficient resources to bring these actions to a successful conclusion.

If we are found to infringe a third party's intellectual property rights, we could be forced, including by court order, to cease developing, manufacturing or commercializing the infringing product. Alternatively, we may be required to obtain a license from such third party in order to use the infringing technology and continue developing, manufacturing or marketing the infringing product. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. In addition, we could, in certain circumstances, be found liable for monetary damages, including treble damages and attorneys' fees if we are found to have willfully infringed a patent. A finding of infringement could prevent us from commercializing our products or force us to cease some of our business operations, which could materially harm our business. Claims may also be made that we have misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on our business.

Developments in patent law in the United States and in other jurisdictions could have a negative impact on our business.

From time to time, the U.S. Supreme Court, other federal courts, the U.S. Congress, the USPTO or similar foreign authorities may change the standards of patentability and any such changes could have a negative impact on our business. In addition, the Leahy-Smith America Invents Act, or the America Invents Act, which was signed into law in 2011, includes a number of significant changes to U.S. patent law. These changes include a transition from a "first-to-invent" system to a "first-to-file" system, changes to the way issued patents are challenged, and changes to the way patent applications are disputed during the examination process. In certain areas, these changes may favor larger and more established companies that have greater resources to devote to patent application filing and prosecution. The USPTO has developed new regulations and procedures to govern the full implementation of the America Invents Act, and many of the substantive changes to patent law associated with the America Invents Act, and, in particular, the first-to-file provisions, became effective on March 16, 2013. Substantive changes to patent law associated with the America Invents Act, or any subsequent U.S. legislation regarding patents, may affect our ability to obtain patents, and if obtained, to enforce or defend them.

Furthermore, recent U.S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances for diagnostic method claims and “gene patents” (see, two landmark Supreme Court cases, *Mayo Collaborative v. Prometheus Laboratories* (“Prometheus”), and *Association for Molecular Pathology v. Myriad Genetics* (“Myriad”)).

In view of the Supreme Court decisions in Prometheus, Myriad, and *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, as well as other federal appellate cases, we cannot guarantee that our efforts to seek patent protection for our tools and biomarkers will be successful.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to patent protection, because we operate in the highly technical field of molecular diagnostics, we rely in part on trade secret protection in order to protect our proprietary technology and processes. However, trade secrets are difficult to protect. We have entered into confidentiality and intellectual property assignment agreements with our employees, consultants, outside scientific collaborators, sponsored researchers, and other advisors. These agreements generally require that the other party keep confidential and not disclose to third parties all confidential information developed by the party or made known to the party by us during the course of the party’s relationship with us. These agreements also generally provide that inventions conceived by the party in the course of rendering services to us will be our exclusively licensed property. However, these agreements may not be honored and may not effectively license intellectual property rights to us.

In addition to contractual measures, we try to protect the confidential nature of our proprietary information using physical and technological security measures. Such measures may not, for example, in the case of misappropriation of a trade secret by an employee or third party with authorized access, provide adequate protection for our proprietary information. Our security measures may not prevent an employee or consultant from misappropriating our trade secrets and providing them to a competitor, and recourse we take against such misconduct may not provide an adequate remedy to protect our interests fully. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive, and time-consuming, and the outcome is unpredictable. In addition, courts outside the United States may be less willing to protect trade secrets. Trade secrets may be independently developed by others in a manner that could prevent legal recourse by us. If any of our confidential or proprietary information, such as our trade secrets, were to be disclosed or misappropriated, or if any such information was independently developed by a competitor, our competitive position could be harmed.

We will not seek to protect our intellectual property rights in all jurisdictions throughout the world and we may not be able to adequately enforce our intellectual property rights even in the jurisdictions where we seek protection.

Filing, prosecuting and defending patents on our products in all countries and jurisdictions throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States and Europe could be less extensive than those in the United States and Europe, assuming that patent rights are obtained in the United States. Competitors may use our technologies in jurisdictions where we do not pursue and obtain patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but enforcement is not as strong as that in the United States and Europe. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. Even if we pursue and obtain issued patents in particular jurisdictions, our patent claims or other intellectual property rights may not be effective or sufficient to prevent third parties from so competing.

In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as the federal and state laws in the United States. Many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions. The legal systems of some countries, particularly in developing countries, do not favor the enforcement of patents and other intellectual property protection, especially those relating to biotechnology or biopharmaceutical diagnostics. This could make it difficult for us to stop the infringement of our patents, if obtained, or the misappropriation of our other intellectual property rights. For example, many foreign countries have compulsory licensing laws under which a patent owner must grant licenses to third parties for certain products. In addition, many countries limit the enforceability of patents against third parties, including government agencies or government contractors. In these countries, patents may provide limited or no benefit. Patent protection must ultimately be sought on a country-by-country basis, which is an expensive and time-consuming process with uncertain outcomes. Accordingly, we may choose not to seek patent protection in certain countries, and we will not have the benefit of patent protection in such countries.

Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly, could put our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. In addition, changes in the law and legal decisions by courts in the United States and foreign countries may affect our ability to obtain adequate protection for our technology and the enforcement of intellectual property. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Third parties may assert ownership or commercial rights to inventions we develop.

Third parties may in the future make claims challenging the inventorship or ownership of our intellectual property. We have written agreements with collaborators that provide for the ownership of intellectual property arising from our collaborations. These agreements provide that we must negotiate certain commercial rights with collaborators with respect to joint inventions or inventions made by our collaborators that arise from the results of the collaboration. In some instances, there may not be adequate written provisions to address clearly the resolution of intellectual property rights that may arise from collaboration. If we cannot successfully negotiate sufficient ownership and commercial rights to the inventions that result from our use of a third-party collaborator's materials where required, or if disputes otherwise arise with respect to the intellectual property developed with the use of a collaborator's samples, we may be limited in our ability to capitalize on the market potential of these inventions. In addition, we may face claims by third parties that our agreements with employees, contractors, or consultants obligating them to assign intellectual property to us are ineffective, or in conflict with prior or competing contractual obligations of assignment, which could result in ownership disputes regarding intellectual property we have developed or will develop and interfere with our ability to capture the commercial value of such inventions. Litigation may be necessary to resolve an ownership dispute, and if we are not successful, we may be precluded from using certain intellectual property, or may lose our exclusive rights in that intellectual property. Either outcome could have an adverse impact on our business.

Third parties may assert that our employees or consultants have wrongfully used or disclosed confidential information or misappropriated trade secrets.

We employ individuals who were previously employed at universities or other biotechnology or diagnostics companies, including our competitors or potential competitors. Although we try to ensure that our employees and consultants do not use the proprietary information or know-how of others in their work for us, and no such claims against us are currently pending, we may be subject to claims that we or our employees, consultants or

independent contractors have used or disclosed intellectual property, including trade secrets or other proprietary information, of a former employer or other third parties. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

A dispute concerning the infringement or misappropriation of our proprietary rights or the proprietary rights of others could be time-consuming and costly, and an unfavorable outcome could harm our business.

There is significant litigation in the biopharmaceutical and diagnostics industry regarding patent and other intellectual property rights. While we are not currently subject to any pending intellectual property litigation, and are not aware of any such threatened litigation, we may be exposed to future litigation by third parties based on claims that our products, technologies or activities infringe the intellectual property rights of others. If our development activities are found to infringe any such patents, we may have to pay significant damages or seek licenses to such patents. A patentee could prevent us from using the patented diagnostic. We may need to resort to litigation to enforce a patent issued to us, to protect our trade secrets, or to determine the scope and validity of third-party proprietary rights. From time to time, we may hire scientific personnel or consultants formerly employed by other companies involved in one or more areas similar to the activities conducted by us. Either we or these individuals may be subject to allegations of trade secret misappropriation or other similar claims as a result of prior affiliations. If we become involved in litigation, it could consume a substantial portion of our managerial and financial resources, regardless of whether we win or lose. We may not be able to afford the costs of litigation. Any adverse ruling or perception of an adverse ruling in defending ourselves against these claims could have a negative impact on our cash position. Any legal action against us or our collaborators could lead to:

- payment of damages, potentially treble damages, if we are found to have willfully infringed a party's patent rights;
- injunctive or other equitable relief that may effectively block our ability to further develop, commercialize, and sell products; or
- us having to enter into license arrangements that may not be available on commercially acceptable terms, if at all.

Any of these outcomes could hurt our cash position and financial condition and our ability to develop and commercialize our products.

If our trademarks and trade names are not adequately protected, we may not be able to build name recognition in our markets of interest.

Our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names, which we will need to build name recognition by potential partners or customers in our markets of interest. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively.

Risks related to the global offering, our ADSs and ordinary shares and our status as a U.S. listed company

An active trading market for our ADSs may not develop.

While our ordinary shares have been traded on AIM since November 2018, there is no public market for the ADSs or our ordinary shares in the United States. We have applied to list our ADSs on the Nasdaq Global Market,

subject to completion of customary procedures in the United States. Any delay in the commencement of trading of the ADSs on Nasdaq would impair the liquidity of the market for the ADSs and make it more difficult for holders to sell the ADSs.

If the ADSs are listed and quoted on Nasdaq, we cannot predict the extent to which investor interest in the ADSs will lead to the development of an active trading market for the ADSs or how liquid that market might become. The offering price of our ADSs will be determined through negotiations between us and the underwriters based on a number of factors. This offering price may not be indicative of the market price of our ADSs or ordinary shares after the global offering. If an active public market does not develop or is not sustained, it may be difficult for purchasers of ADSs in the U.S. offering to sell their ADSs at a price that is attractive to them, or at all.

The trading price of our ADSs and our ordinary shares may be volatile, and you could lose all or part of your investment.

The trading price of our ADSs and our ordinary shares following the global offering is likely to be highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control, including limited trading volume. The stock market in general, and the market for diagnostics companies in particular, have experienced extreme volatility that has often been unrelated to the operating performance of these companies. As a result of this volatility, investors may not be able to sell their ADSs or ordinary shares at or above the price paid for the ADSs or ordinary shares, respectively. In addition to the factors discussed in this “Risk factors” section and elsewhere in this prospectus, these factors include:

- the commencement or results of our planned and future clinical utility and other studies;
- positive or negative results from, or delays in, testing and utility studies by us, collaborators or competitors;
- an inability to obtain additional financing;
- the loss of any of our key scientific or management personnel;
- regulatory or legal developments in the United States, the United Kingdom, the European Union and other countries;
- the success of competitive products or technologies;
- adverse actions taken by regulatory agencies with respect to our products;
- changes or developments in laws or regulations applicable to our products and commercialization strategy;
- changes to our relationships with health system partners, manufacturers or suppliers;
- announcements concerning our competitors or the diagnostics industry in general;
- actual or anticipated fluctuations in our operating results;
- changes in financial estimates or recommendations by securities analysts;
- potential acquisitions, financing, collaborations or other corporate transactions;
- the success or failure of Kantaro, our joint venture with Mount Sinai;
- the results of our efforts to discover, develop, acquire or in-license additional intellectual property or technologies;
- the trading volume of our ADSs on Nasdaq and the trading volume of our ordinary shares on AIM;

- sales of our ADSs or ordinary shares by us, our executive officers and directors or our large shareholders or the anticipation that such sales may occur in the future;
- general economic, political, and market conditions and overall fluctuations in the financial markets in the United States, the United Kingdom, the European Union and other countries, including the global and regional impacts of the COVID-19 pandemic;
- stock market price and volume fluctuations of comparable companies and, in particular, those that operate in the diagnostics industry sector;
- investors' general perception of us and our business; and
- other events and factors, many of which are beyond our control.

These and other market and industry factors may cause the market price and demand for our ADSs and ordinary shares to fluctuate substantially, regardless of our actual operating performance, which may limit or prevent investors from selling their ADSs or ordinary shares at or above the price paid for the ADSs or ordinary shares, respectively, and may otherwise negatively affect the liquidity of our ADSs and our ordinary shares.

Some companies that have experienced volatility in the trading price of their shares have been the subject of securities class action litigation. Any lawsuit to which we are a party, with or without merit, may result in an unfavorable judgment. We also may decide to settle lawsuits on unfavorable terms.

Any such negative outcome could result in payments of substantial damages or fines, damage to our reputation or adverse changes to our business practices. Defending against litigation is costly and time-consuming, and could divert our management's attention and our resources. Furthermore, during the course of litigation, there could be negative public announcements of the results of hearings, motions or other interim proceedings or developments, which could have a negative effect on the market price of our ADSs and our ordinary shares.

If you purchase ADSs or ordinary shares in the global offering, you will suffer immediate dilution of your investment.

We expect the initial public offering price of our ADSs in the U.S. offering and the offering price of our ordinary shares in the European private placement to be substantially higher than the net tangible book value per ADS and per ordinary share prior to the global offering. Therefore, if you purchase ADSs or ordinary shares in the global offering, you will pay a price per ADS and per ordinary share that substantially exceeds our net tangible book value per ADS and per ordinary share after the global offering. Based on an assumed initial public offering price of $ per ADS and the assumed offering price of £ per ordinary share, which reflects the last reported sale price of our ordinary shares on AIM on , 2020, you will experience immediate dilution of $ per ADS and £ per ordinary share, representing the difference between our as adjusted net tangible book value per ADS and per ordinary share after giving effect to the global offering and the assumed offering prices for our ADSs and ordinary shares in the global offering. After the global offering, we will also have outstanding options to purchase ordinary shares with exercise prices lower than the initial public offering price of our ADSs in the U.S. offering and the offering price of our ordinary shares in the European private placement. To the extent these outstanding options are exercised, there will be further dilution to investors in the global offering. For further information regarding the dilution resulting from the global offering, see the section titled "Dilution" in this prospectus.

A substantial number of our total outstanding shares are restricted from immediate resale, but may be sold into the market in the near future. This could cause the market price of our ADSs and ordinary shares to drop significantly, even if our business is doing well.

Sales of a substantial number of our ordinary shares or ADSs in the public market could occur at any time. If our shareholders sell, or the market perceives that our shareholders intend to sell, substantial amounts of our ordinary shares or ADSs in the public market following the global offering, the market price of our ADSs and ordinary shares could decline significantly.

Upon completion of the global offering, we will have outstanding ordinary shares, including ordinary shares represented by ADSs, based on the number of shares outstanding as of March 31, 2020. Of these shares, the ADSs sold in the global offering, the ordinary shares sold in the global offering and currently outstanding ordinary shares will be freely tradable, and the remaining ordinary shares will be available for sale in the public market beginning 90 days (or 30 days with respect to certain of our shareholders) after the date of this prospectus following the expiration of lock-up agreements entered into by our directors, executive officers and certain of our shareholders in connection with the global offering. The representatives of the underwriters may agree to release our directors, executive officers or these shareholders from their lock-up agreements at any time and without notice, which would allow for earlier sales of shares in the public market. Sales of a substantial number of such ADSs or ordinary shares upon expiration of the lock-up agreements, the perception that such sales may occur, or early release of restrictions in the lock-up agreements, could cause the market price of our ADSs and/or ordinary shares to fall or make it more difficult for purchasers of ADSs to sell their ADSs at a time and price that they deem appropriate.

In addition, promptly following the completion of the global offering, we intend to file one or more registration statements on Form S-8 registering the issuance of approximately million ordinary shares subject to options or other equity awards issued or reserved for future issuance under our equity incentive plans. Shares registered under these registration statements on Form S-8 will be available for sale in the public market subject to vesting arrangements and exercise of options, the lock-up agreements described above and, in the case of our affiliates, the restrictions of Rule 144 under the Securities Act of 1933, as amended, or the Securities Act.

Additionally, after the global offering, the holders of an aggregate of approximately of our ordinary shares, or their transferees, will have rights, subject to some conditions, to require us to file one or more registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other shareholders. If we were to register the resale of these shares, they could be freely sold in the public market. If these additional shares are sold, or if it is perceived that they will be sold, in the public market, the trading price of our ADSs and ordinary shares could decline.

The dual listing of ordinary shares and ADSs is costly to maintain and may adversely affect the liquidity and value of our ordinary shares and ADSs.

Our ordinary shares trade on AIM and we have applied to list our ADSs on the Nasdaq Global Market. We plan for the foreseeable future to maintain a dual listing, which will generate additional costs, including increased legal, accounting, investor relations and other expenses that we did not incur prior to the global offering, in addition to the costs associated with the additional reporting requirements described elsewhere in this prospectus. We cannot predict the effect of this dual listing on the value of our ADSs and our ordinary shares. However, the dual listing of ADSs and ordinary shares may dilute the liquidity of these securities in one or both markets and may adversely affect the development of an active trading market for our ADSs. The price of our ADSs could also be adversely affected by trading in ordinary shares on AIM.

We are an "emerging growth company," and the reduced disclosure requirements applicable to emerging growth companies may make our ADSs and ordinary shares less attractive to investors.

We are an "emerging growth company" as defined in the SEC's rules and regulations and we will remain an emerging growth company until the earlier to occur of (a) the last day of the fiscal year (1) following the fifth anniversary of the completion of this offering, (2) in which we have total annual gross revenues of at least $1.07 billion or (3) in which we are deemed to be a "large accelerated filer" under the rules of the SEC, which means the market value of our ordinary shares and ADSs that are held by non-affiliates exceeds $700.0 million as of the prior December 31, or (b) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period. For so long as we remain an emerging growth company, we are permitted and intend to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include:

- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, or Section 404;
- not being required to comply with any requirement that has or may be adopted by the Public Company Accounting Oversight Board, or PCAOB, regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements;
- being permitted to provide only two years of audited financial statements in this prospectus, in addition to any required unaudited interim financial statements, with correspondingly reduced "Management's discussion and analysis of financial condition and results of operations" disclosure;
- reduced disclosure obligations regarding executive compensation; and
- an exemption from the requirement to seek nonbinding advisory votes on executive compensation or golden parachute arrangements.

We may choose to take advantage of some, but not all, of the available exemptions. We have taken advantage of reduced reporting burdens in this prospectus. In particular, we have not included all of the executive compensation information that would be required if we were not an emerging growth company. We cannot predict whether investors will find our ADSs less attractive if we rely on certain or all of these exemptions. If some investors find our ADSs less attractive as a result, there may be a less active trading market for our ADSs and our ADS price may be more volatile.

In addition, the JOBS Act provides that an emerging growth company may take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of the extended transition period for complying with new or revised accounting standards and, as a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

Even after we no longer qualify as an emerging growth company, we may still qualify as a "smaller reporting company" if the market value of our ordinary shares and ADSs held by non-affiliates is below $250 million (or $700 million if our annual revenue is less than $100 million) as of June 30 in any given year, which would allow us to take advantage of many of the same exemptions from disclosure requirements, including reduced disclosure obligations regarding executive compensation in our periodic reports and, when required, our proxy statements.

We will incur significant increased costs as a result of operating as a company that is both publicly listed on Nasdaq in the United States and admitted to trading on AIM in the United Kingdom, and our executive officers and other personnel will be required to devote substantial time to new compliance initiatives and corporate governance practices.

As a company publicly listed in the United States, and particularly after we no longer qualify as an emerging growth company, we will incur significant legal, accounting and other expenses that we did not incur previously. The Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of the Nasdaq Global Market and other applicable securities rules and regulations impose various requirements on non-U.S. reporting public companies, including the establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our executive officers and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, which in turn could make it more difficult for us to attract and retain qualified senior management personnel or members for our board of directors.

In addition, these rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

To prepare for eventual compliance with Section 404, once we no longer qualify as an emerging growth company, we will be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants, adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented, and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404. If we identify one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

Further, being a U.S. listed company and an English public company with ordinary shares admitted to trading on AIM impacts the disclosure of information and requires compliance with two sets of applicable rules. From time to time, this may result in uncertainty regarding compliance matters and result in higher costs necessitated by legal analysis of dual legal regimes, ongoing revisions to disclosure and adherence to heightened governance practices. As a result of the enhanced disclosure requirements of the U.S. securities laws, business and financial information that we report is broadly disseminated and highly visible to investors, which we believe may increase the likelihood of threatened or actual litigation, including by competitors and other third parties, which could, even if unsuccessful, divert financial resources and the attention of our management from our operations.

Securities traded on AIM may carry a higher risk than securities traded on other exchanges, which may impact the value of your investment.

Our ordinary shares are currently traded on AIM. Investment in equities traded on AIM is sometimes perceived to carry a higher risk than an investment in equities quoted on exchanges with more stringent listing

requirements, such as the main market of the London Stock Exchange, New York Stock Exchange or Nasdaq. This is because AIM is less heavily regulated, imposes less stringent corporate governance and ongoing reporting requirements than those other exchanges. In addition, AIM requires only half-yearly, rather than quarterly, financial reporting. You should be aware that the value of our ordinary shares may be influenced by many factors, some of which may be specific to us and some of which may affect AIM companies generally, including the depth and liquidity of the market, our performance, a large or small volume of trading in our ordinary shares, legislative changes and general economic, political or regulatory conditions, and that the prices may be volatile and subject to extensive fluctuations. Therefore, the market price of our ordinary shares, the ADSs, or the ordinary shares underlying the ADSs, may not reflect the underlying value of our company.

Fluctuations in the exchange rate between the U.S. dollar and the pound sterling may increase the risk of holding ADSs and ordinary shares.

The share price of our ordinary shares is quoted on AIM in pounds sterling, while we expect that our ADSs will trade on the Nasdaq Global Market in U.S. dollars. Fluctuations in the exchange rate between the U.S. dollar and the pound sterling may result in differences between the value of our ADSs and the value of our ordinary shares, which may result in heavy trading by investors seeking to exploit such differences. In addition, as a result of fluctuations in the exchange rate between the U.S. dollar and the pound sterling, the U.S. dollar equivalent of the proceeds that a holder of the ADSs would receive upon the sale in the United Kingdom of any ordinary shares withdrawn from the depositary, and the U.S. dollar equivalent of any cash dividends paid in pounds sterling on ordinary shares represented by the ADSs, could also decline.

If equity research analysts do not publish research or reports, or publish unfavorable research or reports, about us, our business or our market, the price and trading volume of our ADSs and ordinary shares could decline.

The trading market for our ADSs and ordinary shares will be influenced by the research and reports that equity research analysts publish about us and our business. As a company admitted to trading on AIM since 2018, our equity securities are currently subject to coverage by a number of analysts. However, we do not currently have and may never obtain research coverage by equity research analysts in the United States. Equity research analysts may not initiate coverage or they may cease providing research coverage of our ADSs and ordinary shares after the completion of the global offering, and such lack of research coverage may adversely affect the market price of our ADSs and ordinary shares. We will not have any control over the analysts or the content and opinions included in their reports. The price of our ADSs and ordinary shares could decline if one or more equity research analysts downgrade our ADSs or ordinary shares or issue other unfavorable commentary or research about us. If one or more equity research analysts ceases coverage of us or fails to publish reports on us regularly, demand for our ADSs and ordinary shares could decrease, which in turn could cause the trading price or trading volume of our ADSs and ordinary shares to decline.

We will have broad discretion in the use of proceeds from the global offering and may invest or spend the proceeds in ways with which you do not agree and in ways that may not increase the value of your investment.

Our management will have broad discretion in the application of our cash, cash equivalents and short-term investments, including the net proceeds from the global offering, and could spend the proceeds in ways that do not improve our results of operations or enhance the value of our ADSs or ordinary shares. The failure by our management to apply these funds effectively could result in financial losses that could have a negative impact on our business, cause the price of our ADSs or ordinary shares to decline and delay the development and commercialization of our products. Pending their use, we may invest our cash, cash equivalents and short-term investments, including the net proceeds from the global offering, in a manner that does not produce income or that loses value. See the section titled “Use of proceeds” for additional information.

Raising additional capital may cause dilution to our holders, including purchasers of our ADSs or ordinary shares in the global offering or restrict our operations.

We expect that significant additional capital may be needed in the future to continue our planned operations, including conducting verification studies, commercialization efforts, expanded research and development activities and costs associated with operating a public company. Until such time, if ever, as we can generate substantial product revenues, we expect to finance our cash needs through any or a combination of securities offerings, debt financings, collaborations, agreements, strategic alliances and marketing, distribution or licensing arrangements with third parties. If we raise capital through securities offerings, such sales may also result in material dilution to our existing shareholders, and new investors could gain rights, preferences and privileges senior to the holders of our ADSs or ordinary shares, including ADSs and ordinary shares sold in the global offering.

To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a holder of ADSs or ordinary shares. Debt financing and preferred equity financing, if available, could result in fixed payment obligations, and we may be required to accept terms that restrict our ability to incur additional indebtedness, force us to maintain specified liquidity or other ratios or restrict our ability to pay dividends or make acquisitions.

Raising additional capital through any of these or other means could adversely affect our business and the holdings or rights of our security holders, and may cause the market price of our ADSs or ordinary shares to decline.

Holders of our ADSs have fewer rights than our shareholders and must act through the depositary to exercise their rights.

Holders of our ADSs will not have the same rights as shareholders who hold our ordinary shares directly and may only exercise their voting rights with respect to the underlying ordinary shares in accordance with the provisions of the deposit agreement. Holders of the ADSs will appoint the depositary or its nominee as their representative to exercise the voting rights attaching to the ordinary shares represented by the ADSs. When a general meeting is convened, if you hold ADSs, you may not receive sufficient notice of a shareholders' meeting to permit you to withdraw the ordinary shares underlying your ADSs to allow you to vote with respect to any specific matter. We will make all commercially reasonable efforts to cause the depositary to extend voting rights to holders of ADSs in a timely manner, but we cannot assure purchasers of ADSs in the U.S. offering that they will receive voting materials in time to instruct the depositary to vote, and it is possible that they, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote. Furthermore, the depositary will not be liable for any failure to carry out any instructions to vote, for the manner in which any vote is cast or for the effect of any such vote. As a result, purchasers of ADSs in the U.S. offering may not be able to exercise their right to vote and they may lack recourse if their ADSs are not voted as they request. In addition, in their capacity as ADS holders, they will not be able to call a shareholders' meeting.

The depositary for our ADSs is entitled to charge holders fees for various services, including annual service fees.

The depositary for our ADSs is entitled to charge holders fees for various services including for the issuance of ADSs upon deposit of ordinary shares, cancellation of ADSs, distributions of cash dividends or other cash distributions, distributions of ADSs pursuant to share dividends or other free share distributions, distributions of securities other than ADSs and annual service fees. In the case of ADSs issued by the depositary into The Depository Trust Company, or DTC, the fees will be charged by the DTC participant to the account of the

applicable beneficial owner in accordance with the procedures and practices of the DTC participant as in effect at the time. The depositary for our ADSs will not generally be responsible for any United Kingdom stamp duty or stamp duty reserve tax arising upon the issuance or transfer of ADSs.

Purchasers of ADSs in the U.S. offering may be subject to limitations on the transfer of ADSs and the withdrawal of the underlying ordinary shares.

ADSs are transferable on the books of the depositary. However, the depositary may close its books at any time or from time to time when the depositary determines such action is necessary or advisable pursuant to the deposit agreement. The depositary may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary thinks it is necessary or advisable to do so because of any requirement of law, government or governmental body, or under any provision of the deposit agreement, or for any other reason, subject to certain rights to cancel ADSs and withdraw the underlying ordinary shares. Temporary delays in the cancellation of ADSs and withdrawal of the underlying ordinary shares may arise because the depositary has closed its transfer books or we have closed our transfer books, the transfer of ordinary shares is blocked to permit voting at a shareholders' meeting, or because we are paying a dividend on our ordinary shares or similar corporate actions.

In addition, purchasers of ADSs in the U.S. offering may not be able to cancel their ADSs and withdraw the underlying ordinary shares when they owe money for fees, taxes and similar charges and when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to the ADSs or to the withdrawal of our ordinary shares or other deposited securities.

ADS holders may not be entitled to a jury trial with respect to claims arising under the deposit agreement, which could result in less favorable results to the plaintiff(s) in any such action.

The deposit agreement governing our ADSs provides that owners and holders of ADSs irrevocably waive the right to a trial by jury in any legal proceeding arising out of or relating to the deposit agreement or the ADSs, including claims under U.S. federal securities laws, against us or the depositary to the fullest extent permitted by applicable law. If this jury trial waiver provision is prohibited by applicable law, an action could nevertheless proceed under the terms of the deposit agreement with a jury trial. Although we are not aware of a specific federal decision that addresses the enforceability of a jury trial waiver in the context of U.S. federal securities laws, it is our understanding that jury trial waivers are generally enforceable. Moreover, insofar as the deposit agreement is governed by the laws of the State of New York, New York laws similarly recognize the validity of jury trial waivers in appropriate circumstances. In determining whether to enforce a jury trial waiver provision, New York courts and federal courts will consider whether the visibility of the jury trial waiver provision within the agreement is sufficiently prominent such that a party has knowingly waived any right to trial by jury. We believe that this is the case with respect to the deposit agreement and the ADSs.

In addition, New York courts will not enforce a jury trial waiver provision in order to bar a viable setoff or counterclaim of fraud or one which is based upon a creditor's negligence in failing to liquidate collateral upon a guarantor's demand, or in the case of an intentional tort claim (as opposed to a contract dispute). No condition, stipulation or provision of the deposit agreement or ADSs serves as a waiver by any holder or beneficial owner of ADSs or by us or the depositary of compliance with any provision of U.S. federal securities laws and the rules and regulations promulgated thereunder.

If any owner or holder of our ADSs brings a claim against us or the depositary in connection with matters arising under the deposit agreement or the ADSs, including claims under U.S. federal securities laws, such owner or holder may not be entitled to a jury trial with respect to such claims, which may have the effect of limiting and discouraging lawsuits against us or the depositary. If a lawsuit is brought against us or the depositary under the deposit agreement, it may be heard only by a judge or justice of the applicable trial court,

which would be conducted according to different civil procedures and may result in different results than a trial by jury would have had, including results that could be less favorable to the plaintiff(s) in any such action, depending on, among other things, the nature of the claims, the judge or justice hearing such claims, and the venue of the hearing.

Concentration of ownership of our ordinary shares (including ordinary shares represented by ADSs) among our executive officers, directors and principal shareholders may prevent new investors from influencing significant corporate decisions and matters submitted to shareholders for approval.

Upon completion of the global offering, members of our executive officers, directors and current beneficial owners of 5% or more of our ordinary shares and their respective affiliates will, in the aggregate, beneficially own approximately % of our outstanding ordinary shares, based on the number of ordinary shares outstanding as of March 31, 2020 and assuming the issuance of ordinary shares (including ordinary shares represented by ADSs) in the global offering.

As a result, depending on the level of attendance at our general meetings of shareholders, these persons, acting together, would be able to significantly influence all matters requiring approval by our shareholders, including the election, re-election and removal of directors, any merger, scheme of arrangement, or sale of all or substantially all of our assets, or other significant corporate transactions, and amendments to our articles of association. In addition, these persons, acting together, may have the ability to control the management and affairs of our company. Accordingly, this concentration of ownership may harm the market price of our ADSs and ordinary shares by:

- delaying, deferring, or preventing a change in control;
- entrenching our management and/or the board of directors;
- impeding a merger, scheme of arrangement, takeover, or other business combination involving us; or
- discouraging a potential acquirer from making a takeover offer or otherwise attempting to obtain control of us.

In addition, some of these persons or entities may have interests different than yours. For example, because many of these shareholders purchased their shares at prices substantially below the price at which ADSs and ordinary shares are being sold in the global offering and have held their shares for a longer period, they may be more interested in selling our company to an acquirer than other investors, or they may want us to pursue strategies that deviate from the interests of other shareholders.

Because we do not anticipate paying any cash dividends on ordinary shares (including ordinary shares represented by ADSs) in the foreseeable future, capital appreciation, if any, will be your sole source of gains and you may never receive a return on your investment.

You should not rely on an investment in our ADSs or ordinary shares to provide dividend income. Under current English law, a company's accumulated realized profits must exceed its accumulated realized losses (on a non-consolidated basis) before dividends can be paid. Therefore, we must have distributable profits before issuing a dividend. We have never declared or paid a dividend on our ordinary shares in the past, and we currently intend to retain our future earnings, if any, to fund the development and growth of our business. As a result, capital appreciation, if any, on our ADSs or ordinary shares will be your sole source of gains for the foreseeable future. Investors seeking cash dividends should not purchase our ADSs or ordinary shares in the global offering.

Purchasers of ADSs in the U.S. offering may not receive distributions on our ordinary shares represented by the ADSs or any value for them if it is illegal or impractical to make them available to holders of ADSs.

Although we do not have any present plans to declare or pay any dividends, in the event we declare and pay any dividend, the depositary for the ADSs has agreed to pay to ADS holders the cash dividends or other distributions it or the custodian receives on our ordinary shares or other deposited securities after deducting its fees and expenses. Purchasers of ADSs in the U.S. offering will receive these distributions in proportion to the number of our ordinary shares their ADSs represent. However, in accordance with the limitations set forth in the deposit agreement, it may be unlawful or impractical to make a distribution available to holders of ADSs. We have no obligation to register under U.S. securities laws any offering of ADSs, ordinary shares or other securities received through such distributions. We also have no obligation to take any other action to permit distribution on the ADSs, ordinary shares, rights or anything else to holders of the ADSs. This means that purchasers of ADSs in the U.S. offering may not receive the distributions we make on our ordinary shares or any value from them if it is unlawful or impractical to make them available to them. These restrictions may have an adverse effect on the value of your ADSs.

Your right to participate in any future rights offerings may be limited, which may cause dilution to your holdings.

Under English law, shareholders usually have preemptive rights to subscribe on a pro rata basis in the issuance of new shares for cash. The exercise of preemptive rights by certain shareholders not resident in the United Kingdom may be restricted by applicable law or practice in the United Kingdom and overseas jurisdictions. We may from time to time distribute rights to our shareholders, including rights to acquire our securities. However, we cannot make rights available to shareholders in the United States unless we register the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirements is available. Also, under the deposit agreement, the depositary bank will not make rights available to ADS holders unless either both the rights and any related securities are registered under the Securities Act, or the distribution of them to ADS holders is exempted from registration under the Securities Act. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective. Moreover, we may not be able to establish an exemption from registration under the Securities Act. If the depositary does not distribute the rights, it may, under the deposit agreement, either sell them, if possible, or allow them to lapse. Accordingly, ADS holders may be unable to participate in our rights offerings and may experience dilution in their holdings. We are also permitted under English law to disapply preemptive rights (subject to the approval of our shareholders by special resolution or the inclusion in our articles of association of a power to disapply such rights) and thereby exclude certain shareholders, such as overseas shareholders, from participating in a rights offering (usually to avoid a breach of local securities laws).

If we are a passive foreign investment company, or PFIC, now or in the future, there could be adverse U.S. federal income tax consequences to U.S. Holders.

Under the Code, we will be a passive foreign investment company, or PFIC, for any taxable year in which (1) 75% or more of our gross income consists of passive income or (2) 50% or more of the average quarterly value of our assets consists of assets that produce, or are held for the production of, passive income. For purposes of these tests, passive income generally includes dividends, interest, gains from the sale or exchange of investment property and certain rents and royalties. In addition, for purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25% by value of the shares of another non-U.S. corporation is treated as if it held its proportionate share of the assets and received directly its proportionate share of the income of such other non-U.S. corporation. If we are a PFIC for any taxable year during which a U.S. Holder (as defined below under “Material income tax considerations—Material U.S. federal income tax

considerations for U.S. holders") holds our ADSs, the U.S. Holder may be subject to adverse tax consequences regardless of whether we continue to qualify as a PFIC, including ineligibility for any preferred tax rates on capital gains or on actual or deemed dividends, interest charges on certain taxes treated as deferred, and additional reporting requirements under U.S. federal income tax laws and regulations.

We have not yet made a determination of our PFIC status for our taxable year ending June 30, 2020 or our expectations of our PFIC status for our taxable year ending June 30, 2021. However, no assurances regarding our PFIC status can be provided for any past, current or future taxable years. The determination of whether we are a PFIC is a fact-intensive determination made on an annual basis and the applicable law is subject to varying interpretation. In particular, the characterization of our assets as active or passive may depend in part on our current and intended future business plans, which are subject to change. In addition, for our current and future taxable years, the total value of our assets for PFIC testing purposes may be determined in part by reference to the market price of our ordinary shares or ADSs from time to time, which may fluctuate considerably. Under the income test, our status as a PFIC depends on the composition of our income which will depend on the transactions we enter into in the future and our corporate structure. The composition of our income and assets is also affected by how, and how quickly, we spend the cash we raise in any offering, including the global offering. Accordingly, in its legal opinion issued in connection with the global offering, our U.S. counsel expresses no opinion with respect to our PFIC status for our taxable year ended June 30, 2020, and also expresses no opinion with regard to our expectations regarding our PFIC status in the taxable year ending June 30, 2021 or any other future taxable years.

If we are a PFIC, U.S. holders of our ADSs would be subject to adverse U.S. federal income tax consequences, such as ineligibility for any preferred tax rates on capital gains or on actual or deemed dividends, interest charges on certain taxes treated as deferred, and additional reporting requirements under U.S. federal income tax laws and regulations. For further discussion of the PFIC rules and the adverse U.S. federal income tax consequences in the event we are classified as a PFIC, see the section titled "Material income tax considerations—Material U.S. Federal income tax considerations for U.S. holders" in this prospectus.

If a United States person is treated as owning at least 10% of our ordinary shares, such United States person may be subject to adverse U.S. federal income tax consequences.

For U.S. federal income tax purposes, if a United States person is treated as owning (directly, indirectly or constructively) 10% or more of our stock by vote or value, such United States person will be treated as a "United States shareholder" with respect to each "controlled foreign corporation" in our group (if any). Because our group includes at least one U.S. subsidiary, any non-U.S. subsidiaries we were to form or acquire in the future will be treated as controlled foreign corporations.

A United States shareholder of a controlled foreign corporation will be required to annually report and include in its U.S. federal taxable income its pro rata share (if any) of "subpart F income," "global intangible low-taxed income" and investments in U.S. property by the controlled foreign corporation, regardless of whether such corporation makes any distributions of such income. Special rules, however, apply to United States persons that are partnerships or other pass-through entities for U.S. federal income tax purposes. Certain deductions and credits for foreign income taxes paid or accrued by the controlled foreign corporation may be claimed by a corporate United States shareholder, but may not be claimed by an individual United States shareholder.

We cannot provide any assurance that we will furnish to any United States shareholder the information required to comply with the reporting and tax-paying obligations discussed applicable to a United States shareholder in respect of controlled foreign corporations. Failure to comply with such reporting obligations may subject a holder of our ordinary shares that is a United States shareholder to significant monetary penalties and may prevent the statute of limitations with respect to its U.S. federal income tax return for the

year for which reporting was due from starting. Holders of our ordinary shares that are United States persons should consult their tax advisors regarding the potential application of these rules to their investment in our ordinary shares.

We have identified material weaknesses in the design of our internal control over financial reporting. If we are unable to remediate these material weaknesses, or if we experience additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our ADSs and ordinary shares.

In connection with the preparation of our consolidated financial statements for the period March 15, 2018 (inception) through June 30, 2018 and the fiscal year ended June 30, 2019, we concluded that there were material weaknesses in the design of our internal control over financial reporting. A material weakness is a significant deficiency, or a combination of significant deficiencies, in internal control over financial reporting such that it is reasonably possible that a material misstatement of the annual or interim consolidated financial statements will not be prevented or detected on a timely basis. The material weaknesses that we identified related to the lack of segregation of duties as well as our lack of maintaining a sufficient complement of personnel commensurate with our accounting and reporting requirements. Currently, we have only two designated finance and accounting employees and rely primarily on consultants to provide many accounting, bookkeeping and administrative services. As of June 30, 2019, these material weaknesses remained unremediated. To address these material weaknesses, we will need to add personnel as well as implement new financial processes. We intend to take steps to remediate the material weaknesses described above through hiring additional qualified accounting and financial reporting personnel, and further evolving our accounting processes and policies. We will not be able to fully remediate these material weaknesses until these steps have been completed and have been operating effectively for a sufficient period of time.

Risks related to investing in a foreign private issuer or U.K. company

We qualify as a foreign private issuer and, as a result, we will not be subject to U.S. proxy rules and will be subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. domestic public company.

Upon the closing of the global offering, we will report under the Exchange Act as a non-U.S. company with foreign private issuer status. Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including (i) the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act; (ii) the sections of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and (iii) the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specified information, or current reports on Form 8-K upon the occurrence of specified significant events. In addition, foreign private issuers are not required to file their annual report on Form 20-F until 120 days after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year. Foreign private issuers also are exempt from Regulation Fair Disclosure, aimed at preventing issuers from making selective disclosures of material information. As a result of the above, you may not have the same protections afforded to shareholders of companies that are not foreign private issuers.

As a foreign private issuer, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from Nasdaq corporate governance listing standards. These practices may afford less protection to shareholders than they would enjoy if we complied fully with Nasdaq corporate governance listing standards.

As a foreign private issuer listed on the Nasdaq Global Market, we will be subject to corporate governance listing standards. However, Nasdaq rules permit a foreign private issuer like us to follow the corporate governance practices of its home country in lieu of certain Nasdaq corporate governance listing standards. Certain corporate governance practices in the United Kingdom, which is our home country, may differ significantly from Nasdaq corporate governance listing standards. For example, neither the corporate laws of the United Kingdom nor our articles of association require a majority of our directors to be independent; we can and intend to include non-independent directors as members of our nominations and remuneration committees; and our independent directors would not necessarily hold regularly scheduled meetings at which only independent directors are present. We are required to follow the AIM Rules for Companies published by London Stock Exchange plc, and have adopted the Corporate Governance Code published by the Quoted Companies Alliance. Therefore, our shareholders may be afforded less protection than they otherwise would have under Nasdaq corporate governance listing standards applicable to U.S. domestic issuers. See “Management—Foreign private issuer exemption” for the exemptions to the Nasdaq corporate governance rules applicable to foreign private issuers.

We may lose our foreign private issuer status, which would then require us to comply with the Exchange Act’s domestic reporting regime and cause us to incur significant legal, accounting and other expenses.

As a foreign private issuer, we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers. We may no longer be a foreign private issuer as of December 31, 2021 (the end of our second fiscal quarter in the fiscal year after the global offering), which would require us to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers as of July 1, 2022. In order to maintain our current status as a foreign private issuer, either (1) a majority of our voting securities must be either directly or indirectly owned of record by non-residents of the United States or (2)(a) a majority of our executive officers or directors cannot be U.S. citizens or residents, (b) more than 50% of our assets must be located outside the United States and (c) our business must be administered principally outside the United States.

If we lose our status as a foreign private issuer, we would be required to comply with the Exchange Act reporting and other requirements applicable to U.S. domestic issuers, which are more detailed and extensive than the requirements for foreign private issuers. We may also be required to make changes in our corporate governance practices in accordance with various SEC and Nasdaq rules. The regulatory and compliance costs to us under U.S. securities laws if we are required to comply with the reporting requirements applicable to a U.S. domestic issuer may be significantly higher than the cost we would incur as a foreign private issuer. As a result, we expect that a loss of foreign private issuer status would increase our legal and financial compliance costs and would make some activities highly time consuming and costly. We also expect that if we were required to comply with the rules and regulations applicable to U.S. domestic issuers, it would make it more difficult and expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These rules and regulations could also make it more difficult for us to attract and retain qualified members of our board of directors.

The rights of our shareholders may differ from the rights typically offered to shareholders of a U.S. corporation.

We are incorporated under English law. The rights of holders of ordinary shares and, therefore, certain of the rights of holders of our ADSs, are governed by English law, including the provisions of the U.K. Companies Act

2006, or the Companies Act, and by our articles of association. These rights differ in certain respects from the rights of shareholders in typical U.S. corporations. See the section titled “Description of share capital and articles of association—Differences in corporate law” in this prospectus for a description of the principal differences between the provisions of the Companies Act applicable to us and, for example, the Delaware General Corporation Law relating to shareholders’ rights and protections.

Protections found in provisions under the U.K. City Code on Takeovers and Mergers, or the Takeover Code, may delay or discourage a takeover attempt, including attempts that may be beneficial to holders of our ADSs and ordinary shares.

The U.K. City Code on Takeovers and Mergers, or the Takeover Code, applies, among other things, to an offer for a public company whose registered office is in the United Kingdom and whose securities are admitted to trading on a multilateral trading facility in the United Kingdom, which includes AIM. We are therefore currently subject to the Takeover Code.

The Takeover Code provides a framework within which takeovers of certain companies organized in the United Kingdom are regulated and conducted. The following is a brief summary of some of the most important rules of the Takeover Code:

- In connection with a potential offer, if following an approach by or on behalf of a potential bidder, the company is “the subject of rumor or speculation” or there is an “untoward movement” in the company’s share price, there is a requirement for the potential bidder to make a public announcement about a potential offer for the company, or for the company to make a public announcement about its review of a potential offer.
- When a person or group of persons acting in concert (a) acquires, whether by a series of transactions over a period of time or not, interests in shares carrying 30% or more of the voting rights of a company (which percentage is treated by the Takeover Code as the level at which effective control is obtained) or (b) increases the aggregate percentage interest they have when they are already interested in not less than 30% and not more than 50%, they must make a cash offer to all other shareholders at the highest price paid by them or any person acting in concert with them in the 12 months before the offer was announced. See the section titled “Description of share capital and articles of association” in this prospectus for a description of various persons who are currently considered to be acting in concert with respect of our company.
- When interests in shares carrying 10% or more of the voting rights of a class have been acquired by an offeror (i.e., a bidder) in the offer period (i.e., before the shares subject to the offer have been acquired) or within the previous 12 months, the offer must be in cash or be accompanied by a cash alternative for all shareholders of that class at the highest price paid by the offeror or any person acting in concert with them in that period. Further, if an offeror or any person acting in concert with them acquires any interest in shares during the offer period, the offer for the shares must be in cash or accompanied by a cash alternative at a price at least equal to the price paid for such shares during the offer period.
- If after an announcement is made, the offeror or any person acting in concert with them acquires an interest in shares in an offeree company (i.e., a target) at a price higher than the value of the offer, the offer must be increased accordingly.
- The board of directors of the offeree company must appoint a competent independent adviser whose advice on the financial terms of the offer must be made known to all the shareholders, together with the opinion of the board of directors of the offeree company.

- Favorable deals for selected shareholders are not permitted, except in certain circumstances where independent shareholder approval is given and the arrangements are regarded as fair and reasonable in the opinion of the financial adviser to the offeree.
- All shareholders must be given the same information.
- Those issuing documents in connection with a takeover must include statements taking responsibility for the contents thereof.
- Profit forecasts, quantified financial benefits statements and asset valuations must be made to specified standards and must be reported on by professional advisers.
- Misleading, inaccurate or unsubstantiated statements made in documents or to the media must be publicly corrected immediately.
- Actions during the course of an offer by the offeree company, which might frustrate the offer are generally prohibited unless shareholders approve these plans. Frustrating actions would include, for example, lengthening the notice period for directors under their service contract or agreeing to sell off material parts of the target group.
- Stringent requirements are laid down for the disclosure of dealings in relevant securities during an offer, including the prompt disclosure of positions and dealing in relevant securities by the parties to an offer and any person who is interested (directly or indirectly) in 1% or more of any class of relevant securities.
- Employees of both the offeror and the offeree company and the trustees of the offeree company's pension scheme must be informed about an offer. In addition, the offeree company's employee representatives and pension scheme trustees have the right to have a separate opinion on the effects of the offer on employment appended to the offeree board of directors' circular or published on a website.

As an English public company, certain capital structure decisions will require shareholder approval, which may limit our flexibility to manage our capital structure.

English law provides that a board of directors may only allot shares (or grant rights to subscribe for, or to convert any security into, shares) with the prior authorization of shareholders by ordinary resolution, being a resolution passed by a simple majority of votes cast, such authorization stating the aggregate nominal amount of shares that it covers and being valid for a maximum period of five years, each as specified in the articles of association or relevant shareholder resolution. In either case, this authorization would need to be renewed by our shareholders upon expiration (i.e., at least every five years). Typically, English public companies renew the authorization of their directors to allot shares on an annual basis at their annual general meeting. We have obtained authority from our shareholders to allot additional shares up to an aggregate nominal amount of £14,854.03 (plus an additional aggregate nominal amount of £5,739.24 to be used only in respect of the exercise of outstanding share options and other potential shares granted by us) from September 30, 2019 (being the date of our 2019 annual general meeting) until the conclusion of our 2020 annual general meeting, which authorization will need to be renewed or replaced upon expiration.

English law also generally provides shareholders with preemptive rights when new shares are issued for cash. However, it is possible for the articles of association, or for shareholders to pass a special resolution at a general meeting, being a resolution passed by at least 75% of the votes cast, to disapply preemptive rights. Such a disapplication of preemptive rights may be for a maximum period of up to five years from the date of adoption of the articles of association, if the disapplication is contained in the articles of association, or from the date of the shareholder special resolution, if the disapplication is by shareholder special resolution, but not longer than the duration of the authority to allot shares to which the disapplication relates. In either case, this

disapplication would need to be renewed by our shareholders upon its expiration (i.e., at least every five years). Typically, English public companies renew the disapplication of preemptive rights on an annual basis at their annual general meeting. We have obtained authority from our shareholders to disapply preemptive rights in respect of shares allotted under the authorization described in the paragraph above up to an aggregate nominal amount of £14,854.03 (plus the allotment of shares on the exercise of share options granted by us) from September 30, 2019 (being the date of our 2019 annual general meeting) until the conclusion of our 2020 annual general meeting, which disapplication will need to be renewed or replaced upon expiration.

English law also generally prohibits a public company from repurchasing its own shares without the prior approval of shareholders by ordinary resolution, being a resolution passed by a simple majority of votes cast, and other formalities. Such approval may be for a maximum period of up to five years. See “Description of share capital and articles of association.”

Claims of U.S. civil liabilities may not be enforceable against us.

We are incorporated under English law. A substantial amount of our assets are located outside the United States. In addition, some of our executive officers and directors reside outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or to enforce judgments obtained in U.S. courts against them or us, including judgments predicated upon the civil liability provisions of the U.S. federal securities laws.

The United States and the United Kingdom do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, would not automatically be recognized or enforceable in England and Wales. In addition, uncertainty exists as to whether the English and Welsh courts would entertain original actions brought in England and Wales against us or our directors or executive officers predicated upon the securities laws of the United States or any state in the United States. Any final and conclusive monetary judgment for a definite sum obtained against us in U.S. courts would be treated by the courts of England and Wales as a cause of action in itself and sued upon as a debt so that no retrial of the issues would be necessary, provided that certain requirements are met consistent with English law and public policy. Whether these requirements are met in respect of a judgment based upon the civil liability provisions of the U.S. securities laws is an issue for the English court making such decision. If an English court gives judgment for the sum payable under a U.S. judgment, the English judgment will be enforceable by methods generally available for this purpose.

As a result, U.S. investors may not be able to enforce against us or our executive officers, board of directors or certain experts named herein who are residents of the United Kingdom or countries other than the United States any judgments obtained in U.S. courts in civil and commercial matters, including judgments under the U.S. federal securities laws.

Our articles of association provide that the U.S. federal district courts are the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act.

Our articles of association provide that, unless we consent in writing to the selection of an alternative forum in the United States of America, the U.S. federal district courts are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. There is uncertainty as to whether a court would enforce such provision, and the enforceability of similar choice of forum provisions in other companies’ constitutive documents has been challenged in legal proceedings. If a court were to find the choice of forum provision contained in our articles of association to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our results of operations and financial condition.

This choice of forum provision may limit a shareholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits.

Legal, political and economic uncertainty surrounding the exit of the United Kingdom from the EU may be a source of instability in international markets, create significant currency fluctuations, adversely affect our operations in the United Kingdom and pose additional risks to our business, revenue, financial condition, and results of operations.

Following the result of a referendum in 2016, the United Kingdom left the EU on January 31, 2020, commonly referred to as Brexit. Pursuant to the formal withdrawal arrangements agreed between the United Kingdom and the EU, the United Kingdom will be subject to a transition period until December 31, 2020, or the Transition Period, during which the United Kingdom will remain within the EU single market and customs union and EU rules will continue to apply in the United Kingdom. Negotiations between the United Kingdom and the EU are expected to continue in relation to the customs and trading relationship between the United Kingdom and the EU following the expiry of the Transition Period. These arrangements may be extended beyond 2020 if both the United Kingdom and the EU agree to an extension before the end of June 2020.

The lack of clarity on future United Kingdom laws and regulations (including financial laws and regulations, tax and free trade agreements, intellectual property rights, data protection laws, supply chain logistics, environmental, health and safety laws and regulations, immigration laws and employment laws) may negatively impact foreign direct investment in the United Kingdom, increase costs, depress economic activity and restrict access to capital.

The uncertainty concerning the United Kingdom's legal, political and economic relationship with the EU after the Transition Period may be a source of instability in the international markets, create significant currency fluctuations, and/or otherwise adversely affect trading agreements or similar cross-border co-operation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise).

These developments, or the perception that any of them could occur, have had, and may continue to have, a significant adverse effect on global economic conditions and the stability of global financial markets, and could significantly reduce global market liquidity and limit the ability of key market participants to operate in certain financial markets. In particular, it could also lead to a period of considerable uncertainty in relation to the U.K. financial and banking markets, as well as on the regulatory process in Europe. Asset valuations, currency exchange rates and credit ratings may also be subject to increased market volatility.

If the United Kingdom and the EU are unable to negotiate acceptable trading and customs terms or if other EU member states pursue withdrawal, barrier-free access between the United Kingdom and other EU member states or among the European Economic Area overall could be diminished or eliminated. The long-term effects of Brexit will depend on any agreements (or lack thereof) between the United Kingdom and the EU and, in particular, any arrangements for the United Kingdom to retain access to EU markets after the Transition Period.

Such a withdrawal from the EU is unprecedented, and it is unclear how the United Kingdom's access to the European single market for goods, capital, services and labor within the EU, or single market, and the wider commercial, legal and regulatory environment, will impact our U.K. operations and customers.

There may continue to be economic uncertainty surrounding the consequences of Brexit, following the Transition Period, which could adversely impact customer confidence resulting in customers reducing their spending budgets on our products, which could adversely affect our business, revenue, financial condition, results of operations and could adversely affect the market price of our ADSs and ordinary shares.

The withdrawal of the United Kingdom from the EU may result in our having to obtain relevant regulatory clearances for our products for the United Kingdom and the rest of Europe separately.

We are not actively pursuing regulatory clearance and commercialization of our products outside of the United States at this time. Prior to Brexit, we expected to be able to benefit from the harmonization of certain regulatory requirements within the EU, which may no longer apply as a result of the United Kingdom leaving the EU. As a result, any future efforts to market our products in both the United Kingdom and the EU may require us to complete separate regulatory processes, which will increase the time and cost associated with addressing those markets. This will depend on the availability of transitional and future arrangements between the United Kingdom and the EU at the relevant time.

Exchange rate fluctuations may adversely affect our results of operations and financial condition.

Owing to the international scope of our operations, fluctuations in exchange rates, particularly between the pound sterling and the U.S. dollar, may adversely affect us. Since the Brexit referendum in 2016, there has been a significant increase in the volatility of the exchange rate between the pound sterling and the U.S. dollar and an overall weakening of the pound sterling. Our business and the price of our ADSs may be affected by fluctuations in foreign exchange rates not only between the pound sterling and the U.S. dollar, but also the currencies of other countries, which may have a significant impact on our results of operations and cash flows from period to period. Currently, we do not have any exchange rate hedging arrangements in place.

Special note regarding forward-looking statements

This prospectus contains forward-looking statements that involve substantial risks and uncertainties. In some cases, you can identify forward-looking statements by the words “may,” “might,” “will,” “could,” “would,” “should,” “expect,” “intend,” “plan,” “objective,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” “continue” and “ongoing,” or the negative of these terms, or other comparable terminology intended to identify statements about the future. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. The forward-looking statements and opinions contained in this prospectus are based upon information available to us as of the date of this prospectus and, while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. Forward-looking statements include statements about:

- the timing and plans for commercialization of KidneyIntelX;
- the timing and plans for regulatory filings;
- our plans to obtain and maintain regulatory approvals of KidneyIntelX;
- the potential benefits of KidneyIntelX;
- the market opportunities for KidneyIntelX and our ability to maximize those opportunities;
- our business strategies and goals;
- our ability and plans to establish and maintain partnerships;
- estimates of our expenses, capital requirements and need for additional financing;
- third-party payor reimbursement and coverage decisions;
- the performance of our third-party suppliers and manufacturers,
- our expectations regarding our ability to obtain and maintain intellectual property protection for our diagnostic products and our ability to operate our business without infringing on the intellectual property rights of others;
- our expectations regarding regulatory classification of KidneyIntelX, as well as the regulatory response to the marketing and promotion of KidneyIntelX;
- our expectations regarding developments relating to our competitors;
- our ability to identify, recruit and retain key personnel;
- our plans and timing with respect to the FractalDx spin-off;
- our plans and timing with respect to Kantaro;
- the potential impact of the current COVID-19 pandemic on our business or operations; and
- our expectations regarding the uses of the proceeds from this offering and the sufficiency of such net proceeds together with our existing cash, cash equivalents and short-term investments to fund our operations and capital expenditure requirements.

You should refer to the section titled “Risk factors” for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this prospectus will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law, applicable regulations or the rules of any stock exchange to which we are subject.

You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

Industry and market data

This prospectus contains estimates, projections and other information concerning our industry, our business and the market for KidneyIntelX. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties, and actual events or circumstances may differ materially from events and circumstances that are assumed in this information. Unless otherwise expressly stated, we obtained this industry, business, market and other data from our own internal estimates and research as well as from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data and similar sources. The Boston Healthcare Associates study discussed in this prospectus was commissioned by and prepared in collaboration with us. While we believe our internal company research as to such matters is reliable and the market definitions are appropriate, neither such research nor these definitions have been verified by any independent source.

In addition, assumptions and estimates of our and our industry's future performance are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled "Risk factors." These and other factors could cause our future performance to differ materially from our assumptions and estimates. See "Special note regarding forward-looking statements."

Use of proceeds

We estimate that the net proceeds from the sale of ADSs and ordinary shares in the global offering will be approximately $ million after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, based on an assumed initial public offering price of $ per ADS in the U.S. offering and an assumed offering price of £ per ordinary share in the European private placement, the closing price of our ordinary shares on AIM on , 2020, based on an exchange rate of $ per £1.00 as of , 2020 and an ADS-to-share ratio of to one. If the underwriters exercise in full their option to purchase additional ADSs, we estimate that the net proceeds to us from the global offering will be approximately $ million after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Each $1.00 (£) increase in the assumed initial public offering price of $ per ADS (£ per ordinary share) would increase the net proceeds from this global offering to us by $ million, assuming that the total number of ADSs and ordinary shares offered by us in the global offering, as set forth on the cover page of this prospectus, remains the same. Each $1.00 (£) decrease in the assumed initial public offering price of $ per ADS (£ per ordinary share) would decrease the net proceeds from this offering to us by $ million, assuming that the total number of ADSs and ordinary shares offered by us in the global offering, as set forth on the cover page of this prospectus, remains the same. An increase (decrease) of 1,000,000 in the number of ordinary shares, including ordinary shares represented by ADSs, offered by us as set forth on the cover page of this prospectus would increase (decrease) the net proceeds from this offering to us by $ million, assuming the assumed initial public offering price per ADS and the assumed offering price per ordinary share remains the same. This as adjusted information is illustrative only and will depend on the actual offering price and other terms of this offering determined at pricing.

The principal purposes of this offering are to obtain additional capital to support our operations, to create a public market for our ADSs in the United States and to facilitate future access to the U.S. public equity markets. We currently intend to use approximately $ million of the net proceeds from this offering for the continued development and planned commercialization of the KidneyIntelX platform, and the remainder for working capital and other general corporate purposes.

This expected use of net proceeds from this offering represents our intentions based upon our current plans and business conditions, which could change in the future as our plans and business conditions evolve. We may also use a portion of the net proceeds to in-license, acquire or invest in additional businesses, technologies, products or assets. We cannot predict with certainty all of the particular uses for the net proceeds to be received upon the consummation of this offering or the amounts that we will actually spend on the uses set forth above. As a result, our management will retain broad discretion over the allocation of the net proceeds from this offering. See “Risk factors—Risks related to the global offering, our ADSs and ordinary shares and our status as a U.S. listed company—We will have broad discretion in the use of proceeds from the global offering and may invest or spend the proceeds in ways with which you do not agree and in ways that may not increase the value of your investment.”

Based on our planned use of the net proceeds from this offering and our existing cash, cash equivalents and short-term investments, we estimate that such funds will be sufficient to fund our operations and capital expenditure requirements through at least , and to advance the KidneyIntelX platform through completion of the FDA clearance process. We have based this estimate on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect.

Pending our use of proceeds from this offering, we plan to invest these net proceeds in a variety of capital preservation instruments, including short term, interest bearing obligations and investment grade instruments.

Dividend policy

Since our incorporation, we have not declared or paid any dividends on our issued share capital. We intend to retain any earnings for use in our business and do not currently intend to pay dividends on our ordinary shares. The declaration and payment of any future dividends will be at the discretion of our board of directors and will depend upon our results of operations, cash requirements, financial condition, contractual restrictions, any future debt agreements or applicable laws and other factors that our board of directors may deem relevant.

Under the laws of England and Wales, among other things, we may only pay dividends if we have sufficient distributable reserves (on a non-consolidated basis), which are our accumulated realized profits that have not been previously distributed or capitalized less our accumulated realized losses, so far as such losses have not been previously written off in a reduction or reorganization of capital.

On May 15, 2020, our shareholders approved at a general meeting the reduction of our share capital by the cancellation of our share premium account in its entirety in order to create realized profits, which was confirmed by the High Court in England and Wales on June 9, 2020. This was necessary to increase our distributable reserves to allow us to implement the distribution in specie for the FractalDx spin-off.

Capitalization

The following table sets forth our cash, cash equivalents and short-term investments and capitalization as of March 31, 2020:

- on an actual basis; and
- on an as adjusted basis to give effect to the sale of ADSs and ordinary shares in the global offering at an assumed initial public offering price of $ per ADS in the U.S. offering and an assumed offering price of £ per ordinary share in the European private placement, the closing price of our ordinary shares on AIM on , 2020, based on an exchange rate of $ per £1.00 as of , 2020 and an ADS-to-share ratio of to one, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this information together with our audited consolidated financial statements and unaudited interim consolidated financial statements appearing elsewhere in this prospectus and the information set forth under the sections titled “Selected consolidated financial data,” “Use of proceeds” and “Management’s discussion and analysis of financial condition and results of operations.”

	As of March 31, 2020	
(in thousands)	Actual	As adjusted
Cash, cash equivalents and short-term investments	$ 17,826	$
Shareholders’ equity:		
Ordinary shares	179	
Additional paid-in capital	69,349	
Accumulated other comprehensive loss	(1,165)	
Accumulated deficit	(49,740)	
Total shareholders’ equity	18,623	
Total capitalization	$ 18,623	$

Each $1.00 (£) increase in the assumed initial public offering price of $ per ADS (£ per ordinary share) would increase the as adjusted amount of each of cash, cash equivalents and short-term investments, total shareholders’ equity and total capitalization by $ million, assuming that the total number of ADSs and ordinary shares offered by us in the global offering, as set forth on the cover page of this prospectus, remains the same. Each $1.00 (£) decrease in the assumed initial public offering price of $ per ADS (£ per ordinary share) would decrease the as adjusted amount of each of cash, cash equivalents and short-term investments, total shareholders’ equity and total capitalization by $ million, assuming that the total number of ADSs and ordinary shares offered by us in the global offering, as set forth on the cover page of this prospectus, remains the same. An increase (decrease) of 1,000,000 in the number of ordinary shares, including ordinary shares represented by ADSs, offered by us as set forth on the cover page of this prospectus would increase (decrease) the as adjusted amount of each of cash, cash equivalents and short-term investments, total shareholders’ equity and total capitalization by $ million, assuming the assumed initial public offering price per ADS and the assumed offering price per ordinary share remain the same. This as adjusted information is illustrative only and will depend on the actual offering price and other terms of this offering determined at pricing.

The number of ordinary shares outstanding in the table above does not include:

- 3,028,858 ordinary shares issuable upon the exercise of options outstanding as of March 31, 2020, with a weighted-average exercise price of £1.63 per share;
- 2,352,755 ordinary shares reserved for future issuance pursuant to our Share Option Plan;
- 8,500,000 ordinary shares reserved for future issuance pursuant to our 2020 Equity Incentive Plan, upon approval by our shareholders, as well as any future increases, including annual automatic evergreen increases, in the number of ordinary shares reserved for future issuance thereunder; and
- 850,000 ordinary shares reserved for future issuance pursuant to our 2020 Employee Share Purchase Plan, upon approval by our shareholders, as well as any future increases, including annual automatic evergreen increases, in the number of ordinary shares reserved for future issuance thereunder.

Dilution

If you invest in our ADSs or ordinary shares in the global offering, your interest will be immediately diluted to the extent of the difference between the initial public offering price per ADS or offering price per ordinary share paid by purchasers in the global offering and the as adjusted net tangible book value per ADS or ordinary share, as applicable, after completion of the global offering. Our net tangible book value as of March 31, 2020 was £14.9 million ($18.6 million), or £0.25 per ordinary share (equivalent to $ per ADS based on an exchange rate of $1.25 per £1.00 as of March 31, 2020). Our net tangible book value per share represents total tangible assets less total liabilities, divided by the number of ordinary shares outstanding on March 31, 2020. Dilution results from the fact that the initial public offering price per ADS or the offering price per ordinary share is substantially in excess of the net tangible book value per ADS or ordinary shares, as applicable.

After giving effect to the sale of ADSs and ordinary shares in the global offering at an assumed initial public offering price of $ per ADS and an assumed offering price of £ per ordinary share, the closing price of our ordinary shares on AIM on , 2020, assuming an exchange rate of $ per £1.00 as of , 2020 and an ADS-to-share ratio of to one, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, our as adjusted net tangible book value at March 31, 2020 would have been $ million, or £ per ordinary share (equivalent to $ per ADS). This represents an immediate increase in as adjusted net tangible book value of £ per ordinary share to existing shareholders and immediate dilution of £ per ordinary share (equivalent to $ per ADS) to new investors. The following table illustrates this dilution to new investors purchasing ADSs or ordinary shares in this offering:

	Per ordinary share	Per ADS
Assumed offering price	£	$
Historical net tangible book value per ordinary share or ADS as of March 31, 2020	£ 0.25	$
Increase in net tangible book value per ordinary share or ADS attributable to new investors participating in the global offering		
As adjusted net tangible book value per ordinary share or ADS after the global offering		
Dilution in as adjusted net tangible book value per ordinary share or ADS to new investors participating in the global offering	£	$

Each $1.00 (£) increase in the assumed initial public offering price of $ per ADS and the assumed offering price of £ per ordinary share, the closing price of our ordinary shares on AIM on , 2020, based on an exchange rate of $ per £1.00 as of , 2020 and an ADS-to-share ratio of to one, would increase the as adjusted net tangible book value after this offering by $ per ADS (£ per ordinary share) and the dilution to new investors in this offering by $ per ADS (£ per ordinary share), assuming that the number of ADSs and ordinary shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Each $1.00 (£) decrease in the assumed initial public offering price of $ per ADS and the assumed offering price of £ per ordinary share, the closing price of our ordinary shares on AIM on , 2020, based on an exchange rate of $ per £1.00 as of , 2020 and an ADS-to-share ratio of to one, would decrease the as adjusted net tangible book value after this offering by $ per ADS (£ per ordinary share) and the dilution to new investors in this offering by $ per ADS (£ per ordinary share), assuming that the number of ADSs and ordinary shares offered by us, as set forth on the cover page of this prospectus, remains the same, and

after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

An increase of 1,000,000 in the number of ordinary shares, including ordinary shares represented by ADSs, offered by us, as set forth on the cover page of this prospectus, would increase the as adjusted net tangible book value after this offering by $ per ADS (£ per ordinary share) and decrease the dilution to new investors in this offering by $ per ADS (£ per ordinary share), assuming no change in the assumed initial public offering price per ADS or the assumed offering price per ordinary share, as applicable, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. A decrease of 1,000,000 in the number of ordinary shares, including ordinary shares represented by ADSs, offered by us, as set forth on the cover page of this prospectus, would decrease the as adjusted net tangible book value after this offering by $ per ADS (£ per ordinary share) and increase the dilution to new investors in this offering by $ per ADS (£ per ordinary share), assuming no change in the assumed initial public offering price per ADS or the assumed offering price per ordinary share, as applicable, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The as adjusted information is illustrative only, and we will adjust this information based on the actual offering price and other terms of this offering determined at pricing.

The following table shows, as of March 31, 2020, on an as adjusted basis, the number of ordinary shares issued by us, including ordinary shares represented by ADSs, the total consideration paid to us and the average price paid per ordinary share or ADS by existing shareholders and by new investors purchasing ADSs and ordinary shares in this offering at an assumed initial public offering price of $ per ADS and an assumed offering price of £ per ordinary share, the closing price of our ordinary shares on AIM on , 2020, based on an exchange rate of $ per £1.00 as of , 2020 and an ADS-to-share ratio of to one, before deducting the underwriting commission and estimated offering expenses payable by us (in thousands, except share and per share amounts and percentages).

	Ordinary shares purchased(1)		Total consideration		Average price per ordinary share	Average price per ADS
	Number	Percent	Amount	Percent		
Existing shareholders		%	$	%	$	$
New investors			$		$	$
Totals		100.0%	$	100.0%	$	$

(1) Including ordinary shares represented by ADSs.

Each $1.00 increase (decrease) in the assumed initial public offering price of $ per ADS, the U.S. dollar equivalent of the closing price of our ordinary shares on AIM on , 2020 of £ per ordinary share, at an exchange rate of $ per £1.00 as of , 2020 and an ADS-to-share ratio of to one, would increase or decrease the total consideration paid by new investors by $ million and, in the case of an increase, would increase the percentage of total consideration paid by new investors by percentage points and, in the case of a decrease, would decrease the percentage of total consideration paid by new investors by percentage points, assuming that the number of ADSs or ordinary shares offered by us, as set forth on the cover page of this prospectus, remains the same. An increase (decrease) of 1,000,000 in the number of ordinary shares, including ordinary shares represented by ADSs, offered by us, as set forth on the cover page of this prospectus, would increase or decrease the total consideration paid by new investors by $ million and, in the case of an increase, would increase the percentage of total consideration paid by new investors by percentage points and, in the case of a decrease, would decrease the percentage of total consideration paid by new investors by percentage

points, assuming no change in the assumed initial public offering price per ADS or the assumed offering price per ordinary share, as applicable.

If the underwriters exercise in full their option to purchase an additional ADSs, the percentage of ordinary shares held by existing shareholders will decrease to % of the total number of ordinary shares outstanding after the global offering, and the number of ordinary shares held by new investors will be increased to , or % of the total number of ordinary shares outstanding after this offering.

The tables and discussion above excludes:

- 3,028,858 ordinary shares issuable upon the exercise of options outstanding as of March 31, 2020, with a weighted-average exercise price of £1.63 per share;
- 2,352,755 ordinary shares reserved for future issuance pursuant to our Share Option Plan;
- 8,500,000 ordinary shares reserved for future issuance pursuant to our 2020 Equity Incentive Plan, upon approval by our shareholders, as well as any future increases, including annual automatic evergreen increases, in the number of ordinary shares reserved for future issuance thereunder; and
- 850,000 ordinary shares reserved for future issuance pursuant to our 2020 Employee Share Purchase Plan, upon approval by our shareholders, as well as any future increases, including annual automatic evergreen increases, in the number of ordinary shares reserved for future issuance thereunder.

To the extent these outstanding options or any newly issued options are exercised, or we issue additional ADSs or ordinary shares in the future, there will be further dilution to the new investors purchasing ADSs or ordinary shares in this offering. In addition, we may choose to raise additional capital because of market conditions or strategic considerations, even if we believe that we have sufficient funds for our current or future operating plans. If we raise additional capital through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our shareholders and holders of our ADSs.

Selected consolidated financial data

The following tables present selected consolidated financial data as of the dates and for the periods indicated. We have derived the selected consolidated statements of operations data for the period from March 15, 2018 (inception) through June 30, 2018 and the year ended June 30, 2019 and the selected consolidated balance sheet data as of June 30, 2019 from our audited consolidated financial statements included elsewhere in this prospectus. Our consolidated financial statements are prepared in accordance with U.S. GAAP and presented in U.S. dollars. We have derived the selected consolidated statements of operations data for the nine months ended March 31, 2019 and 2020 and the selected consolidated balance sheet data as of March 31, 2020 from our unaudited interim consolidated financial statements included elsewhere in this prospectus. In our opinion, the unaudited interim consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements and reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of such unaudited interim consolidated financial statements.

Our historical results are not necessarily indicative of our future results, and our interim results are not necessarily indicative of the results to be expected for a full year or any other period. You should read this data together with our consolidated financial statements and related notes appearing elsewhere in this prospectus and the information under the sections titled “Capitalization” and “Management’s discussion and analysis of financial condition and results of operations.”

(in thousands, except share and per share amounts)	Period from March 15, 2018 (inception) through June 30, 2018	Year ended June 30, 2019	Nine months ended March 31, 2019	Nine months ended March 31, 2020
Consolidated statements of operation and comprehensive loss:				
Operating expenses:				
Acquired in-process research and development	$ —	$ 35,286	$ 35,286	$ —
Research and development	193	4,316	3,081	3,659
General and administrative expenses	374	2,737	1,904	3,770
Loss from operations	(567)	(42,339)	(40,271)	(7,429)
Other income (expense), net	(5)	38	117	562
Net loss	$ (572)	$ (42,301)	$ (40,154)	$ (6,867)
Net loss per ordinary share, basic and diluted	$ (0.03)	$ (0.99)	$ (1.04)	$ (0.12)
Weighted average ordinary shares, basic and diluted	20,000,000	42,561,600	38,750,787	58,968,134

(in thousands)	As of June 30, 2019	As of March 31, 2020
Consolidated balance sheet data:		
Cash, cash equivalents and short-term investments	$ 9,195	$ 17,826
Total assets	9,700	19,926
Total liabilities	1,149	1,303
Total shareholders’ equity	8,551	18,623

Management’s discussion and analysis of financial condition and results of operations

You should read the following discussion and analysis of our financial condition and results of operations together with the “Selected consolidated financial data” section of this prospectus and our consolidated financial statements and the related notes appearing elsewhere in this prospectus. This discussion and other parts of this prospectus contain forward-looking statements that involve risks and uncertainties, such as statements regarding our plans, objectives, expectations, intentions and projections. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the “Risk factors” section of this prospectus.

Overview

We are an artificial intelligence-enabled *in vitro* diagnostics company, focused on optimizing clinical management of kidney disease to drive improved patient outcomes and lower healthcare costs. KidneyIntelX, our first-in-class diagnostic platform, employs a proprietary artificial intelligence-enabled algorithm that combines diverse data inputs, including validated blood-based biomarkers, inherited genetics and personalized patient data from EHR systems to generate a unique patient risk score. This patient risk score enables prediction of progressive kidney function decline in CKD, allowing physicians and healthcare systems to optimize the allocation of treatments and clinical resources to patients at highest risk. CKD affects approximately 37 million individuals in the United States, significantly impacting their quality of life and, according to the United States Renal Data System’s 2019 Annual Data Report, resulting in Medicare spending of over $120 billion per year. In response to this substantial kidney disease burden, a U.S. Presidential Executive Order on Advancing American Kidney Health was issued in July 2019 to support change in kidney disease care. We believe we are well-positioned to help meet this urgent medical need with KidneyIntelX, an LDT initially indicated for adult patients with DKD. KidneyIntelX has already been granted a CPT code, national Medicare pricing and a positive coverage determination from a regional, private physician-led health insurance payor. Further, it has been granted breakthrough device designation from the FDA. Building on these reimbursement and regulatory milestones, we believe our population health-based business model, which includes partnerships with healthcare systems, such as Mount Sinai Health System, will help facilitate commercial adoption of KidneyIntelX in the United States.

We plan to deploy KidneyIntelX to patient populations with DKD on a regional basis through partnerships with healthcare systems and insurance payors that provide coverage to those healthcare systems’ patients. Following the receipt of national Medicare pricing at $950 per reportable test for KidneyIntelX in January 2020, we are actively pursuing Medicare coverage and a determination under the MolDX Program. In March 2020, we announced that our application for a Medicare PTAN was approved by Noridian Healthcare Solutions, the regional Medicare Administrative Contractor with responsibility for overseeing facilities and providers located in the western United States, and, as a result, we are now qualified as a provider and can bill for services provided to patients with Medicare and Medicaid health insurance coverage in the United States. In addition, in October 2019, Capital District Physicians’ Health Plan, Inc., a physician-led health insurance payor in New York, adopted coverage determination policies that provide insurance for certain patients with DKD who are tested with KidneyIntelX. We are working with additional private insurance payors and healthcare providers to expand insurance coverage for KidneyIntelX nationwide, which we believe will be accelerated by our recent achievement of a CPT code and national Medicare pricing.

Since our inception in March 2018, we have focused primarily on organizing and staffing our company, raising capital, developing the KidneyIntelX platform, conducting clinical validation studies for KidneyIntelX, establishing and protecting our intellectual property portfolio and commercial laboratory operations, pursuing

regulatory approval and developing our reimbursement strategy. To date, we have not generated any revenue from the sales of KidneyIntelX tests. We have funded our operations primarily through equity financings. In November 2018, we sold 18.4 million of our ordinary shares in our initial public offering, or IPO, and our ordinary shares were admitted to trading on AIM, a market operated by the London Stock Exchange, resulting in gross proceeds of approximately $29.1 million. In July 2019, we sold an additional 5.6 million of our ordinary shares in a secondary offering for approximately $17.3 million. Prior to our IPO, EKF Diagnostics Holding Plc, or EKF, provided debt financing, referred to as our related-party note payable. All borrowings with EKF were repaid in their entirety upon completion of the equity offering in November 2018. We have no long-term debt obligations as of March 31, 2020.

The extent of the impact of the COVID-19 pandemic on our business, operations and regulatory and commercialization timelines will depend on certain developments, including the duration and spread of the outbreak and its impact on our partners, laboratory sites, and other third parties with whom we do business, as well as its impact on regulatory authorities and our key scientific and management personnel. For example, to the extent possible, we are conducting business as usual, with necessary or advisable modifications to employee travel and employee work locations. We will continue to actively monitor the rapidly evolving situation related to COVID-19 and may take further actions that alter our business operations, including those that may be required by federal, state or local authorities, or that we determine are in the best interests of our employees, partners and shareholders. At this point, the extent to which the COVID-19 pandemic may impact our business, operations and regulatory and commercialization timelines remains uncertain.

Our key agreements

Mount Sinai Health System

In May 2018, we entered into a license agreement, or the Mount Sinai Agreement, with the Icahn School of Medicine at Mount Sinai, or Mount Sinai, pursuant to which we obtained a worldwide, royalty-bearing, exclusive license under certain patents and a worldwide, royalty-bearing, non-exclusive license under certain know-how of Mount Sinai to develop and commercialize licensed products in connection with the application of artificial intelligence for the diagnosis of kidney disease. Pursuant to the terms of the Mount Sinai Agreement, we are obligated to use commercially reasonable efforts in connection with the development and commercialization of the licensed products, including in accordance with specified diligence milestones.

We paid Mount Sinai $10 million as an up-front payment upon entering into the Mount Sinai Agreement. Under the terms of the Mount Sinai Agreement, we are obligated to pay Mount Sinai $1.5 million and $7.5 million in commercial milestone payments upon achieving worldwide net sales of KidneyIntelX of $50 million and $300 million, respectively. We are also obligated to pay Mount Sinai a 4% to 5% royalty on net sales of KidneyIntelX, subject to customary reductions. Royalties are payable on a product-by-product basis from first commercial sale of such product until the later of (1) expiration of the last valid claim of a licensed patent covering such product or (2) on a country-by-country basis, 12 years from first commercial sale of such product in such country. Moreover, we are obligated to pay Mount Sinai between 15% and 25% of any consideration received by us from a sublicensee. The two provisional patent applications covering the KidneyIntelX diagnostic in-licensed under the Mount Sinai Agreement were filed in February 2020 and April 2020, respectively. If issued, these patents will expire in February 2041 and April 2041, respectively.

The Mount Sinai Agreement expires on the later of the tenth anniversary of the execution of the agreement and expiration of the last remaining royalty term. We may terminate the Mount Sinai Agreement at any time on 90 days' prior written notice. Mount Sinai may terminate the agreement for our uncured material breach, our failure to meet certain diligence milestones, our insolvency, or in the event that we challenge the validity or enforceability of any licensed patent.

Joslin Diabetes Center

In July 2017, EKF entered into a license agreement, or the Joslin Agreement, with the Joslin Diabetes Center, Inc., or Joslin. In October 2018, we purchased all of EKF's rights, title, interest and benefit in the Joslin Agreement in exchange for the issuance of 15.4 million of our ordinary shares.

Pursuant to the Joslin Agreement and the related assignment from EKF, we obtained a worldwide, royalty-bearing, exclusive license under any patents and any related know-how of Joslin related to the patent application filed with respect to the use the TNFR1 and TNFR2 biomarkers for determining whether a patient has an increased risk of developing CKD or ESKD, or the Joslin IP, to make, have made, use, offer for sale and sell licensed products covered by claims in the Joslin IP, and to perform, practice offer for sale and sell certain licensed processes related to the Joslin IP. We are obligated to use commercially reasonable efforts in connection with the development and commercialization of the licensed products and licensed processes, including in accordance with a development plan.

Under the terms of the Joslin Agreement, we are obligated to pay Joslin aggregate commercial milestone payments of $0.3 million and $1.0 million in commercial milestone payments upon achieving worldwide net sales of licensed products and processes of $2.0 million and $10.0 million, respectively. We are also obligated to pay Joslin a 5% royalty on net sales of any licensed products or licensed processes, subject to customary reductions. Moreover, we are obligated to pay Joslin 25% of any consideration received by us from a sublicensee.

The Joslin Agreement initially expires on July 31, 2025, and is subject to an automatic five-year extension unless either party notifies the other party of its intent not to extend the agreement at least 180 days prior to initial expiration. Either party may terminate the Joslin Agreement earlier upon an uncured material breach of the agreement by the other party, the insolvency of the other party, or in the event the other party is unable to perform its obligations under the agreement for a specified period. Additionally, Joslin may terminate the agreement in the event that we cease developing or commercializing licensed products or processes, if we fail to maintain certain required insurance policies, and if we fail to pay patent expenses related to the licensed patents.

Kantaro Biosciences LLC

In May 2020, we and Mount Sinai entered into the Kantaro Operating Agreement in order to form Kantaro, for the purpose of developing and commercializing laboratory tests for the detection of antibodies against SARS-CoV-2 originally developed by Mount Sinai. In connection with the formation of Kantaro, we entered into an Advisory Agreement pursuant to which we have agreed to provide certain advisory services to Kantaro.

Pursuant to the Kantaro Operating Agreement, Kantaro issued 750 Class A Units to Mount Sinai in exchange for Mount Sinai granting licenses to Kantaro under certain intellectual property rights of Mount Sinai and 250 Class A Units to us as the sole consideration for the services to be rendered by us under the Advisory Agreement. A portion of our units are subject to forfeiture if, prior to December 31, 2020, Kantaro terminates the Advisory Agreement as a result of our uncured material breach of the Advisory Agreement or in the event we are acquired by a hospital or health system that serves all or any portion of the service areas served by Mount Sinai.

In addition to the equity granted at formation, we and Mount Sinai each committed to making a loan to Kantaro. Mount Sinai committed to lend an initial amount of $250,000 and an additional $500,000 thereafter. We committed to lend an initial amount of $83,333 and an additional $166,667 thereafter. Each loan bears interest

at a per annum rate equal to 0.25%, compounded monthly, until repaid, and is repayable from the first amounts that would otherwise constitute cash available for distribution to the members of Kantaro (provided that each loan repayment will be made, 75% to Mount Sinai and 25% to us).

The term of the Advisory Agreement will continue until the fifth anniversary of the execution thereof, unless earlier terminated. The Advisory Agreement may be terminated by either party upon an uncured material breach of the Advisory Agreement by the other party or in the event the other party is unable to perform under the Advisory Agreement for a specified period of time due to a force majeure event. Kantaro may also terminate the Advisory Agreement by notice to us if we are acquired by a hospital or health system that serves all or any portion of the service areas served by Mount Sinai. See “Business—Our key agreements—Kantaro Biosciences LLC” for additional information.

Financial operations overview

Revenues

Since our inception, we have not generated any revenue from the sale of KidneyIntelX tests. We have initiated efforts in 2020 to begin deploying KidneyIntelX to patient populations with DKD, on a regional basis through partnerships with healthcare systems and insurance payors that provide coverage to those healthcare systems’ patients. If these strategic partners fail to meet their key contractual obligations or to purchase KidneyIntelX tests, that will likely have a material adverse effect on us and our ability to achieve our commercial objectives, potentially including the attainment of sales volumes leading to profitability.

Acquired in-process research and development expenses

Acquired in-process research and development expense consists of initial up-front payments incurred in connection with the acquisition or licensing of products or technologies that do not meet the definition of a business under Accounting Standard Codification Topic 805, *Business Combinations*. Acquired in-process research and development expense reflects the cash paid or the estimated fair value of the equity consideration given.

Research and development expenses

Research and development costs consist primarily of costs incurred in connection with the development of KidneyIntelX, in addition to costs associated with FractalDx. We are currently continuing to conduct clinical utility and other studies for KidneyIntelX to determine clinical value and performance in different CKD populations. We expense research and development costs as incurred. Because we have limited resources and access to capital to fund our operations, we must decide which diagnostic product to pursue and the amount of resources to allocate to each. As such, we have been focused primarily on the development of KidneyIntelX. In April 2020, we announced our intentions to pursue a spin-off and potential admission to AIM of Verici Dx in order to secure separate financial and management resources for the FractalDx portfolio with the goal of enabling accelerated development. Through March 31, 2020, expenses associated with FractalDx were primarily related to the acquisition of the license and reimbursement of Mount Sinai for patent costs of $1.0 million and $0.3 million, respectively. Subject to us deciding to proceed with the FractalDx spin-off, we currently expect that the FractalDx spin-off will be completed prior to the completion of the global offering, and we intend to seek the admission to AIM of the shares in Verici Dx thereafter. Prior to completion of a possible admission to AIM or an equivalent financing transaction, and the establishment of an independent Verici Dx board of directors and independent management team, we will retain control of Verici Dx. As a result of our level of control, we anticipate Verici Dx will continue to be included in our consolidated financial statements and notes thereto.

We incur both direct and indirect expenses related to our research and development programs. Direct expenses include third-party expenses related to our programs such as expenses for data science and artificial intelligence capabilities, consulting fees, lab supplies, assay development services and clinical validation costs. Indirect expenses include salaries and other personnel-related costs, including share-based compensation for personnel in research and development functions and rent.

At the end of the reporting period, we compare payments made to third-party service providers to the estimated progress toward completion of the research or development objectives. Such estimates are subject to change as additional information becomes available. Depending on the timing of payments to the service providers and the progress that we estimate to have been made as a result of the service provided, we may record net prepaid or accrued expense relating to these costs. Upfront milestone payments made to third parties who perform research and development services on our behalf are expensed as services are rendered.

The successful development and commercialization of KidneyIntelX is uncertain. This is due to the numerous risks and uncertainties associated with product development and commercialization, including:

- the uncertainty of the scope, progress, costs and results of clinical validation studies and other research and development activities;
- the cost of manufacturing clinical supply of KidneyIntelX;
- the efficacy and potential advantages of KidneyIntelX compared to alternative solutions, including any standard of care, and our ability to achieve market acceptance for KidneyIntelX;
- continuing to expand study data for KidneyIntelX, including data demonstrating the clinical utility over the short, intermediate and long term use of KidneyIntelX in different clinical settings;
- ability to achieve FDA clearance under our current Breakthrough Device designation process;
- raising necessary additional funds to continue operations; and
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining, enforcing and protecting our intellectual property rights and defending against any intellectual property-related claims.

A change in the outcome of any of these variables could result in a significant change in the costs and timing associated with our related development. In addition, as part of our long-term strategy we plan to seek FDA clearance or approval so we can sell KidneyIntelX outside a CLIA Certificate of Registration laboratory; however, we would need to conduct additional clinical validation activities on our assays before we can submit an application for FDA approval or clearance.

General and administrative expenses

General and administrative expenses consist principally of legal fees relating to patent and corporate matters; salaries and other personnel-related costs including share-based compensation; professional fees for accounting, auditing, tax and administrative consulting services; administrative travel expenses; insurance costs; marketing expenses and other operating costs. Additionally, general and administrative expenses include the cost of maintaining our admission to AIM.

We anticipate that our general and administrative expenses will increase in the future as we increase our headcount to support the continued development and commercialization of KidneyIntelX and any future products. We also anticipate that we will incur increased accounting, audit, legal, regulatory, compliance and director and officer insurance costs as well as investor and public relations expenses associated with maintaining compliance with stock exchange listing and SEC requirements, accounting and investor relations

costs, and director and officer insurance premiums associated with being a company that is both publicly listed in the United States and admitted to trading on AIM in the United Kingdom.

Other income (expense)

Other income primarily consists of realized gains on the sale of short-term investments, foreign currency income (losses) due to exchange rate fluctuations on transactions denominated in a currency other than our functional currency, and the sale of excess supplies. The income is offset by the interest expense related to our related party borrowings from EKF that were repaid in their entirety in November 2018.

Consolidated results of operations

Comparison of the nine months ended March 31, 2019 and 2020

	Nine months ended March 31,	
(in thousands)	**2019**	**2020**
Operating expenses:		
Acquired in-process research and development	$ 35,286	$ —
Research and development	3,081	3,659
General and administrative	1,904	3,770
Loss from operations	(40,271)	(7,429)
Other income, net	117	562
Net loss	$(40,154)	$(6,867)

Acquired in-process research and development expenses

During the nine months ended March 31, 2019, we recognized $35.3 million in acquired in-process research and development expenses in connection with the upfront payments to acquire exclusive licenses from Mount Sinai of $11.0 million and the estimated fair value of our ordinary shares issued to EFK upon assignment of the license with Joslin of $24.3 million. Given the timing of the assignment of the Joslin license in October 2018 and our IPO in November 2018, the estimated fair value of our ordinary shares issued to EKF was estimated to be equal to the IPO price.

Research and development expenses

Research and development expenses increased by $0.6 million from $3.1 million for the nine months ended March 31, 2019 to $3.7 million for nine months ended March 31, 2020. The increase was attributable to an increase of $0.5 million in compensation and related benefits, including share-based payments, due to increased headcount, $0.4 million increase in consulting and professional fees, $0.3 million increase for facility leases, offset by $0.3 million decrease in lab supplies purchases and $0.3 million decrease in clinical validation expenses.

General and administrative expenses

General and administrative expenses increased $1.9 million from $1.9 million for the nine months ended March 31, 2019 to $3.8 million for the nine months ended March 31, 2020. The increase was due to an increase of $1.2 million in compensation and related benefits, including share-based payments, due to increased headcount, $0.3 million increase in consulting and professional fees and $0.4 million of marketing, facility and other operating expenses in preparation of product launch.

Other income (expense)

We incurred $16,000 in interest expense on our related-party note with EKF during the nine months ended March 31, 2019. The related-party note was repaid in November 2018. We recognized unrealized foreign exchange gains of $0.1 million during the nine months ended March 31, 2019. During the nine months ended March 31, 2020, we realized gains of $0.1 million on the sale of U.S. Treasury securities. We also recognized unrealized foreign exchange gains of $0.3 million and other income of $0.1 million related to the sale of excess supplies during the nine months ended March 31, 2020.

Comparison of the period from March 15, 2018 (inception) through June 30, 2018 and the year ended June 30, 2019

(in thousands)	From March 15, 2018 (inception) through June 30, 2018	Year ended June 30, 2019
Operating expenses:		
Acquired in-process research and development	$ —	$ 35,286
Research and development	193	4,316
General and administrative	374	2,737
Loss from operations	(567)	(42,339)
Other income (expense), net	(5)	38
Net loss	$ (572)	$ (42,301)

Acquired in-process research and development expenses

During the year ended June 30, 2019, we recognized $35.3 million in acquired in-process research and development expenses in connection with the upfront payments to acquire exclusive licenses from Mount Sinai of $11.0 million and the estimated fair value of our ordinary shares issued to EFK upon assignment of the license with Joslin of $24.3 million. Given the timing of the assignment of the Joslin license in October 2018 and our IPO in November 2018, the estimated fair value of our ordinary shares issued to EKF was estimated to be equal to the IPO price.

Research and development expenses

Research and development expenses increased by $4.1 million from $0.2 million for the period from March 15, 2018 (inception) through June 30, 2018 to $4.3 million for the year ended June 30, 2019. In the year ended June 30, 2019, we incurred $3.6 million of research and development expenses as we commenced our clinical validation studies for KidneyIntelX. We also incurred $0.7 million in personnel-related expenses due to increased headcount, of which $0.3 million was share-based compensation expense associated with the options we granted in November 2018.

General and administrative expenses

General and administrative expenses increased $2.4 million from $0.4 million for the period from March 15, 2018 (inception) through June 30, 2018 to $2.8 million for the year ended June 30, 2019. The increase was due to an increase of $0.7 million in professional fees, primarily related to legal, accounting , and consulting

services as we operate as a publicly traded company in the United Kingdom, $0.8 million in compensation and related benefits due to increased headcount, $0.4 million of travel expenses, $0.5 million of marketing, facility and other operating expenses.

Other income (expense)

We incurred $5,000 of interest expense on our related party note with EKF for the period from March 15, 2018 (inception) through June 30, 2018. We received $34,000 of interest income during the year ended June 30, 2019 as a result of interest earned on cash deposits and incurred $16,000 in interest expense on our related-party note with EKF. The related-party note was repaid in November 2018. We recognized a realized foreign exchange gain of $20,000 during the year ended June 30, 2019.

Liquidity and capital resources

Since our inception, we have incurred net losses. We incurred net losses of $42.3 million and $6.9 million for the year ended June 30, 2019 and nine months ended March 31, 2020, respectively. As of March 31, 2020, we had an accumulated deficit of $49.7 million.

We expect to incur additional losses in the near future, and we expect our expenses to increase substantially in connection with our ongoing activities, particularly as we continue to commercialize and scale KidneyIntelX, particularly as we conduct our ongoing and planned clinical utility and other studies for KidneyIntelX for its commercial launch, develop and refine our artificial intelligence technology platform, seek regulatory clearances or approvals for KidneyIntelX or any other product we develop, establish and maintain partnerships with healthcare systems, pursue our coverage and reimbursement strategy and continue to invest in our infrastructure to support our manufacturing and other activities. In addition, upon the completion of this offering, we expect to incur additional costs associated with operating as a public company in the United States. The timing and amount of our operating expenditures will depend largely on:

- the cost, progress and results of our ongoing and planned validation studies and health economic studies;
- the cost, timing and outcome of entering into and maintaining partnership agreements with healthcare systems for the commercial sale of KidneyIntelX;
- the cost of manufacturing clinical and commercial supply of KidneyIntelX;
- the cost, timing and outcome of regulatory review of KidneyIntelX, including any post-marketing studies that could be required by regulatory authorities;
- the cost, timing and outcome of identified and potential future commercialization activities, including manufacturing, marketing, sales and distribution, for KidneyIntelX;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims, including any claims by third parties that we are infringing upon their intellectual property rights;
- the timing and amount of future revenue, if any, received from commercial sales of KidneyIntelX;
- the sales price and availability of adequate third-party coverage and reimbursement for KidneyIntelX;
- the effect of competing technological and market developments; and
- the extent to which we acquire or invest in businesses, products and technologies, such as Kantaro, although we currently have no other commitments or agreements to complete any such transactions.

To date, we have primarily financed our operations through equity financings. As of March 31, 2020, we had cash, cash equivalents and short-term investments of $17.8 million. We believe that our existing cash, cash equivalents and short-term investments will enable us to fund our current operating plan for at least the next 12 months. We have based this estimate on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect.

Until such time, if ever, as we can generate substantial revenue from sales of KidneyIntelX tests, we expect to finance our cash needs through a combination of securities offerings, debt financings, collaborations, strategic alliances and marketing, distribution or licensing arrangements with third parties. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our shareholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our shareholders. Historically, we have not obtained traditional debt financing. EKF provided short-term debt financing that was repaid in November 2018. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or diagnostic products or grant licenses on terms that may not be favorable to us. Additional capital may not be available when needed, on reasonable terms, or at all, and our ability to raise additional capital may be adversely impacted by potential worsening global economic conditions and the recent disruptions to and volatility in the credit and financial markets in the United States and worldwide resulting from the ongoing COVID-19 pandemic. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed, we may be required to delay, curtail or discontinue our product development or future commercialization efforts, or grant rights to develop and market products that we would otherwise prefer to develop and market ourselves.

Cash flows

The following table shows a summary of our cash flows from operations for the periods indicated (in thousands):

	From March 15, 2018 (inception) through June 30, 2018	Year ended June 30, 2019	Nine months ended March 31, 2019	Nine months ended March 31, 2020
Net cash used in operating activities	$ (427)	$ (6,156)	$ (3,779)	$ (7,135)
Net cash used in investing activities	$ —	$ (12,300)	$ (15,281)	$ (7,551)
Net cash provided by financing activities	$ 508	$ 27,383	$ 27,382	$ 16,384
Effect of exchange rate changes on cash	$ 1	$ (808)	$ (686)	$ (25)

Net cash used in operating activities

During the nine months ended March 31, 2019, net cash used in operating activities was $3.8 million and was primarily attributable to our $40.2 million net loss that was offset by $35.5 million in noncash charges and $0.9 million in the net change in our operating assets and liabilities. Noncash charges were primarily related to the in-process research and development charge of $35.3 million and our share-based compensation expense of $0.4 million offset by $0.2 million in unrealized foreign exchange gains. Our upfront payments to Mount Sinai of $11.0 million were recognized as outflow investing activities and then immediately expensed as a non-cash operating inflow activities as these expenses were determined to have no alternative future use and not eligible to be capitalized. We also recognized an in-process research and development expense of $24.3 million in connection with the estimated fair value of our ordinary shares issued to EKF in exchange for acquiring the

license with Joslin. The net change in our operating assets and liabilities was primarily attributable to $0.9 million increase in our payables and accrued expenses due to the timing of payment to our vendors.

During the nine months ended March 31, 2020, net cash used in operating activities was $7.1 million and was primarily attributable to our $6.9 million net loss and $0.7 million in the net change in our operating assets and liabilities that was offset by $0.5 million in noncash charges. Noncash charges were primarily related to our share-based compensation expense of $0.8 million offset by $0.3 million in unrealized foreign exchange gains.

During the period from March 15, 2018 (inception) through June 30, 2018, net cash used in operating activities was $0.4 million and was primarily attributable to our $0.6 million net loss that was offset by $0.2 million in the net change in our operating assets and liabilities as we had limited operating activity from our inception date of March 15, 2018 through June 30, 2018.

During the year ended June 30, 2019, net cash used in operating activities was $6.2 million and was primarily attributable to our $42.3 million net loss that was offset by $35.8 million in noncash charges and $0.3 million in the net change in our operating assets and liabilities. Noncash charges were primarily related to the in-process research and development charge of $35.3 million and our share-based compensation expense of $0.5 million. Our upfront payments to Mount Sinai of $11.0 million were recognized as outflow investing activities and then immediately expensed as a non-cash operating inflow activities as these expenses were determined to have no alternative future use and not eligible to be capitalized. We also recognized an in-process research and development expense of $24.3 million in connection with the estimated fair value of our ordinary shares issued to EKF in exchange for acquiring the license with Joslin. The change in our operating assets and liabilities was primarily attributable to $0.5 million increase in our payables and accrued expenses and due to the timing of payment to our vendors.

Net cash provided by and used in investing activities

During the nine months ended March 31, 2019, net cash used in investing activities was $15.3 million and primarily attributable to licenses purchased from Mount Sinai of $11.0 million and $4.0 million for the purchase of short-term investments. In addition, we purchased lab equipment of $0.3 million.

During the nine months ended March 31, 2020, net cash used in investing activities was $7.6 million and primarily attributable to purchases of $21.3 million related to our short-term investments, $0.6 million for the purchase of lab and office equipment and $0.1 million of software development costs. This was offset by $14.4 million of gross proceeds from the sale of short-term investments.

We had no investing activities during the period from March 15, 2018 (inception) through June 30, 2018. During the year ended June 30, 2019, net cash used in investing activities was $12.3 million and primarily attributable to licenses purchased from Mount Sinai of $11.0 million and $0.3 million for the purchase of lab equipment. In addition, we had net purchases of $1.0 million related to our short-term investments.

Net cash provided by financing activities

During the nine months ended March 31, 2019, net cash provided by financing activities was $27.4 million and was primarily attributable to net proceeds of $27.8 million in connection with our IPO in November 2018. We also received $0.6 million in additional borrowings with EKF. Upon completion of the IPO, we made payments of $1.0 million to EKF to repay all outstanding borrowings.

During the nine months ended March 31, 2020, net cash provided by financing activities was $16.4 million and was attributable to the secondary public offering on AIM, that closed on July 29, 2019, for 5.6 million of our ordinary shares.

During the period from March 15, 2018 (inception) through June 30, 2018, net cash provided by financing activities was $0.5 million and primarily attributable to the $0.4 million in borrowings from EKF to fund our operations until we completed our IPO. We also received $66,000 in cash proceeds in May 2018 upon issuing our ordinary shares in connection with our formation.

During the year ended June 30, 2019, net cash provided by financing activities was $27.4 million and was primarily attributable to net proceeds of $27.8 million in connection with our IPO in November 2018. We also received $0.6 million in additional borrowings with EKF. Upon completion of the IPO, we made payments of $1.0 million to EKF to repay all outstanding borrowings.

Contractual obligations and commitments

The following table summarizes our contractual obligations at June 30, 2019 (in thousands):

	Total	Less than 1 year	1 to 3 years	3 to 5 years	Greater than 5 years
Operating leases[1]	$ 149	$ 149	$ —	$ —	$ —
Total	$ 149	$ 149	$ —	$ —	$ —

(1) Reflects obligations related primarily to our office and laboratory leases in New York, NY.

The commitment amounts in the table above are associated with contracts that are enforceable and legally binding and that specify all significant terms, including fixed or minimum services to be used, fixed, minimum or variable price provisions, and the approximate timing of the actions under the contracts. Payments due upon cancellation consisting only of payments for services provided or expenses incurred, including non-cancellable obligations of our service providers, up to the date of cancellation are not included in the preceding table as the amount and timing of such payments are not known.

In October 2019, we entered into a five-year lease for our new commercial laboratory facilities in Salt Lake City, Utah. The contractual table above does not include the $0.4 million in future minimum payments associated with this lease.

The contractual obligations table does not include any potential royalty or milestone payments that we may be required to make under our license agreements with Mount Sinai and Joslin. We excluded these royalty and milestone payments given that the timing of any such payments cannot be reasonably estimated at this time.

Off-balance sheet arrangements

During the periods presented, we did not have, nor do we currently have, any relationships with unconsolidated entities or financial partnerships, including entities sometimes referred to as structured finance or special purpose entities that were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. We do not engage in off-balance sheet financing arrangements. In addition, we do not engage in trading activities involving non-exchange traded contracts. We therefore believe that we are not materially exposed to any financing, liquidity, market or credit risk that could arise if we had engaged in these relationships.

Critical accounting policies

Our management’s discussion and analysis of our financial condition and results of operations are based on our financial statements, which have been prepared in accordance with U.S. generally accepted accounting

principles. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, and expenses and the disclosure of contingent assets and liabilities in our financial statements. On an ongoing basis, we evaluate our estimates and judgments, including those related to accrued expenses and share-based compensation. We base our estimates on historical experience, known trends and events, and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

While our significant accounting policies are described in more detail in Note 3 to our financial statements included elsewhere in this prospectus, we believe the following accounting policies are the most critical to the judgments and estimates used in the preparation of our financial statements.

Research and development expenses

Research and development expenses consist primarily of costs incurred in connection with the development of KidneyIntelX, in addition to costs associated with FractalDx. We expense research and development costs as incurred.

We accrue an expense for validation, clinical utility and other studies for KidneyIntelX performed by our vendors based upon estimates of the proportion of work completed. We determine the estimates by reviewing contracts, vendor agreements and purchase orders, and through discussions with our internal clinical personnel and external service providers as to the progress or stage of completion of trials or services and the agreed-upon fee to be paid for such services. However, actual costs and timing of clinical trials are highly uncertain, subject to risks and may change depending upon a number of factors, including our clinical development plan.

We make estimates of our accrued expenses as of each balance sheet date in our financial statements based on facts and circumstances known at that time. If the actual timing of the performance of services or the level of effort varies from the estimate, we will adjust the accrual accordingly. Nonrefundable advance payments for goods and services, including fees for process development or manufacturing and distribution of clinical supplies that will be used in future research and development activities, are deferred and recognized as expense in the period that the related goods are consumed or services are performed.

Acquired in-process research and development

Acquired in-process research and development expense consists of the initial up-front payments incurred in connection with the acquisition or licensing of diagnostic products that do not meet the definition of a business under Accounting Standard Codification Topic 805, *Business Combinations*. Consideration paid in connection with asset acquisitions are expensed immediately if they have no alternative future use or have not achieve technological feasibility at the time of acquisition.

Recent accounting pronouncements

See Note 3 to our financial statements found elsewhere in this prospectus for a description of recent accounting pronouncements applicable to our financial statements.

Qualitative and quantitative disclosures about market risk

We report our consolidated financial results in U.S. dollars. Renalytix AI plc's and Renalytix AI, Inc.'s function currency is their local currency. The functional currency of Renalytix Al plc is the pound sterling which is

translated into the U.S. dollar for assets and liabilities at the exchange rate at the balance sheet dates and revenue and expenses are translated at the weighted-average exchange rates during the reporting period. Translation adjustments are not included in determining net income (loss) but are included in foreign exchange adjustment to accumulated other comprehensive income (loss), a component of shareholders' equity.

We do not currently engage in currency hedging activities in order to reduce our currency exposure, but we may begin to do so in the future. Instruments that may be used to hedge future risks may include foreign currency forward and swap contracts. These instruments may be used to selectively manage risks, but there can be no assurance that we will be fully protected against material foreign currency fluctuations.

We are exposed to market risk related to changes in interest rates. As of March 31, 2020, we had cash, cash equivalents and short-term investments of $17.8 million consisting of bank deposits and U.S. Treasury securities. Our primary exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of U.S. interest rates, particularly because our investments are in marketable debt securities.

Our available-for-sale securities are subject to interest rate risk and will fall in value if market interest rates increase. Due to the short-term duration of our investment portfolio and the low risk profile of our investments, an immediate 10% change in interest rates would not have a material effect on the fair market value of our portfolio. We have the ability to hold our available-sale-securities until maturity, and therefore, we would not expect our operating results or cash flows to be affected to any significant degree by the effect of a change in market interest rates on our investments. We do not currently have any auction rate securities.

JOBS Act transition period

In April 2012, the JOBS Act was enacted. Section 107 of the JOBS Act provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended, for complying with new or revised accounting standards. An emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of the extended transition period for complying with new or revised accounting standards and, as a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

We are in the process of evaluating the benefits of relying on other exemptions and reduced reporting requirements under the JOBS Act. Subject to certain conditions, as an emerging growth company, we may rely on certain of these exemptions, including without limitation exemptions to the requirements for (1) providing an auditor's attestation report on our system of internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act and (2) complying with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements, known as the auditor discussion and analysis. We will remain an emerging growth company until the earlier to occur of (a) the last day of the fiscal year (1) following the fifth anniversary of the completion of this offering, (2) in which we have total annual gross revenues of at least $1.07 billion or (3) in which we are deemed to be a "large accelerated filer" under the rules of the SEC, which means the market value of our ordinary shares and ADSs that are held by non-affiliates exceeds $700.0 million as of the prior December 31, or (b) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period.

Business

Overview

We are an artificial intelligence-enabled *in vitro* diagnostics company, focused on optimizing clinical management of kidney disease to drive improved patient outcomes and lower healthcare costs. KidneyIntelX, our first-in-class diagnostic platform, employs a proprietary artificial intelligence-enabled algorithm that combines diverse data inputs, including validated blood-based biomarkers, inherited genetics and personalized patient data from electronic health record, or EHR, systems, to generate a unique patient risk score. This patient risk score enables prediction of progressive kidney function decline in chronic kidney disease, or CKD, allowing physicians and healthcare systems to optimize the allocation of treatments and clinical resources to patients at highest risk. CKD affects approximately 37 million individuals in the United States, significantly impacting their quality of life and, according to the United States Renal Data System's 2019 Annual Data Report, resulting in Medicare spending of over $120 billion per year. In response to this substantial kidney disease burden, a U.S. Presidential Executive Order on Advancing American Kidney Health was issued in July 2019 to support change in kidney disease care. We believe we are well-positioned to help meet this urgent medical need with KidneyIntelX, a laboratory developed test, or LDT, initially indicated for adult patients with type 2 diabetes and existing CKD, which is referred to as diabetic kidney disease, or DKD. KidneyIntelX has already been granted a common procedural terminology, or CPT, code, national Medicare pricing and a positive coverage determination from a regional, private physician-led health insurance payor. Further, it has been granted breakthrough device designation from the U.S. Food and Drug Administration, or the FDA. Building on these significant reimbursement and regulatory milestones, we believe our population health-based business model, which includes partnerships with healthcare systems, such as Mount Sinai Health System, will help facilitate commercial adoption of KidneyIntelX in the United States.

Kidney disease is a worldwide public health crisis, resulting in more deaths per year than breast or prostate cancer. The National Kidney Foundation, or the NKF, estimates that one-third of adults in the United States are at risk of developing kidney disease. Advanced kidney disease is generally not reversible and, once the disease progresses to kidney failure, the only available treatments are long-term dialysis and kidney transplant. In 2016, more than 726,000 patients had end-stage kidney disease, or ESKD, with more than 500,000 requiring dialysis at least three times a week. More than 100,000 patients begin dialysis each year to treat ESKD. Once on dialysis, patients typically experience a five-year mortality rate of up to 65%, about the equivalent rate for brain cancer. Further, transplants are expensive and uncertain. As of July 2019, nearly 100,000 Americans were on the waiting list to receive a kidney transplant and 13 patients die in the United States while waiting for a kidney transplant every day.

Moreover, the kidney disease crisis is continuing to grow along with the increased prevalence of contributing risk factors. One of the most significant risk factors for developing CKD is diabetes. It is estimated that there are approximately over 12.6 million adults with DKD in the United States, and DKD is the most common cause of ESKD in most developed countries. Obesity is believed to account for 80% to 85% of the risk of developing type 2 diabetes. The worldwide prevalence of obesity nearly tripled between 1975 and 2016. Further, according to a 2019 study from the Harvard T.H. Chan School of Public Health, by 2030, it is estimated that about half of the U.S. adult population will be classified as obese and about a quarter as severely obese. This significant projected increase in the prevalence of obesity is expected to continue to drive an increase in diabetes, CKD, DKD and ESKD.

Managing a CKD population of this scale and the associated healthcare spending presents a unique healthcare system challenge, requiring a solution that provides a clearer understanding of clinical risk tied to specific guideline-driven clinical recommendations. The ability to predict which patients will experience progressive kidney function decline, which includes rapid kidney function decline, or RKFD, sustained significant decline in kidney function, kidney failure, initiation of long-term dialysis or kidney transplant, is critical to changing patient

outcomes and health economics. Current methods for risk stratification of patients with CKD lack sufficient precision in predicting progressive kidney function decline, especially at earlier stages of the disease. This can exacerbate the occurrence of unexpected and expensive clinical events. In fact, up to 38% of patients with CKD initiate dialysis with little or no prior clinical specialist consultation, and up to 63% of patients with CKD initiate dialysis in an unplanned fashion with a central venous catheter and/or during emergency hospitalization, which we refer to as "dialysis crash." This highlights the need for an early mechanism to identify potential instances of rapidly progressing CKD before it becomes critical to the patient's health and costly to healthcare providers. In our clinical validation studies in patients with DKD, we observed that the Kidney Disease: Improving Global Outcomes, or KDIGO, classification system, which is the standard clinical assessment to predict risk for progression of CKD, including DKD, only identified approximately 20% of patients that experienced an adverse kidney outcome as very high-risk patients with the recommendation of referral to a nephrologist, while KidneyIntelX identified nearly half of such patients. Lack of ability to accurately predict which patients are at higher risk has led to strained clinician resources, inadequate referrals to clinical specialists and suboptimal treatment of DKD, resulting in significant patient suffering and diminished quality of life.

We believe that the KidneyIntelX platform will be central to managing CKD, helping to identify which patients could benefit from clinical interventions at earlier stages of CKD before significant and irreversible kidney damage has taken place. For patients with CKD as a result of diabetes, obesity or other factors, early intervention can lower the risk of progressing to life-altering advanced disease, kidney failure, dialysis and diminished quality of life. For primary care physicians and specialists, KidneyIntelX provides an easy-to-understand, reportable patient risk score integrated with specific guideline-driven clinical recommendations designed to maximize patient treatment and compliance outcomes. For insurance payors, KidneyIntelX can help drive health economics gains over time. For population health and clinical medicine departments, KidneyIntelX provides a powerful prognostic tool to stratify CKD populations into low-, intermediate- and high-risk categories applied to a continuous scale, enabling physicians to optimize the choice of treatment and allocation of clinical resources to benefit patient outcomes and health economics. In our clinical validation studies to date, involving stored specimens from over 1,500 patients with DKD, KidneyIntelX demonstrated the ability to more accurately identify which patients would experience progressive kidney function decline over current clinical practice. We believe early risk stratification, using advanced technology implemented in partnership with healthcare systems and insurance payors, can help support a fundamental shift towards optimal treatment for the over 850 million people suffering from kidney disease worldwide.

We believe that the utilization of KidneyIntelX across large patient populations will have a significant impact on overall healthcare costs. Health economic benefits are projected to be derived from three key areas of benefit: (1) slowing progression to the next stage of CKD, (2) delaying or preventing progression to ESKD and the need for dialysis or kidney transplant and (3) avoiding dialysis crashes. By deploying our proprietary artificial intelligence-enabled algorithm in a clinically validated, *in vitro* diagnostic test, KidneyIntelX is able to help predict which patients will experience progressive kidney function decline within a five-year timeframe, equipping physicians with the information they need to properly assess risk and stratify patients, more efficiently allocate treatments and clinical resources for high-risk patients, and intensify or pivot treatment over time as a patient's risk evolves. We have partnered with Boston Healthcare Associates, or BHA, to develop a health economic model analyzing the cost and care pathway for patients with DKD at all stages of the disease and the potential cost savings of implementing and utilizing KidneyIntelX. According to the BHA study, based on the Medicare price of $950 per reportable test, KidneyIntelX would generate a positive return for health insurers in under 24 months and deliver a cost savings of up to $1.3 billion over five years per 100,000 patients with DKD.

Several federal policy and economic events, including the U.S. Presidential Executive Order on Advancing American Kidney Health issued in July 2019 and recent changes in U.S. reimbursement law, are helping disrupt

the kidney disease clinical and commercial environment and highlighting the pressing need for solutions such as KidneyIntelX. We believe this shift will benefit us as we continue to expand our insurance payor coverage, pursue clearance from the FDA for KidneyIntelX, and seek to leverage partnerships with healthcare systems and relevant payors to drive commercial adoption. We have already achieved a number of reimbursement and regulatory milestones critical to these goals, including:

- receiving a CPT code for KidneyIntelX, which can be used to report the use of KidneyIntelX to private and public payors throughout the United States for reimbursement;
- the Centers for Medicare & Medicaid Services, or CMS, including KidneyIntelX on the Final 2020 Clinical Laboratory Fee Schedule, or CLFS, and setting the national price for KidneyIntelX at $950 per reportable test;
- Capital District Physicians' Health Plan, Inc., a physician-led health insurance payor, issuing a positive coverage determination for KidneyIntelX for certain patients with DKD;
- Noridian Healthcare Solutions, the regional Medicare Administrative Contractor with responsibility for overseeing facilities and providers located in the western United States, approving our application for a Medicare Provider Transaction Access Number, or PTAN, which qualifies us as a provider and allows us to bill for services provided to patients with Medicare and Medicaid health insurance coverage in the United States;
- the FDA granting breakthrough device designation for KidneyIntelX;
- receiving a Clinical Laboratory Improvement Amendments , or CLIA, Certificate of Registration for our newly established commercial laboratory operation in Salt Lake City, Utah, which we believe will support scale-up test volumes, optimize processing costs and accelerate payor coverage determinations; and
- receiving a clinical laboratory permit from the New York State Department of Health for our commercial laboratory in New York City to provide commercial testing of KidneyIntelX. With licensed CLIA commercial laboratories in Utah and New York, we can now provide KidneyIntelX testing services in 47 states (excluding California, Maryland and Pennsylvania).

We plan to deploy KidneyIntelX to patient populations with DKD on a regional basis through partnerships with healthcare systems and insurance payors that provide coverage to those healthcare systems' patients. We are focused on building integrated partnerships with healthcare systems and the engagement and support of their clinical leadership teams, which will allow us to efficiently initiate and deploy our solution. Integration of the KidneyIntelX software platform with healthcare providers' EHR systems enables seamless electronic test ordering and score reporting. In addition, by deploying KidneyIntelX at a population health and clinical medicine level, we are able to reduce fixed operating costs associated with hiring and maintaining a direct sales force.

Our executive team has an average of 25 years' experience in different professional disciplines including bioinformatics, digital health, data security, market access, commercial operations, medical affairs, insurance reimbursement, FDA regulation and International Organization for Standardization, or ISO, quality management systems, population health, clinical medicine and health economics. We believe the integration of such diverse experience is essential to understanding the complex dynamics of deploying a new technology into the highly regulated world of patient clinical care, and we have assembled our team specifically with this multi-disciplinary approach in mind.

We also benefit from the extensive experience of our board of directors, our clinical investigators and medical advisory board of world-leading experts in kidney disease from Mount Sinai Health System, the Harvard Medical School, the Harvard School of Public Health, Johns Hopkins Medicine, University of Chicago, University of Washington, Wake Forest University and the NKF.

Recent developments

COVID-19 studies

The current COVID-19 pandemic has had a devastating impact around the world, with over 3.8 million reported cases worldwide across 180 countries and regions as of May 7, 2020. Similar to earlier coronavirus-associated respiratory diseases like SARS and MERS, sudden decrease in kidney function, or acute kidney injury, and kidney abnormalities are highly associated with COVID-19 severity and outcomes. Preliminary reports indicate that acute kidney injury occurs in approximately 20% to 40% of patients hospitalized with COVID-19, and data from Mount Sinai indicates that 70% of patients that develop acute kidney injury in the setting of COVID-19 die in the hospital or do not recovery kidney function by discharge. In addition, although it is too soon to understand the natural progression of kidney function after acute kidney injury in the setting of COVID-19, numerous previous studies have demonstrated that non-recovery from acute kidney injury is associated with worse kidney outcomes, including CKD and its progression, as well as ESKD. These data together suggest that acute kidney injury is an important complication of COVID-19, and we believe that COVID-19 will have even greater implications for long-term kidney function. As a result, we also believe it will be important to be able to predict which patients will experience short-term major adverse kidney events which are acute in nature, such as acute dialysis or death at the hospital or within three months after discharge, as well as those that will experience longer term progressive kidney function decline after recovering from COVID-19. A third-party study estimated that over 44 million individuals in the United States will ultimately be hospitalized for COVID-19, representing a large population of patients that are at risk of kidney-related complications while hospitalized and could be at high-risk for developing CKD after recovering from COVID-19.

We plan to investigate the use of KidneyIntelX for patients with COVID-19 in two clinical studies. The first study will be in patients with COVID-19 admitted to Mount Sinai. The goal of the study is to improve the understanding of mechanisms of COVID-19-associated kidney disease, and to leverage the KidneyIntelX platform to deploy machine learning-based prediction models that utilize clinical data along with plasma and urine biomarkers to risk stratify COVID-19 patients into low-, medium- and high-risk categories for major adverse kidney events, including need for dialysis and recovery of kidney function after discharge. The second study is being designed in partnership with multiple major academic institutions. The goal of this study is to understand the long-term kidney epidemiology of CKD in survivors of COVID-19 and validate KidneyIntelX for prediction of long-term kidney outcomes post-COVID hospitalization that will inform further prevention, treatment and clinical care.

FractalDx spin-off

We have an exclusive license to FractalDx, a technology portfolio of diagnostic and prognostic products in-licensed from Mount Sinai since late-2018. The FractalDx technology is based principally on sequencing biomarkers from a patient's blood using widely available instrument platforms. We have been developing two products from the portfolio: a prognostic test performed prior to kidney transplant to predict which transplant recipients are most at risk of acute rejection and a diagnostic test for evidence of rejection of the transplanted kidney in advance of any clinical symptoms.

On March 3, 2020, we announced that our board of directors was considering options for the spin-off of FractalDx to provide the opportunity to secure separate financial and management resources for the FractalDx portfolio, with the goal of enabling accelerated development of FractalDx products and achievement of commercial milestones.

We are implementing the FractalDx spin-off in advance of a proposed admission to AIM of our newly established subsidiary, Verici Dx. In May 2020, we transferred the in-licensed FractalDx technology and associated assets to Verici Dx. The reduction of share capital necessary to implement the FractalDx spin-off was approved by our

shareholders at a general meeting held on May 15, 2020 and confirmed by the High Court in England and Wales on June 9, 2020. Subject to us deciding to proceed with the FractalDx spin-off, we currently expect that the FractalDx spin-off will be completed prior to the completion of the global offering, and we may seek the admission to AIM of the shares in Verici Dx thereafter. Prior to completion of a possible admission to AIM or an equivalent financing transaction, and the establishment of an independent Verici Dx board of directors and independent management team, we will retain control of Verici Dx. As a result of our level of control, we anticipate Verici Dx will continue to be included in our consolidated financial statements and notes thereto.

Joint venture with Mount Sinai for production of COVID-19 antibody tests

In May 2020, we and Mount Sinai entered into an operating agreement, or the Kantaro Operating Agreement, in order to form a joint venture, Kantaro Biosciences LLC, or Kantaro, for the purpose of developing and commercializing laboratory tests for the detection of antibodies against SARS-CoV-2 originally developed by Mount Sinai. In connection with the formation of Kantaro, we entered into an advisory services agreement, or the Advisory Agreement, pursuant to which we have agreed to provide certain advisory services to Kantaro. Kantaro has partnered with Bio-Techne Corporation to develop the new test with the goal of commercially launching in the third quarter of the calendar year 2020. The tests are designed for use in any authorized clinical testing laboratory without the need for proprietary equipment. See "—Our key agreements—Kantaro Biosciences LLC" for additional information.

Our strategy

Our goal is to lower healthcare costs and improve patient quality of life by transforming the paradigm for kidney disease risk assessment and clinical management through our KidneyIntelX platform. To achieve this goal, we plan to:

- ***Continue to Build Integrated Partnerships with Healthcare Systems on a Population Health Basis.*** We are focused on building partnerships with healthcare systems and the engagement and support of their clinical leadership teams, which will enable us to efficiently initiate and deploy our solution to patient populations with DKD. A key aspect of this is technical integration of the KidneyIntelX software platform with healthcare systems' EHR systems and clinical workflow. We expect the commercial launch of our partnership with Mount Sinai Health System, including initiation of patient testing, to occur in the third quarter of calendar year 2020. Integrated partnerships such as this are designed to allow KidneyIntelX to be deployed directly to patient populations and their treating clinicians in a cost-efficient and timely manner. We are engaging with multiple healthcare institutions and national payors regarding additional partnership opportunities.
- ***Further Expand Insurance Payor Coverage.*** We believe that the potential of KidneyIntelX to improve patient outcomes and promote benefits in health economics for patients, physicians and payors provides a strong foundation for our reimbursement strategy. Moreover, early and ongoing engagement with insurance payors will be key to supporting the deployment of KidneyIntelX. In October 2019, Capital District Physicians' Health Plan, Inc., a physician-led health insurance payor in New York, adopted coverage determination policies that provide insurance for certain patients with DKD who are tested with KidneyIntelX. We are working with additional private insurance payors and healthcare providers to expand insurance coverage for KidneyIntelX nationwide, which we believe will be accelerated by our recent achievement of a CPT code and national Medicare pricing.
- ***Continue to Pursue Medicare Coverage.*** Following the receipt of national Medicare pricing at $950 per reportable test for KidneyIntelX in January 2020, we are actively pursuing Medicare coverage determination under the Molecular Diagnostics Services, or MolDX, Program, which would expand our Medicare coverage and expedite the claims payment process. In March 2020, we announced that our application for a Medicare PTAN was approved by Noridian Healthcare Solutions, the regional Medicare Administrative Contractor with

responsibility for overseeing facilities and providers located in the western United States, and as a result, we are now qualified as a provider and can bill for services provided to patients with Medicare and Medicaid health insurance coverage in the United States. We estimate that Medicare currently provides insurance coverage for approximately 14 million patients with CKD. We currently anticipate a coverage determination decision under MolDX in calendar year 2021.

- ***Obtain FDA Clearance of KidneyIntelX to Further Drive Commercial Adoption in the United States.*** While not required for commercialization as an LDT, we are seeking marketing authorization from the FDA through the de novo classification process, which we refer to as "clearance" from the FDA, as part of our strategy to produce a product capable of becoming the new, long-term standard of care for patients with CKD. We have designed KidneyIntelX under a quality-controlled product development process to support our FDA clearance application, and to take advantage of the dynamic capability of machine learning applied to large datasets through regulated, versioned product releases. KidneyIntelX was granted breakthrough device designation from the FDA in May 2019. In addition, we believe that preparing for and potentially obtaining FDA clearance could support our efforts to obtain regulatory approvals of KidneyIntelX in the United Kingdom, European Union, China and other major global market territories, provide support for the adoption of KidneyIntelX across clinical disciplines and assist with the establishment of private third-party and government-based reimbursement.
- ***Build Substantial Repository of Kidney Disease-Related Data.*** We intend to build a repository of kidney disease-related data for the development of progressive KidneyIntelX product versions and additional artificial intelligence-powered clinical applications. We are designing applications to examine disease patterns in large patient populations and to optimize clinical care navigation and management effectiveness. These developments are underpinned by the goals of driving patient and physician behavior changes and ultimately improving patient outcomes. Access to current and historical patient data, combined with the ability to analytically and clinically validate study results in a quality-controlled framework, provides us with a powerful product development platform. Moreover, depth, specificity and quality of data is of paramount importance to developing solutions with demonstrated clinical utility across a range of practice specialties and patient demographics, and securing access to this data is central to our strategy of demonstrating both short- and long-term impact on patient outcomes and health economics. We have tested this capability in our clinical validation studies involving stored specimens from over 1,500 patients with DKD from the Mount Sinai Health System and University of Pennsylvania Health System biobanks. As we continue to build our data repository, we believe our predictive capabilities will continue to improve, and we expect that we will have the most comprehensive kidney disease data repository geared toward early identification of high-risk patients and optimization of care pathways.
- ***Launch in Major International Markets.*** We plan to pursue the launch of KidneyIntelX in major medical markets outside of the United States, including in the United Kingdom, European Union and China, which have large and growing populations of CKD patients and are facing cost and clinical management challenges similar to the United States. According to a recent report published by NHS Kidney Care, in the United Kingdom, treatment for CKD costs more than breast, lung, colon and skin cancer combined. We plan to pursue foreign regulatory approval pathways, continue data accumulation and study development with ex-U.S. clinical investigators and seek integrated medical center opportunities for addressing CKD patient populations outside of the United States, subject to obtaining the required marketing authorizations.
- ***Expand Our Product Portfolio.*** We believe there are significant opportunities to expand our technology platform through incremental version releases of KidneyIntelX as well as through extending KidneyIntelX application into additional populations of CKD patients beyond those with diabetes, including patients of African ancestry with the *APOL1* high-risk genotype. We also intend to develop solutions for use in other large chronic disease patient populations, like cardiovascular disease. KidneyIntelX has been designed within a

regulated, manufacturing-quality environment to allow us to take advantage of the dynamic nature of machine learning to improve product performance through a sequence of controlled version releases. We believe that our product development approach, which is based on a quality systems framework following FDA's Quality System Regulations and the ISO guidelines applicable to medical devices and quality management systems, will enable our KidneyIntelX platform to rapidly generate exponential data growth and new clinical use cases, with a clearer path to achieving the regulated and reimbursed introduction and subsequent product improvements of an artificial intelligence-powered *in vitro* diagnostic.

Ultimately, we believe KidneyIntelX will be a powerful prognostic tool that can help slow the progression of kidney disease and potentially prevent the occurrence of progressive kidney function decline such as kidney failure and the need for long-term dialysis or kidney transplant. We are building a body of evidence through clinical validation studies and patient data generation to demonstrate that accurate and early identification of high-risk patients, coupled with guidelines-driven clinical recommendation designed to maximize patient treatment and compliance, can have a measurable positive impact on patient quality of life. By involving a broad range of expert clinical opinions, testing a growing number of patient samples, consulting closely with clinical society and patient advocacy organizations, partnering with healthcare systems and developing a detailed understanding of the clinical practice environment, we believe KidneyIntelX will help ease suffering and improve outcomes for patients living with CKD.

Our competitive strengths

The KidneyIntelX platform has the following key strengths:

- ***Novel, Artificial Intelligence-enabled Platform to Identify Kidney Disease Risk***. KidneyIntelX is the first artificial intelligence-enabled *in vitro* diagnostic with the ability to identify patients at risk of progressive kidney function decline while in the earlier stages of DKD, when costs and outcomes can be better controlled.
- ***Large and Growing Addressable Market***. CKD affects over 850 million people worldwide, including approximately 37 million people in the United States. The NKF estimates that one third of adults in the United States are at risk of developing kidney disease. Type 2 diabetes is one of the most significant risk factors for developing CKD and obesity is believed to account for 80% to 85% of the risk of developing type 2 diabetes. It is estimated that there are approximately over 12.6 million adults with DKD in the United States. Published data suggests that the DKD population will continue to grow along with the anticipated increase in the occurrence of type 2 diabetes and obesity. One study estimates that by 2060, the number of adults in the United States diagnosed with diabetes will reach 60 million. Further, according to a 2019 study from the Harvard T.H. Chan School of Public Health, by 2030, about half of the adult U.S. population will be obese and about a quarter will be severely obese.
- ***Achievements in Reimbursement and Coverage***. KidneyIntelX has received national Medicare pricing and its first private insurance payor positive coverage determination. We believe these positive outcome are the result of several factors: (1) our rigorous approach to a product development and market access process, (2) significant changes in U.S. reimbursement law with the full implementation of the Protecting Access to Medicare Act , and (3) global improvements in kidney disease policy management, including the U.S. Presidential Executive Order on Advancing American Kidney Health issued in July 2019.
- ***Economic Health Benefits***. We have designed KidneyIntelX to provide accurate, real-time, actionable results for patients and physicians while reducing costs and promoting improved health economics for patients, physicians, healthcare systems and payors. Health economic benefits are projected to be derived from three key areas: (1) slowing progression to the next stage of CKD, (2) delaying or preventing progression to ESKD and the need for dialysis or kidney transplant and (3) avoiding dialysis crashes. By deploying our

proprietary artificial intelligence-enabled algorithm in a clinically validated, *in vitro* diagnostic test, KidneyIntelX is able to help predict which patients will experience progressive kidney function decline within a five-year timeframe, equipping physicians with the information they need to properly risk stratify patients, more efficiently allocate treatments and allocate treatments and clinical resources for high-risk patients, and intensify or pivot treatment over time as a patient's risk evolves. According to a study conducted by BHA, based on the Medicare price of $950 per reportable test, KidneyIntelX would generate a positive return for health insurers in under 24 months and deliver a cost savings of up to $1.3 billion over five years per 100,000 patients with DKD.

- ***Partnered Business Model at Population Health Level***. We plan to deploy KidneyIntelX to patient populations with DKD on a regional basis through partnerships with healthcare systems and insurance payors that provide coverage to those healthcare systems' patients. KidneyIntelX has had the support of clinical leadership, with the primary focus of quickly and efficiently deploying an effective prognostic solution to their DKD patients. As a result, we believe KidneyIntelX will be able to reach and potentially benefit significant patient populations without employing a large, traditional sales force on a provider-level basis. By deploying KidneyIntelX at a population health and clinical medicine level, we are able to reduce fixed operating costs associated with hiring and maintaining a direct sales force. In addition, integration of the KidneyIntelX software platform with healthcare providers' EHR systems enables seamless electronic test ordering and score reporting.
- ***Partnership with Mount Sinai Health System.*** Our company was founded through a collaborative effort with Mount Sinai Health System, one of our significant shareholders and our launch partner for KidneyIntelX. Mount Sinai Health System encompasses the Icahn School of Medicine at Mount Sinai and eight hospital campuses in the New York metropolitan area. It is a pioneer in kidney health and devoted to discovering causes, prevention and treatment of kidney disorders. Our collaborative research studies with Mount Sinai utilize the Mount Sinai Bio*Me* biobank. Bio*Me* is designed to enable researchers to conduct genetic, epidemiologic, molecular and genomic studies using research specimens from consented participants, which are linked with each participant's de-identified health information. All Bio*Me* participants have consented to allow their de-identified data and samples to be used for research purposes. As of January 2020, the Bio*Me* biobank had over 52,000 participants. For KidneyIntelX, this has allowed us to conduct rapid prospective validation of our platform using samples banked at "time zero" (i.e. time of sample collection), prior to the occurrence of progressive kidney function decline. We expect the commercial launch of our partnership with Mount Sinai Health System, including initiation of patient testing, to occur in the third quarter of calendar year 2020.
- ***Regulatory-compliant Versioning Approach***. KidneyIntelX is designed as a scalable platform that can be optimized and deployed into clinical use on a validated-version by validated-version basis. Because we are operating as the Manufacturer of Record, KidneyIntelX is designed and manufactured under an *in vitro* diagnostics, quality-controlled process following FDA requirements and ISO guidelines. As a result, and with support from recent FDA policy initiatives, KidneyIntelX may conduct a version-controlled process to optimize algorithmic performance and expand clinical indications on an iterative basis. We believe this regulatory framework could potentially provide KidneyIntelX with the following competitive advantages: (1) more rapid machine-learning algorithm optimization as additional biomarker and patient EHR data are aggregated at a logarithmic rate, (2) a simplified pathway to expanded indications for use, including therapeutic drug response monitoring, and (3) more personalized patient diagnostic information as the heterogeneity of data density is better analyzed.
- ***Kidney Disease Data Repository***. As a result of our partnered business model at a population health level, we anticipate that we will have the opportunity to build the most comprehensive de-identified kidney disease data repository geared toward early identification of high-risk patients and optimization of care pathways.

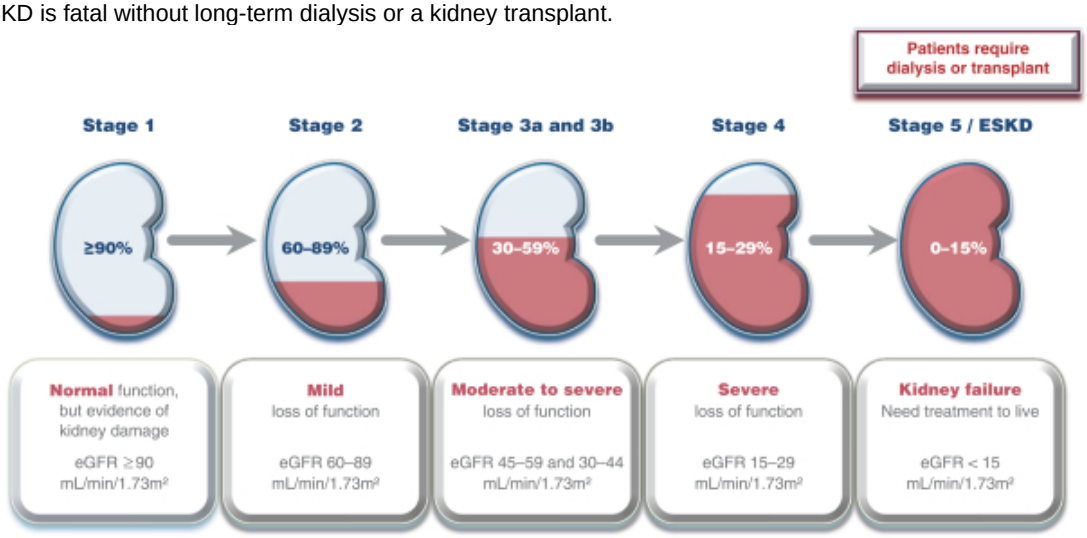
Further, our partnerships with relevant insurance payors increases the visibility and the potential cost/benefit economics of KidneyIntelX. As we expand coverage, we believe that the velocity of data aggregation will continue to increase, leading to greater KidneyIntelX fidelity and therefore greater competitive barriers to entry.

Industry background

Chronic kidney disease

Kidney disease is a worldwide public health crisis, resulting in more deaths per year than breast or prostate cancer. The International Society of Nephrology estimates that kidney disease affects over 850 million people worldwide. According to the Centers for Disease Control and Prevention, or CDC, CKD affects approximately 37 million people in the United States alone, and the NKF estimates that one third of adults in the United States are at risk of developing kidney disease.

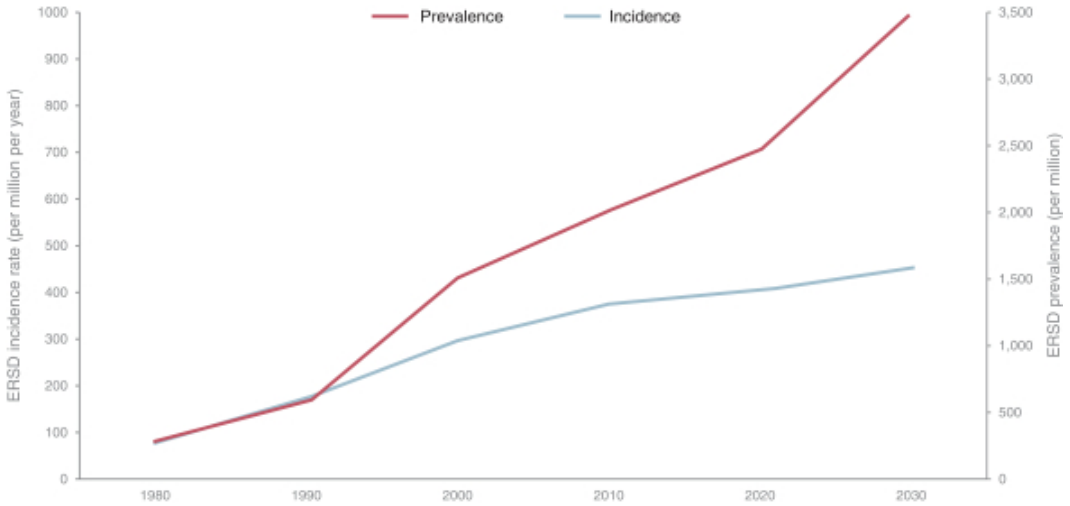
CKD, also called chronic kidney failure, is the gradual loss of kidney function. Advanced kidney disease is generally not reversible. There are five stages of CKD, from mild kidney damage in Stage 1 to complete kidney failure in Stage 5. The stages of kidney disease are based on how well the kidneys can filter waste and extra fluid out of the blood, as measured by an individual's estimated glomerular filtration rate, or eGFR. The estimation of GFR is derived from a routine blood test for creatinine, a waste product in blood. When CKD reaches an advanced stage (e.g., Stage 4), dangerous levels of extra fluid, electrolytes and wastes can build up in the body. An eGFR of 60 mL/min/1.73m^2 or more is considered normal function, but is classified as Stage 1 or 2 CKD if there is other evidence of kidney damage based a urinary albumin creatinine ratio, or uACR, of [3] 30 mg/g. Albumin is a protein made by the liver that helps keep fluid in the bloodstream and albuminuria, or the presence of too much albumin in an individual's urine, is a sign that the kidneys are not functioning properly. As a patient's disease progresses, the eGFR will decrease and uACR will typically increase. An eGFR of less than 15 mL/min/1.73m^2 indicates a patient is in Stage 5, the last stage of CKD, which is kidney failure or ESKD. ESKD is fatal without long-term dialysis or a kidney transplant.



Commonly referred to as a "silent disease," CKD is often asymptomatic until approximately 70% to 80% of kidney function has been lost. According to the CDC, in the United States, nine out of ten adults with CKD are

not aware they have the disease. In fact, up to 38% of patients with CKD initiate dialysis with little or no prior clinical specialist consultation, and up to 63% of patients with CKD initiate dialysis in an unplanned fashion with a central venous catheter and/or during emergency hospitalization, which we refer to as “dialysis crash.” This highlights the need for an early mechanism to identify potential instances of rapidly progressing CKD before it becomes critical to the patient’s health and costly to healthcare providers.

In 2016, more than 726,000 patients had ESKD, with more than 500,000 requiring dialysis at least three times a week. More than 100,000 patients begin dialysis each year to treat ESKD. The incidence and prevalence rates of ESKD are projected to increase significantly as set forth in the graph below.



Once on dialysis, patients typically experience a five-year mortality rate of up to 70%, about the equivalent rate for brain cancer. According to the NKF, over two million people worldwide currently receive treatment with dialysis or a kidney transplant to stay alive, yet this number may only represent 10% of people who actually need treatment to live. As of July 2019, nearly 100,000 Americans were on the waiting list to receive a kidney transplant and 13 patients die in the United States while waiting for a kidney transplant every day.

Studies have shown that ethnicity is a determining factor for kidney disease risk. According to the CDC, Americans of African ancestry are three times more likely to develop kidney disease than Caucasians. Since approximately 13% of the U.S. population is of African ancestry, this is a crucial population group that can benefit from advanced and ongoing risk assessment of kidney health. Genetic studies have identified the *APOL1* genotype that is responsible for much of the increased risk for CKD and ESKD in individuals of African ancestry. The *APOL1* high-risk genotypes (two copies of the *APOL1* kidney disease risk variants; G1/G1; G2/G2 or G1/G2) have been shown to be associated with increased ESKD risk, CKD progression, eGFR decline and CKD incidence.

Chronic kidney disease, obesity and diabetes

One of the most significant risk factors for developing CKD is type 2 diabetes. It is estimated that there are approximately 12.6 million adults with DKD in the United States. DKD is the most common cause of ESKD in most developed countries and accounts for approximately half of all patients who will experience kidney failure, or nearly 50,000 patients in the United States each year. Further, the number of individuals with diabetes is growing. According to a study published in 2018, the number of adults in the United States diagnosed with diabetes is projected to nearly triple, reaching 60 million in 2060.

The primary driver of type 2 diabetes is obesity, which is believed to account for 80% to 85% of the risk of developing type 2 diabetes. Recent research suggests that obese people are up to 80 times more likely to develop type 2 diabetes than those with a body mass index, or BMI of less than 22. According to the World Health Organization, or the WHO, in 2016, more than 1.9 billion adults aged 18 years and older were overweight. Of these, over 650 million adults were obese. For adults, the WHO defines overweight as having a BMI greater than or equal to 25 and obesity as having a BMI greater than or equal to 30. The worldwide prevalence of obesity nearly tripled between 1975 and 2016. Further, according to a 2019 study from the Harvard T.H. Chan School of Public Health, by 2030, about half of the adult U.S. population will be obese and about a quarter will be severely obese, which is defined as having a BMI greater than 40 (or 100 pounds over an individual's healthy body weight). This significant projected increase in the prevalence of obesity and severe obesity is expected to continue to drive an increase in diabetes, CKD, DKD and ESKD.

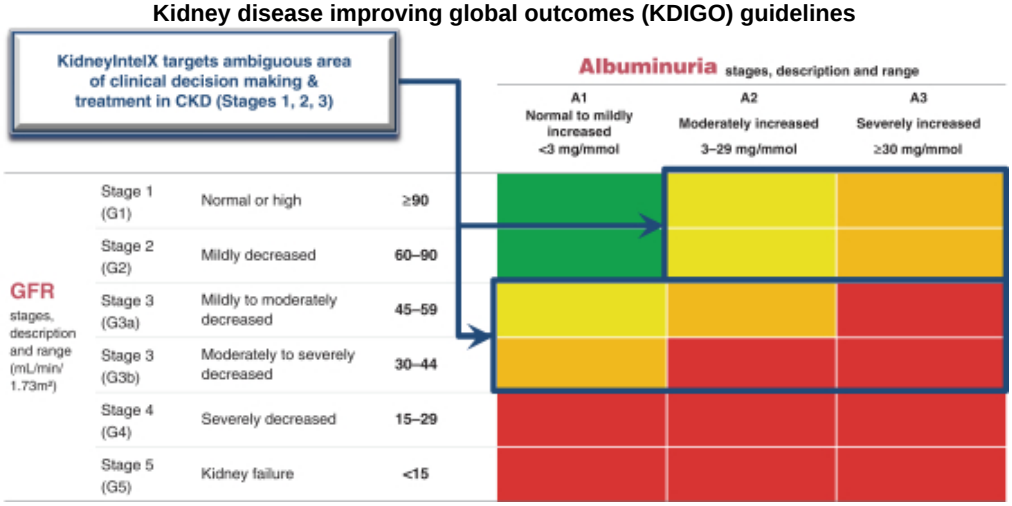
Significant healthcare system costs associated with CKD

According to the United States Renal Data System's 2019 Annual Data Report, Medicare spends over $120 billion per year, or over 20% of its total budget, on the treatment of CKD, including approximately $36 billion for the treatment of patients with EKSD. Treatment for kidney failure consumes 6.7% of the total Medicare budget to care for less than 1% of the covered population. In the United States, dialysis costs approximately $90,000 per patient per year and a kidney transplant costs approximately $260,000, with annual follow-up costs averaging approximately $40,000. According to the NKF, more than two million people worldwide are treated with dialysis or kidney transplants, making CKD a global public health crisis.

Current risk classification paradigm and limitations

The KDIGO classification system is the standard clinical assessment to predict risk for progression of CKD, including DKD. The KDIGO classification system uses cut-offs of two continuous biologic variables, eGFR and uACR, to group patients into risk strata. There are six strata for eGFR and three categories of albuminuria. Patients are then categorized into four categories of risk: low risk (green), moderately increased risk (yellow), high risk (orange) and very high risk (red) as presented below.

CKD staging based on
Kidney disease improving global outcomes (KDIGO) guidelines



While we believe the KDIGO guidelines set an important baseline of classification and represent a core component for clinical management of CKD, problems arise with its real-world application. First, the KDIGO classification boundaries represent approximations, which stratify patients into easy to remember categories. As a result, however, patients at the extremes of risk strata, with widely differing risk for clinical outcomes, can be grouped into one risk category.

For example, patients with uACR 30 mg/mmol (milligram albumin per millimole creatinine) or 400 mg/mmol are both classified as A3 albuminuria. Further, a patient with an eGFR of 43 and one with an eGFR of 31 are both classified at G3b. In both cases, these patients have very different risk of disease outcomes.

Second, there are biologic differences within the KDIGO classification system that are not recognized, and there are dichotomies created that are not biologically or prognostically heterogeneous. For example, eGFR of 46 versus 44 crosses G3a to G3b and places someone in a different KDIGO risk category, as does a UACR of 29 vs. 32 mg/mmol. In other words, the KDIGO classification system imposes cutoffs of risk strata despite the fact that the underlying biologic variables are continuous. As a result, the KDIGO classification system has been shown in practice to lack sufficient precision to predict who will experience RKFD, especially in earlier stages of DKD (Stages 1 through 3). In our clinical validation studies in patients with DKD, we observed that the KDIGO classification system only identified approximately 20% of patients that experienced an adverse kidney outcome as very high-risk patients with the recommendation of referral to a nephrologist, while KidneyIntelX identified nearly half of such patients.

Moreover, recommendations from the American Diabetes Association, or the ADA, do not provide guidance on patients with earlier stage DKD (Stages 1 through 3), which represent 95% of the total U.S. DKD population. The ADA guidelines only suggest that a treating clinician refer the patient for “uncertainty about etiology of CKD, difficult management issues, or Stage 4 CKD.” Most experts agree that Stage 4 of the disease is too late to intervene for DKD, and that better preventive and treatment options are needed to be applied to patients with earlier stages of DKD (Stages 1 through 3).

Further, lack of ability to accurately predict which patients are at high risk of RKFD has led to strained clinician resources, inadequate referrals to clinical specialists and suboptimal treatment of DKD resulting in significant patient suffering and diminished quality of life. Because kidney disease is so common and the current standard of care does not adequately risk stratify patients, primary care physicians or endocrinologists typically are caring for most people with non-dialysis dependent CKD and many high-risk patients are not referred to clinical specialists in a timely manner. The high burden and lack of available time for each patient do not allow these physicians to fully assess the vast amount of data from the EHR to enable proper risk stratification and treatment. For example, only around half of all eligible patients with DKD are on antagonists of the renin angiotensin aldosterone system, medications which are the standard of care, and less than 10% are on sodium-glucose transport protein 2, or SGLT2, inhibitors, newer medications that have been shown to substantially slow kidney disease progression. In addition, there is a lack of appropriate patient counseling on the progressive nature of the patient’s disease, leading to lack of compliance with treatment protocol and decreased awareness of kidney disease.

Moreover, in the United States, there is a limited number of nephrologists to handle the ever-increasing number of patients with CKD. According to the CDC, there are approximately 9,000 nephrologists in the United States, or one specialist to 1,666 patients. Targeted referral of patients who have been accurately identified as having a high risk of progressing to RKFD can help to assure clinical resources are utilized efficiently and effectively. There is a critical need for easily interpretable and accurate diagnostic and predictive tools for CKD and DKD, with seamless integration into clinical workflow.

Market opportunity

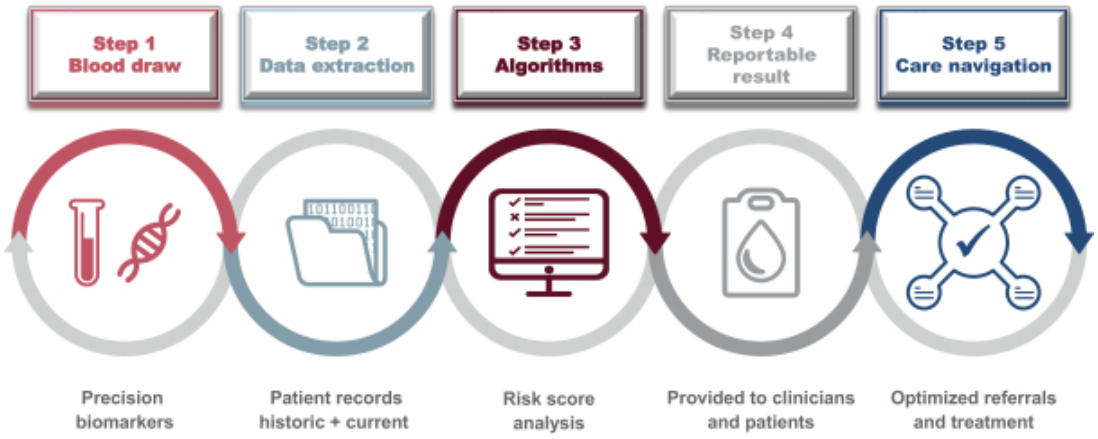
Our goal is to improve quality of life and lower healthcare costs by transforming the paradigm for kidney disease risk assessment and clinical management through our KidneyIntelX platform. We believe the use of KidneyIntelX will drive improved patient outcomes and significantly lower healthcare costs.

According to the CDC, in the United States alone, CKD affects approximately 37 million people and DKD, the most common type of CKD, affects approximately 12.6 million adults. Based on the Centers for Medicare & Medicaid Services, or CMS, national price for KidneyIntelX of $950 per reportable test, this represents a potential market opportunity of approximately $12 billion assuming one test per patient. The initial commercial launch version of KidneyIntelX is indicated for a subset of these patients, specifically patients 21 years of age or older with earlier stage DKD (Stages 1 through 3). We believe many patients will benefit from the use of KidneyIntelX for multiple tests throughout the course of treatment to provide ongoing risk assessment, enabling care pathway optimization, escalation of treatment and long-term disease management. Further, published data suggests the population of patients that could benefit from our solutions will continue to grow along with the anticipated increase in the occurrence of type 2 diabetes, a significant risk factor for developing CKD, and obesity, the primary driver of type 2 diabetes. We also intend to extend KidneyIntelX application into additional populations of CKD patients beyond those with diabetes, including patients of African ancestry with the *APOL1* high-risk genotype.

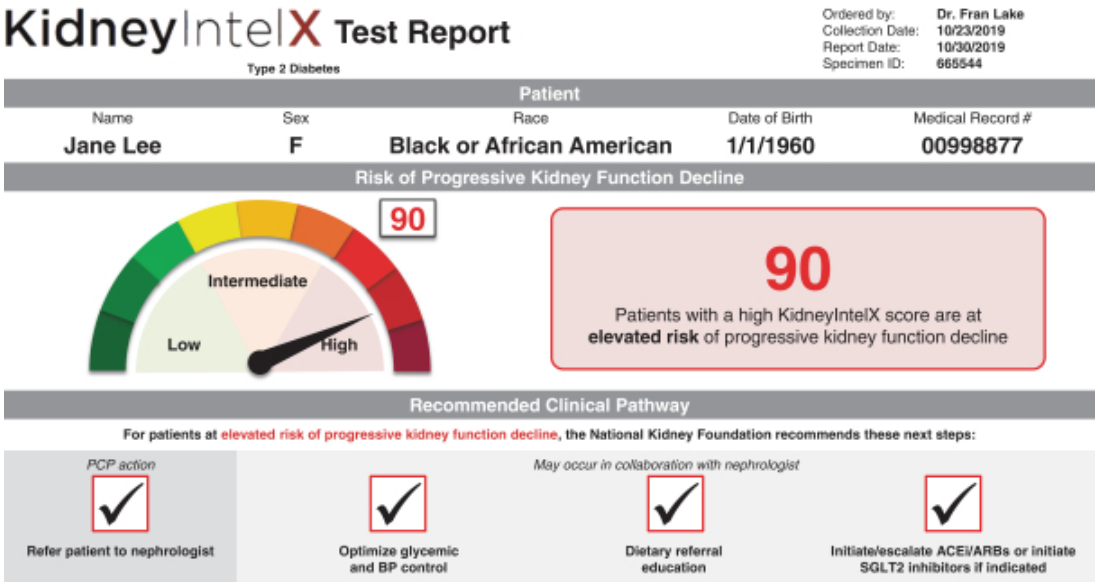
Our technology platform solution

Overview

We have designed KidneyIntelX, our first-in-class diagnostic platform, to enable risk prediction of progressive kidney function decline in patients with CKD. KidneyIntelX employs an artificial intelligence-enabled algorithm that is capable of using diverse data inputs, including validated blood-based biomarkers from a patient blood draw, inherited genetics and personalized patient data from EHR systems, to generate a unique patient risk score.



The unique patient risk score is then reported to the treating clinician through an interface that provides the reportable risk score, categories of risk classification and specific guideline-driven clinical actions, as depicted in the graphic below.



Potential benefits of KidneyIntelX

We believe that the KidneyIntelX platform will be central to managing CKD, helping to identify which patients could benefit from clinical interventions at earlier stages of CKD before significant and irreversible kidney damage has taken place. In particular, we believe KidneyIntelX could provide the following benefits:

- **For patients**, with CKD as a result of diabetes, obesity or other factors, early intervention can lower the risk of progressing to life-altering advanced disease, kidney failure, dialysis, suffering and diminished quality of life. Patients that are designated to be low- or intermediate-risk, requiring lower intensity of treatments, can continue care with their existing primary care physician or endocrinologist. For example, healthcare providers may be able to use a wider range of preventative and therapeutic measures such as dietary advice (optimizing intake of salt, proteins, fluids and supplements), lifestyle changes (weight management and smoking cessation) and medication. High-risk patients are able to receive appropriate referral to a specialist, increased monitoring intervals, improved awareness of kidney health, referral to dieticians, reinforcement of usage of antagonists of the renin angiotensin aldosterone system, and increased motivation to start recently approved medications, including SGLT2 inhibitors to slow disease progression. All of these factors can result in the delay or prevention of ESKD and may reduce the occurrence of dialysis crashes. In addition, earlier engagement with clinical specialists may also allow for more time to advise and educate patients about home-based dialysis and pre-emptive or early kidney transplant.
- **For primary care physicians and specialists**, KidneyIntelX provides an easy-to-understand, reportable patient risk score integrated with specific guideline-driven clinical recommendations designed to maximize patient treatment and compliance outcomes. Primary care physicians are empowered to continue to treat low-risk patients with actionable guidelines, and high-risk patients are appropriately referred to specialist care.

- **For insurance payors**, KidneyIntelX can help drive health economics gains over time by (1) slowing progression to the next stage of CKD, (2) delaying or preventing progression to ESKD and the need for dialysis or kidney transplant and (3) avoiding dialysis crashes. According to the BHA study, based on the Medicare price of $950 per reportable test, KidneyIntelX would generate a positive return for health insurers in under 24 months and deliver cost savings of up to $1.3 billion over five years per 100,000 DKD patients.
- **For population health and clinical medicine departments**, KidneyIntelX provides a powerful diagnostic tool to stratify kidney disease populations into low-, intermediate- and high-risk categories applied to a continuous scale, enabling physicians to optimize the choice of treatment and allocation of clinical resources to benefit patient outcomes and health economics**.**

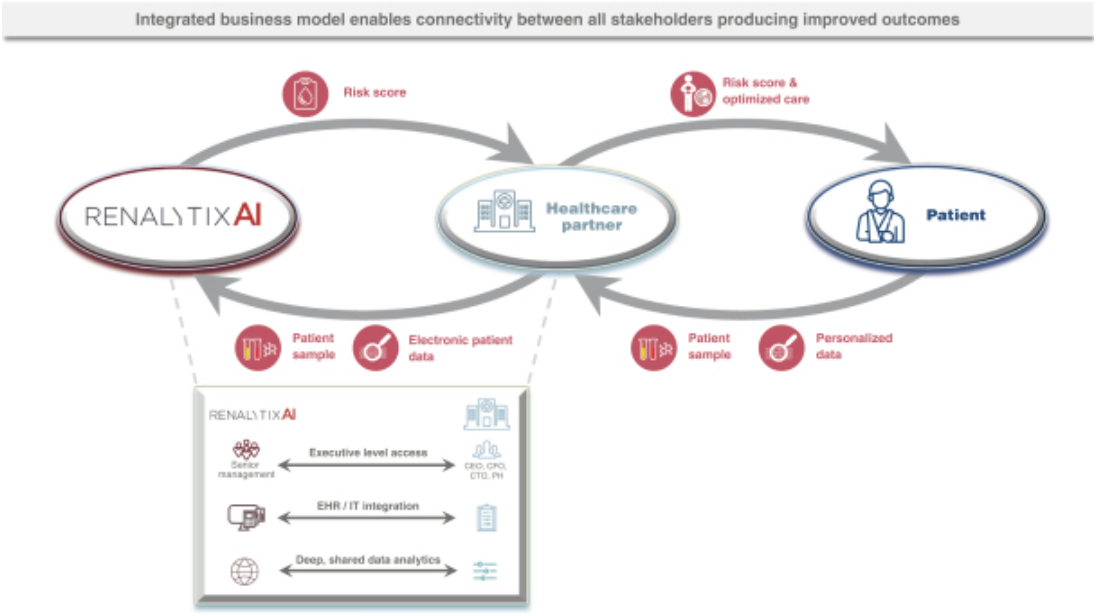
These benefits are primarily driven by the following:

- *Improved Patient Risk Stratification in Earlier Stage CKD.* The machine learning-enabled patient risk score generated by KidneyIntelX, unlike static CKD risk classification systems, is able to take into account the continuous values of key inputs, including eGFR and uACR (the two measures utilized by the KDIGO classification system), other kidney-related laboratory values (such as serum sodium, potassium, calcium, bicarbonate, urea nitrogen, phosphate and hemoglobin), physiologic variables (such as age, weight and blood pressure), and combine them with predictive blood-based biomarkers. In clinical studies, KidneyIntelX demonstrated the ability to more accurately identify potentially fast-progressing CKD in individuals with type 2 diabetes and those of African ancestry over current clinical practice. In addition to the individual features themselves, combinations and interactions of these features, called meta-features, can add to the predictive performance of the model and can be deployed in clinical practice for the first time.
- *Advanced Data Analytics for Earlier Stage CKD*. The deployment of KidneyIntelX in the partnership model setting with healthcare systems and insurance payors presents an opportunity to improve outcomes. Specifically, we believe the partnership model can highlight how early CKD risk stratification integrates into health system clinical workflows to slow or prevent disease progression and kidney failure and improve efficiency of care delivery. To maximize insight, we are bringing together a multi-disciplinary team that includes data science, health economics, behavioral economics and clinical specialists for initial deployments. This team consists of both our internal employee base and third-party groups that have experience examining large quantities of population-based data.

The KidneyIntelX model

At the core of our approach is an artificial intelligence-enabled algorithm capable of synthesizing a set of current and diverse data inputs, such as biomarkers, EHR data, genomics, patient-generated digital data, environmental information, clinical utility, and actuarial and clinical compliance information.

KidneyIntelX is initially indicated for patients 21 years of age or older with earlier stage DKD (Stages 1 through 3). The initial commercial launch version of KidneyIntelX will combine validated proprietary blood-based biomarkers and personalized patient data from EHR systems to generate a risk score unique to each patient, which is intended as an aid to assess the risk of progressive kidney function decline over a five-year timeframe. The test is not intended as a screening or stand-alone diagnostic. We believe that KidneyIntelX will be the first clinical-grade, quality-controlled and validated product to enable risk prediction in earlier stages of DKD.



Validated proprietary blood-based biomarkers

Blood-based biomarkers are typically genes or proteins that indicate the existence and severity of certain conditions (such as kidney disease) and can be measured from a simple blood sample. KidneyIntelX includes inputs from three specific blood-based biomarkers that have previously been examined in several academic and clinical study settings as reported in scientific publications. These publications demonstrate consistent associations of soluble Tumor Necrosis Factor, or TNFR, 1 and 2 and plasma Kidney Injury Molecule-1, or KIM-1, with reliable independent predictive signals for kidney disease progression in DKD patients. We licensed the patented sTNFR1 and sTNFR2 biomarkers from the Joslin Diabetes Center of Harvard University because of this evidence of their predictive capabilities. KidneyIntelX measures these biomarkers using a proprietary, analytically validated multiplex format with reliable inter- and intra-assay results. We are exploring additional biomarkers, including both proteomic and genomic based, from blood, urine and other biological samples for subsequent versions of KidneyIntelX that could support enhanced predictive performance and expand indicated uses.

Electronic health records data harmonization, adjudication and machine learning

The use of EHRs has been adopted broadly by hospital systems in the United States, the United Kingdom, the European Union and other developed countries. EHR data are generally collected during routine clinical encounters and contain detailed information on disease and treatment patterns. When assessed in the aggregate, EHR data can provide insights into disease progression and clinical management strategies across

diverse populations. EHR factors may include items such as current or past therapeutic regimes, diagnostic results, weight, age, geographic location, physician visiting habits and physician annotations. Additional data factors can be added to the KidneyIntelX algorithm to address different target populations. For example, the next generation test is being developed to address the increased incidence in kidney disorders amongst individuals of African ancestry by incorporating genotyping for *APOL1*.

KidneyIntelX is designed to update risk assessment through dynamic EHR data analyses, potentially providing a clinician and his or her patient with the most up to date information about kidney disease status and risk of progression through the course of treatment over time. We plan to further clinically validate KidneyIntelX with repeat testing in additional clinical validation studies being initiated in the second half of the calendar year 2020.

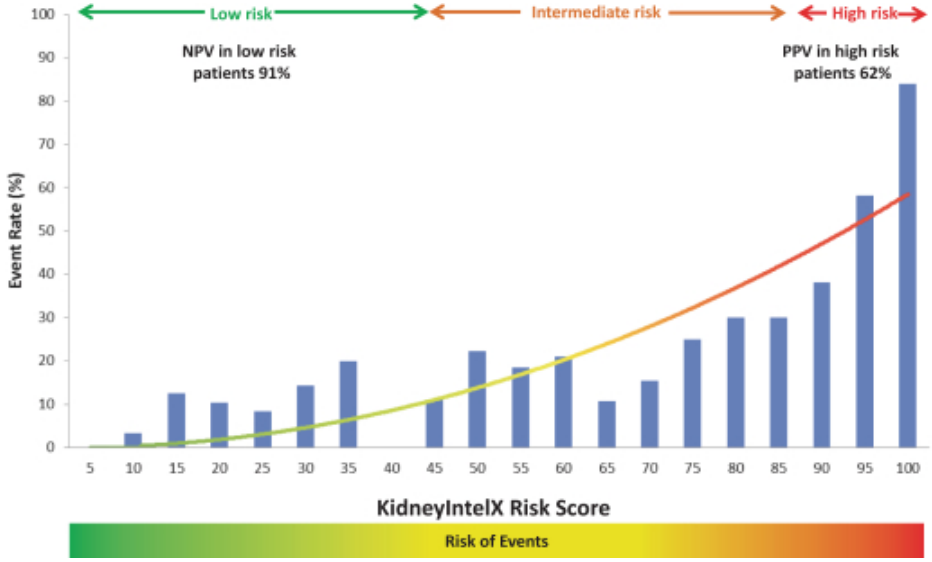
Through experience with our clinical study work, we have developed a proprietary data processing methods that enables us to analyze patient data collected during clinical encounters by a diverse set of physicians in different clinical environments and still ensure that the data used by the KidneyIntelX platform to support product development and clinical testing is consistent and falls within specific quality control metrics. We have tested this capability in our clinical validation studies involving stored specimens from over 1,500 patients with DKD from the Mount Sinai Health System and University of Pennsylvania Health System biobanks.

- *EHR Data Harmonization.* EHR data from different institutions can be entered and stored in different formats. To overcome this significant limitation, we have developed a proprietary machine learning-enabled algorithm that can convert the diverse data (specifically laboratory values and medication names) and map to a standardized template.
- *Clinical Adjudication.* Kidney function can fluctuate over time and can vary in different clinical scenarios. In the clinical validation study, to ensure that the kidney disease outcomes for KidneyIntelX were accurately classified and did not represent random non-disease variation, all kidney function changes over time and all clinical outcomes were independently adjudicated by examining the trajectory of kidney function over their longitudinal course of treatment to the outcome. This clinical adjudication and knowledge base has been codified into the overall workflow for KidneyIntelX versioning and validation.
- *Machine Learning*. We use a proprietary machine learning-enabled algorithm to integrate the diverse inputs from biomarker data and harmonized EHR data to achieve increased predictive performance over the current metrics for prediction of kidney disease progression.

Patient-specific continuous risk score

The KidneyIntelX artificial intelligence-enabled algorithm integrates the composite of feature inputs into a continuous patient risk score, which is reported to the treating clinician on a scale from 0 to 100 and also categorized into low-, intermediate- and high-risk strata.

The graph below shows the probability of the composite kidney endpoint by quantile of the KidneyIntelX risk score in our multi-center validation study discussed below. The event rate of the composite kidney endpoint, which represents the five-year progression of disease, includes three categories of progressive kidney function decline: (1) RKFD, which is defined as eGFR decline of at least 5 ml/min/1.73m^2/year, (2) sustained 40% decline in eGFR and (3) one of the following: (a) kidney failure, defined as a sustained eGFR < 15 ml/min/1.73m^2, (b) long-term dialysis or (c) kidney transplant.



PPV: positive predictive value
NPV: negative predictive value

This novel capability of using machine learning to generate a continuous risk score enables the timely and accurate prediction of risk of disease progression in the earlier stages of DKD (Stages 1 through 3), where active intervention has the most potential to delay or prevent progression to ESKD and the need for dialysis or kidney transplant.

In addition, the KidneyIntelX risk score will be tied to specific clinical guideline recommendations developed by the healthcare system, health insurance providers or practice groups. This care pathway is expected to include elements such as targets for clinician visits and referrals, blood pressure control, diabetes control and prescription of specific medications, as well as patient behavior, such as appropriate diet, exercise, weight loss, medication adherence, to provide immediate and actionable steps related to kidney health. We also plan to link reportable results to educational modules on kidney disease for patients to improve awareness and influence lifestyle practices.

Seamless integration with electronic health record systems for test ordering and reporting results

KidneyIntelX is designed to extract from the EHR system the information required for each ordered test, which is then combined with biomarker data to generate the risk score and test report. We anticipate that future versions of KidneyIntelX will enable periodically updated patient risk scores through repeat testing, and integration of the risk score back into the EHR as part of the permanent medical record of the patient. The treating physician can have all of the relevant information pertinent to the patient's care delivered to them at the time of the clinical encounter and can trigger care pathways directly from the EHR interface, with the goal of driving a virtuous cycle in which patients and clinicians have increased visibility on the effects of changes in care management and patient behavior on kidney health.

We anticipate that the kidney disease risk score will be provided to the clinician at the point-of-care through standard approaches for reporting, mobile device and/or the RenalytixAI provider portal. In addition, we plan to be able to provide the kidney disease risk score directly to patients via access to the RenalytixAI patient portal and patient-facing mobile device applications.

All personal health information captured by the KidneyIntelX application is at all times stored in secure Microsoft Azure-supported cloud infrastructure and is encrypted using Advanced Encryption Standard. All transfers of data and reports through firewalls of the health system are executed using secure transfer protocols in accordance with internationally accepted Transport Layer Security versions 1.2 and 1.3. Security components also include rigid authentication and authorization of all users, a continuous monitoring tool, intrusion detection system and periodic penetration testing to mitigate risks of cyber-attacks.

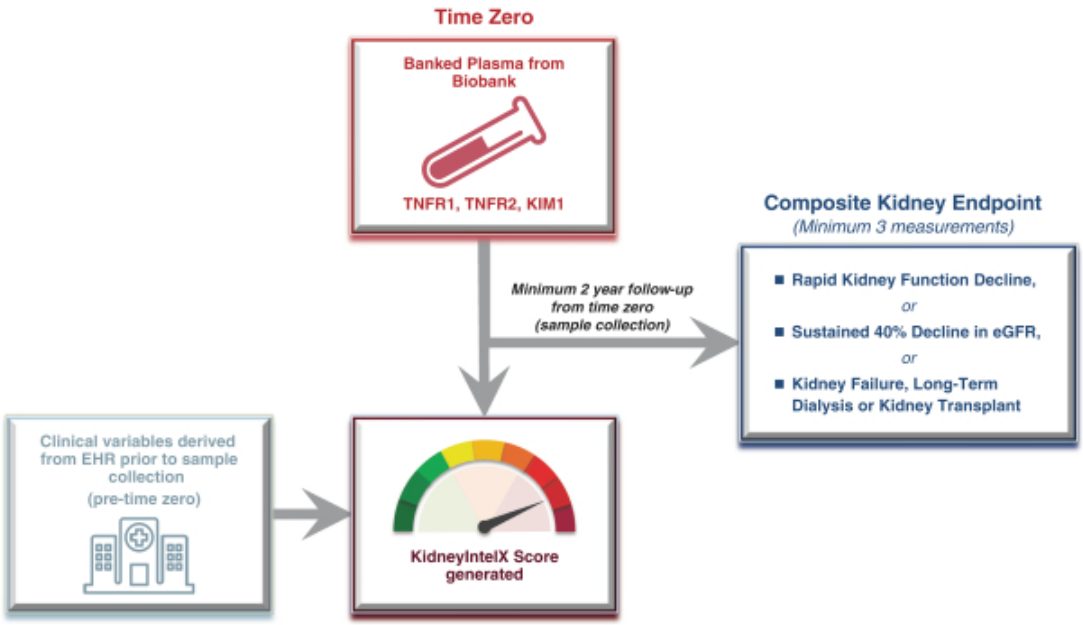
We have been working with Persistent Systems Limited, or Persistent Systems, to develop secure, cloud-based data integration software architecture and secure, high-performance algorithms for our platform. Persistent Systems is a leader in software development and has long-standing relationships with several healthcare providers that manage our target patient populations, including Mount Sinai Health System, Johns Hopkins, Yale, Montefiore, UCLA Health and New York Presbyterian Hospital.

Clinical validation studies

We have completed two clinical validation studies using blood biobank facilities with integrated patient EHR data over a multi-year period from Mount Sinai Health System and University of Pennsylvania Health System. We are also evaluating KidneyIntelX in an ongoing collaboration with University Medical Center Groningen, Netherlands in patients included in a completed large, randomized control trial for a novel treatment for DKD.

Completed clinical validation studies

The primary objective of each completed validation study was to accurately predict the rate of occurrence of progressive kidney function decline based on the KidneyIntelX risk score and probability-based categorical cutoffs, with results compared to standard clinical models. These studies measured the event rate of the composite kidney endpoint, which represents the progression of disease, and includes three categories of progressive kidney function decline over a five-year timeframe: (1) RKFD, which is defined as eGFR decline of at least 5 ml/min/1.73m^2/year, (2) sustained 40% decline in eGFR and (3) one of the following: (a) kidney failure, defined as a sustained eGFR < 15 ml/min/1.73m^2, (b) long-term dialysis or (c) kidney transplant. The following is a graphical representation of the study design for both of the validation studies:



These two completed validation studies and their results are significant in a number of ways:

- We believe this is the first demonstration of a machine learning-enabled patient risk score applied to a CKD population.
- These studies leveraged three plasma biomarkers that have established strong association with CKD progression and RKFD or kidney failure in other patient groups and settings, but had not previously been analyzed for clinical utility as demonstrated with the KidneyIntelX continuous and categorical risk score.
- Although several other studies of biomarkers for prediction of CKD progression or RKFD or kidney failure exist, the majority have focused on broad measures of association versus patient-specific clinical utility metrics.
- These studies leveraged two biobanks linked to longitudinal de-identified EHR data with over five years of participant follow up for these analyses, which is in contrast to most biobanks that do not have stored plasma and linkage to robust longitudinal EHR data.
- These studies assessed clinical utility through application of a composite risk score that effectively divides patients into low-, intermediate- and high-risk groups. Results demonstrate that KidneyIntelX achieves high

positive predictive value in the high-risk group and high negative predictive value in the low-risk group with performance that is statistically superior to existing standard of care tools such as the KDIGO classification system or other validated clinical models.

- Our first clinical validation study also highlighted the potential for the utility of KidneyIntelX in non-diabetic patients of African ancestry with the high-risk *APOL1* genotype, which is the second largest population accounting for ESKD in the United States.

Validation Study 1—Mount Sinai Health System

In our clinical validation study with Mount Sinai Health System, completed in March 2019, we selected two subpopulations of high-risk individuals: 871 patients with type 2 diabetes and 498 patients of African ancestry with the *APOL1* high-risk genotype, with a baseline eGFR ^{3} 45 ml/min/1.73m^2 from the Mount Sinai Bio*Me* biobank. Plasma levels of soluble TNFR1/2 and KIM-1 were measured and a series of supervised machine learning approaches were employed to combine the biomarker data with longitudinal clinical variables.

The following table presents a summary of key demographic data for patients in this study with type 2 diabetes and patients of African ancestry with the high-risk *APOL1* genotype:

	Patients with Type 2 Diabetes (n=871)	Patients of African Ancestry (n=498)
Mean Age (years)	61	56
Median baseline estimated eGFR	74 ml/min/1.73m^2	83 ml/min/1.73m^2
Median uACR	13 mg/g	11 mg/g
Median follow-up (years)	4.6	5.9
Median additional retrospective* data available (years)	2.3	3.1

* Prior to time zero (sample collection).

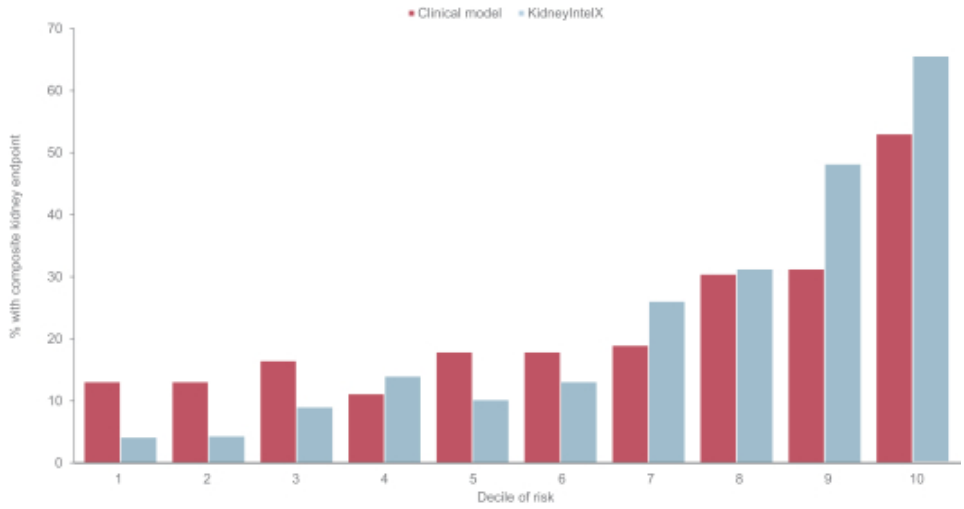
The observations in this study demonstrated that, in patients with type 2 diabetes or patients of African ancestry with the high-risk *APOL1* genotype, KidneyIntelX significantly improved prediction of eGFR decline or kidney failure over standard clinical models.

The observed composite kidney endpoint by deciles of risk with KidneyIntelX compared to the standard clinical models are shown in the figures below. For patients with type 2 diabetes, the KidneyIntelX area under receiver operator characteristic curve, or AUC, in the training set (80%, n=697) for the composite kidney endpoint was 0.81 (95% CI: 0.80-0.82) and 0.77 (95% CI: 0.75-0.79) in the test set (20%, n=174). By comparison, the clinical model had an AUC of 0.66 (95% CI: 0.65-0.67) in the entire cohort (n=871).

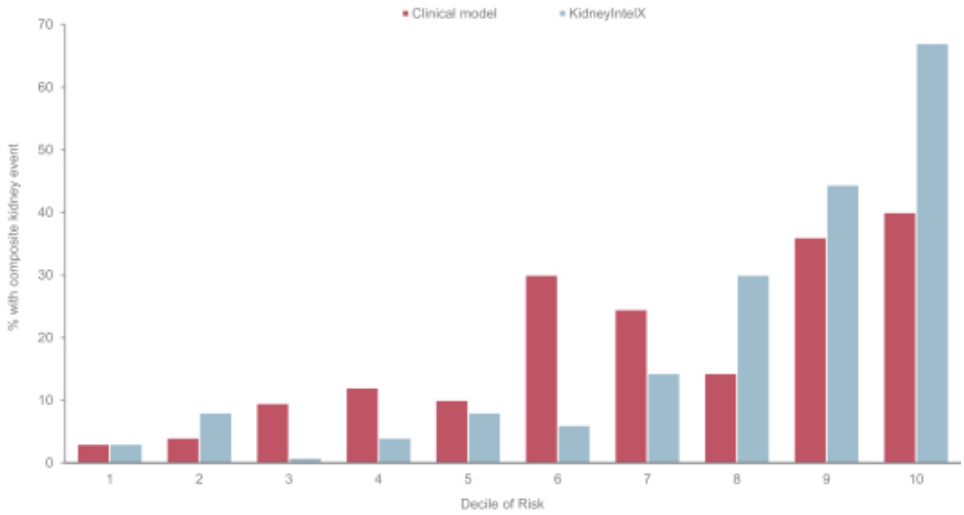
For the patients with *APOL1* high risk genotype, the AUC for KidneyIntelX in the training set (80%, n=398) was 0.86 (95% CI: 0.84-0.87) and 0.80 (95% CI: 0.77-0.83) in the test set (20%, n=99). The clinical model had an AUC of 0.72 (95% CI: 0.71-0.73) in the *APOL1*-HR cohort (n=498).

At the upper end of the scores, KidneyIntelX identifies more adverse kidney events than clinical model, and at the lower end of the scores, fewer patients with low-risk KidneyIntelX scores have adverse kidney events compared to low-risk scores with the clinical model.

Proportion with the composite kidney endpoint by deciles of predicted risk via KidneyIntelX vs. clinical model in Type 2 Diabetes



Proportion with the composite kidney endpoint by deciles of predicted risk via KidneyIntelX vs. clinical model in *APOL1*



The table below summarizes the results of this study, including the high- and low-strata risk cutoffs, sensitivity and specificity levels, positive predictive value, or PPV, and negative predictive value, or NPV, for each model evaluated.

KidneyIntelX thresholds for the composite kidney endpoint with sensitivity, specificity, PPV and NPV for Type 2 Diabetes and *APOL1* high-risk populations in high- and low-risk strata

	Risk Cutoff	Sensitivity	Specificity	PPV	NPV
Type 2 Diabetes KidneyIntelX					
Bottom 50%	0.192	0.82	0.59	0.38	0.92
Top 20%	0.444	0.50	0.89	0.58	0.86
Top 15%	0.555	0.40	0.93	0.62	0.84
Top 10%	0.707	0.29	0.96	0.68	0.82
Type 2 Diabetes Clinical Model					
Bottom 50%	0.148	0.68	0.55	0.31	0.85
Top 20%	0.240	0.38	0.85	0.43	0.82
Top 15%	0.278	0.30	0.89	0.46	0.81
Top 10%	0.338	0.23	0.94	0.54	0.80
***APOL1*-HR KidneyIntelX**					
Bottom 50%	0.209	0.88	0.58	0.32	0.96
Top 20%	0.438	0.60	0.89	0.56	0.91
Top 15%	0.489	0.52	0.93	0.62	0.90
Top 10%	0.546	0.36	0.96	0.66	0.87
***APOL1*-HR Clinical Model**					
Bottom 50%	0.151	0.79	0.57	0.29	0.93
Top 20%	0.322	0.42	0.85	0.38	0.87
Top 15%	0.387	0.32	0.87	0.39	0.85
Top 10%	0.448	0.22	0.93	0.4	0.84

Validation Study 2—Mount Sinai Health System and University of Pennsylvania Health System

In our multi-center clinical validation study with Mount Sinai Health System and University of Pennsylvania Health System, completed in December 2019, we selected patients specifically with prevalent DKD (G3a-G3b, A1-A3 or G1-G2, A2-A3) and banked plasma patients from two EHR-linked biobanks, the Mount Sinai Health System Bio*Me* biobank and the Penn Medicine Biobank. We measured plasma levels of soluble TNFR 1/2 and KIM-1 at baseline with a high sensitivity, analytically validated assay. EHR data for patients was integrated and harmonized to ensure data consistency. Patients were randomly divided into a derivation, or train set, consisting of 686 patients, and a validation, or test set, consisting of 460 patients. A machine learning model was trained and performance assessed using standard metrics and compared to an optimized clinical model and current KDIGO risk categories.

We also compared KidneyIntelX to a published validated clinical model consisting of a regression equation for 40% eGFR decline prediction, including age, sex, race, eGFR, cardiovascular disease, smoking, hypertension, BMI, and UACR insulin use, diabetes medications, and glycated hemoglobin (or HbA1c).

The following table presents a summary of key demographic data for the DKD patients in this study:

	Patients with DKD (n=1,146)
Median baseline estimated eGFR	54 ml/min/1.73m^2
Median uACR	61 mg/g
Median follow-up (years)	4.3

Of these patients, 241, or 21%, experienced a composite kidney endpoint. The risk model had an AUC of 0.77 (95% CI 0.74-0.79) with comparable AUC result in the validation set of 0.77 (95% CI 0.76-0.79). By comparison, the AUC for an optimized clinical model was 0.62 (95% CI 0.61-0.63) in the derivation set and 0.61 (95% CI 0.60-0.63) in the validation set.

Using cutoffs from the derivation set, KidneyIntelX stratified patients into low-, intermediate- and high-risk groups. As demonstrated, the PPV for the top strata in KidneyIntelX range from 55% to 70% while the PPV for the optimized clinical model range from 31% to 38%. The predictive values of KidneyIntelX and the clinical model are summarized in the table below.

Risk score	KidneyIntelX				Risk score	Clinical Model			
Low risk	Population	Sens	Spec	NPV	Low Risk	Population	Sens	Spec	NPV
0.04	Lowest 32%	88%	38%	91%	0.142	Lowest 32%	74%	33%	86%
0.061	Lowest 46%	81%	54%	91%	0.171	Lowest 46%	67%	48%	88%
0.0712	Lowest 48%	77%	58%	90%	0.175	Lowest 48%	67%	51%	89%
High risk	Population	Sens	Spec	PPV	High risk	Population	Sens	Spec	PPV
0.241	Top 21%	50%	88%	55%	0.288	Top 21%	41%	82%	31%
0.302	Top 16.5%	45%	93%	62%	0.319	Top 16.5%	37%	88%	37%
0.401	Top 12%	31%	96%	70%	0.361	Top 12%	28%	91%	38%

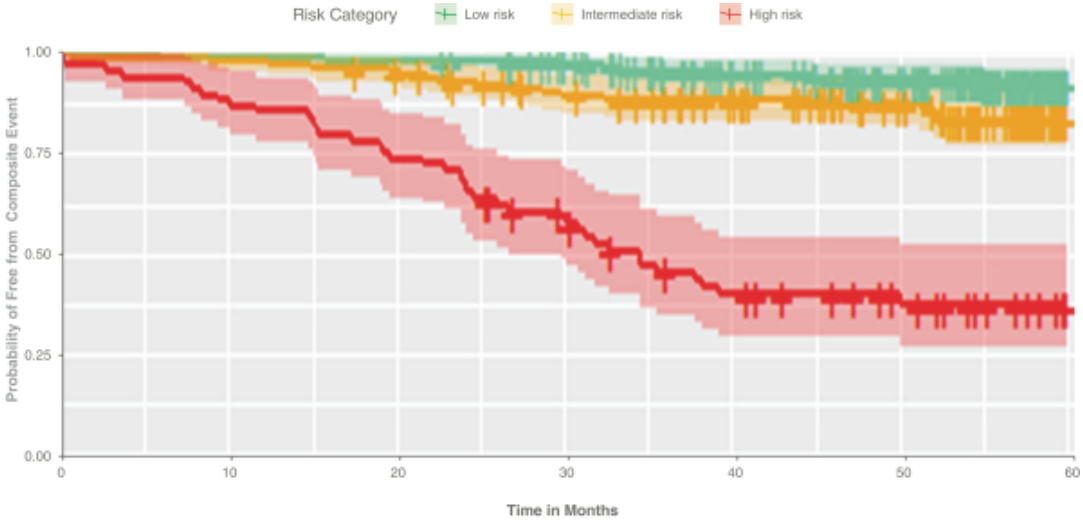
We also compared KidneyIntelX to KDIGO risk strata:

	KidneyIntelX	KDIGO
Risk Stratification with KidneyIntelX:		
High-risk stratification	16%	
Intermediate-risk stratification	37%	
Low-risk stratification	47%	
Predictive Value:		
Positive predictive value in high-risk category	**62%**	**41%**
Negative predictive value in low-risk category	**91%**	**85%**

The net reclassification index for events into high-risk group for KidneyIntelX, compared to the KDIGO classification system, was 41% ($p<0.05$).

Finally, KidneyIntelX demonstrated accurate risk prediction for a modified, time to event based composite kidney endpoint of 40% sustained decline or kidney failure, with a nine-fold difference in risk between the high-risk and low-risk strata for this clinical and objective endpoint, as shown in the graph below.

Kaplan-Meier curves by risk strata for the endpoint of sustained 40% decline in eGFR or kidney failure in the validation set



Validation Study 3— Evaluation of KidneyIntelX in a randomized controlled clinical trial

We are also evaluating the performance of KidneyIntelX in 3,500 patients with type 2 diabetes from the a large, randomized, controlled trial in collaboration with University Medical Center Groningen, Netherlands.

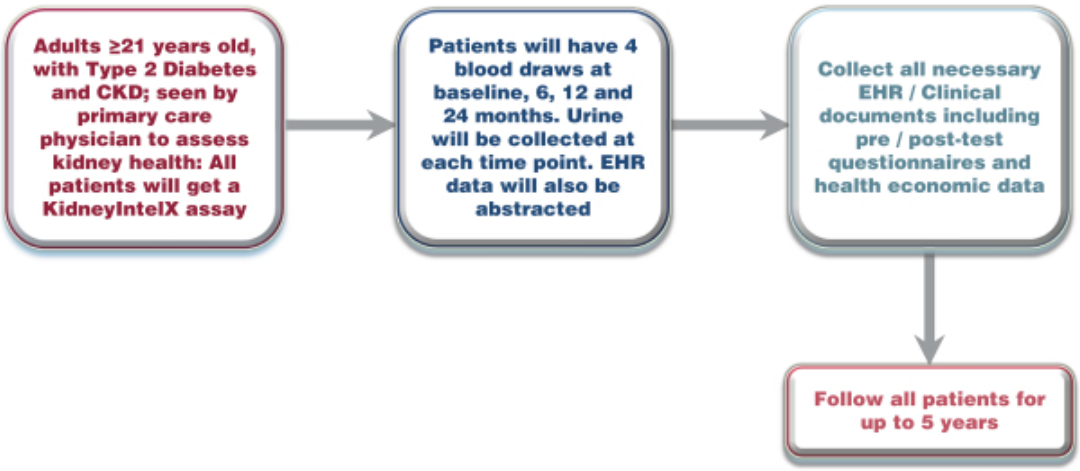
The collaborative study involves multiple components, including: (1) how effectively KidneyIntelX predicts which patients experience progressive kidney function decline in both placebo and treatment arms; (2) whether KidneyIntelX can predict at baseline those most likely to benefit from treatment and (3) the effect of treatment on changes on the KidneyIntelX risk score over time. Stored blood specimens were collected longitudinally out to six years in the trial participants, with over 9,000 blood specimens in total. Moreover, extensive clinical data was collected at each study visit and has been shared under a data sharing agreement, which allows for robust inputs into the KidneyIntelX algorithm for risk score generation. Initial results from this study will be submitted for presentation at ASN Kidney Week, 2020.

Planned clinical utility study program

As part of a comprehensive, multi-center clinical utility program, we plan to initiate a clinical utility study at Mount Sinai Health System in , which is designed to evaluate how the results of KidneyIntelX impact the clinical management of patients with type 2 diabetes identified as having increased risk of progressive kidney function decline within a five-year timeframe. Specific clinical decisions such as referral to a nephrologist, or initiating treatment (e.g. SGLT2 inhibitors, angiotensin-converting enzyme inhibitors, or ACEi, angiotensin II receptor blockers, or ARBs, statins) will be tracked along with measurable clinical endpoints such as lowering of blood pressure and reduction in levels of Hb1Ac. Urine will also be collected as part of this study given the well-established importance of urine as the source of a biological signal for kidney health.

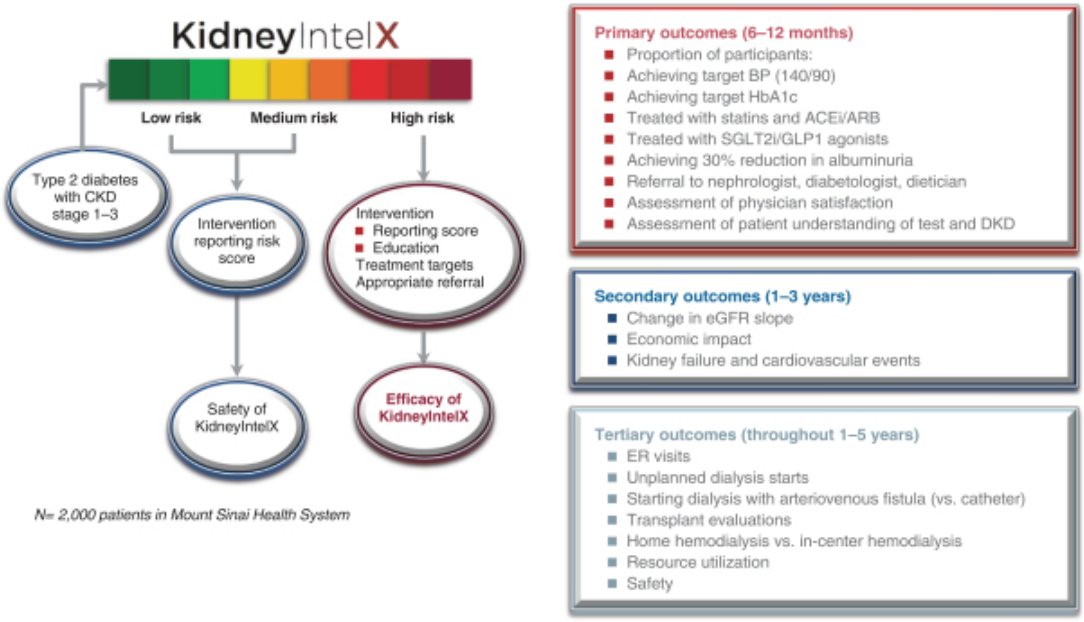
Table of Contents

This study will be a prospective, interrupted time series, shared decision-impact and health-economic assessment study. The target accrual is 2,000 patients seen for a regularly scheduled evaluation. All enrolled patients will have the KidneyIntelX test and results will be provided to both patient and the clinician provider. The design of the clinical utility study is depicted below.



All enrolled patients will receive the KidneyIntelX test reports and will be asked to consent for blood and urine collection and to complete a patient questionnaire at time of each visit. Additionally, at the time of baseline, a reflex order of a uACR will be placed in the EHR (to be collected and measured in the study center lab) if not already present within the past six months. This will be done since all guidelines (NKF, ADA) recommend uACR screening in these patients, but are not performed approximately 50% of the time.

Clinician providers will also be asked to assure review of the KidneyIntelX results report in real-time and to respond to a provider-specific questionnaire. Data collection, clinical evaluation and biospecimen acquisition will take place at: baseline (time of consent), 6 months, 12 months and 24 months. We will allow a +/- 30 day tolerance window around the six-month visit and a +/- two-month tolerance window around the 12- and 24-month visits. Anticipated study design and endpoints are highlighted below.



It is anticipated that up to five clinical sites within Mount Sinai Health System will serve as participating sites. The selected sites will have an existing infrastructure to conduct clinical research, including the ability to recruit, enroll and perform clinical data and biospecimen collections over serial study visits. Selected investigators will be experienced in clinical research and in the provision of care to patients with type 2 diabetes. The sites will be responsible for general oversight including efficient operation with regards to recruitment and follow-up activities. Sites will be responsible for timely shipment of collected samples to our laboratory.

COVID-19 clinical studies

Background

The current COVID-19 pandemic has had a devastating impact around the world, with over 9.2 million reported cases worldwide across over 180 countries and regions as of June 24, 2020. Similar to earlier coronavirus-associated respiratory diseases like SARS and MERS, acute kidney injury and kidney abnormalities are highly associated with COVID-19 severity and outcomes. Although the precise mechanisms of kidney injury in COVID-19 patients are still being investigated, one hypothesis is that SARS CoV-2 invades kidney tissue via the angiotensin-converting enzyme 2 receptor, causing significant acute tubular injury and endothelial damage.

Preliminary reports indicate that acute kidney injury occurs in approximately 20% to 40% of patients hospitalized with COVID-19, and 69% have hematuria (blood in urine), 51% have leukocyturia (white blood cells in the urine), and 84% have proteinuria (protein in the urine). The clinical findings are consistent with the few but emerging pathologic reports of kidney tissue that demonstrate extensive kidney tubular injury, direct

invasion of the SARS-CoV2 virus into kidney, extensive inflammation in kidney tissues, vascular damage and blood clots. The mortality rate in patients that experience acute kidney injury with COVID-19 is approximately 2- to 10-fold higher than patients without acute kidney injury. In addition, multiple reports suggest that 34% to 63% of COVID-19 patients develop massive proteinuria, which was associated with 3- to 15-fold increase in mortality. Data from Mount Sinai indicates that 70% of patients that develop acute kidney injury in the setting of COVID-19 die in the hospital or do not recover kidney function by the time of discharge. In addition, although it is too soon to understand the natural progression of kidney function after acute kidney injury in the setting of COVID-19, previous studies have demonstrated that non-recovery from acute kidney injury is associated with worse kidney outcomes, including CKD and its progression, as well as ESKD. Data from hospitalized patients with rapidly resolving acute kidney injury during hospitalization have a 50% higher risk of major adverse kidney events during long-term follow-up compared to patients without any adverse kidney injury. In patients that did not have rapid recovery of kidney function within 72 hours, the risk for long-term major adverse kidney events was 2.5-fold higher.

These data together suggest that acute kidney injury is an important complication of COVID-19, and we believe that COVID-19 will have even greater implications for long-term kidney function. As a result, we also believe it will be important to be able to predict which patients will experience short-term major adverse kidney events, which are acute in nature such as acute dialysis or death at the hospital or within three months after discharge, as well as those that will experience longer term progressive kidney function decline after recovering from COVID-19. A third-party study estimated that over 44 million individuals in the United States will ultimately be hospitalized for COVID-19, representing a large population of patients that are at risk of kidney-related complications while hospitalized and could be at high-risk for developing CKD after recovering from COVID-19.

We plan to investigate the utility and validation of KidneyIntelX for patients with COVID-19 in two clinical studies.

Pred-MAKER study

The first study, referred to as Pred-MAKER (Prediction of Major Adverse Kidney Events and Recovery), will explore clinical features and biomarkers, including multiple plasma biomarkers and urine proteomics and RNA sequences, as predictors of major adverse kidney events in approximately 700 patients hospitalized with COVID-19 at Mount Sinai.

The goal of the study is to improve the understanding of mechanisms of COVID-19-associated kidney disease, and to leverage the KidneyIntelX platform to deploy machine learning-based prediction models that utilize clinical data along with plasma and urine biomarkers to risk stratify COVID-19 patients into low-, medium- and high-risk strata for major adverse kidney events, including need for dialysis and recovery of kidney function after discharge.

Planned COVID-19-CKD study

The second study is being designed in partnership with multiple major academic institutions.

The goal of the study is to understand the long-term kidney epidemiology of CKD in survivors of COVID-19 and validate KidneyIntelX for prediction of long-term kidney outcomes post-COVID hospitalization that will inform further prevention, treatment and clinical care. We anticipate recruiting up to 4,000 patients who have recovered from COVID-19 hospitalizations for participation in the study. We believe KidneyIntelX is well-positioned to assist with risk prediction in this patient population. Given the well-documented hyperinflammation in patients with severe COVID-19, it is likely that multiple plasma and urine biomarkers that are reflective of systemic and kidney inflammation will serve as prognostic biomarkers for kidney outcomes in

the setting of COVID-19. Initial research into the COVID-19 virus has demonstrated that infected patients have higher plasma levels of IL-1beta, IL-2, IL-6, IL-7, IL-10, monocyte chemoattractant protein 1, and TNFR-a, among other biomarkers of systemic inflammation which may secondarily affect the kidney.

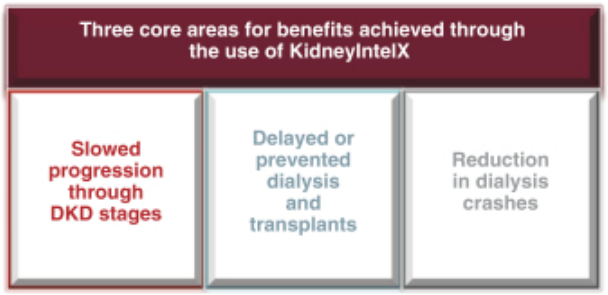
Health economics

We believe that the utilization of KidneyIntelX across large patient populations will have a significant impact on overall healthcare costs. We have partnered with BHA to develop a health economic model analyzing the cost and care pathway for patients with DKD at all stages of the disease and the potential cost savings provided by KidneyIntelX. The preliminary evaluation of payer budget impact associated with the use of KidneIntelX to modify DKD progression was selected for a late-breaking podium presentation at the NKF Spring Clinical Meeting in March 2020 where it was presented later that month.

The study analysis was based on a hypothetical cohort of 100,000 patients with type 2 diabetes and DKD (Stages 1 through 3), which was followed for up to five years, and discussed results on the following objectives:

- identify incremental costs to payers associated with KidneyIntelX implementation compared to standard of care;
- identify incremental benefit from the use of KidneyIntelX compared to standard of care and monetize this benefit; and
- calculate net savings associated with KidneyIntelX use.

The total savings were calculated based on the three core areas of expected benefit, as depicted below.



The model compared differences in the following treatment costs between KidneyIntelX and standard of care patients: (1) costs of preventative measures (treatments and office visits) in KidneyIntelX high-risk patients (DKD Stages 1 through 3); (2) costs of each DKD stage; (3) costs of dialysis, transplants (including post-transplant care), and dialysis crashes; and (4) costs of KidneyIntelX test ($1,050, including $950 per reportable test and $100 administration cost). Peer-reviewed published data was used to estimate annual costs associated with each stage of DKD, annual incremental costs to standard of care associated with the actionable results of the KidneyIntelX test, cost of preventative measures for the KidneyIntelX group, and cost of dialysis, transplants, and dialysis crashes. All costs were based on published U.S. estimates and inflation-adjusted to 2019 dollars.

Of the 100,000 patients in the cohort, 16% were assumed to have a high-risk patient score and receive additional medical management and preventative measures. Patients undergoing risk assessment with KidneyIntelX using KidneyIntelX were assumed to have a 20% slowed progression rate through DKD stages compared to standard of care, based on our completed validation studies. A sensitivity analysis was conducted

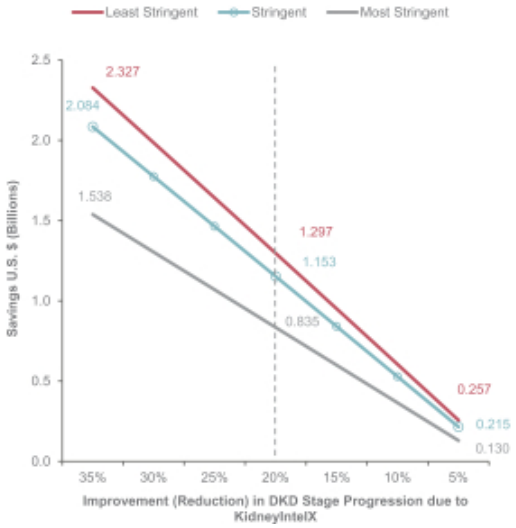
by changing this slowed progression rate over a range from 5% to 35%. 100% adherence to preventative measures was assumed in these patients. A sensitivity analysis was also conducted using three different definitions of 'progression' to the next DKD stage:

- Least Stringent: ³1 eGFR value(s) in the next stage.
- Stringent: ³2 eGFR values three months apart in next stage.
- Most Stringent: ³2 eGFR values three months apart in the next stage, only in the 21% of patients that ultimately experienced RFKD or kidney failure (79% stable).

Therefore, in the least stringent definition of progression, more patients were assumed to progress through DKD stages, resulting in more cost savings compared to the most stringent definition.

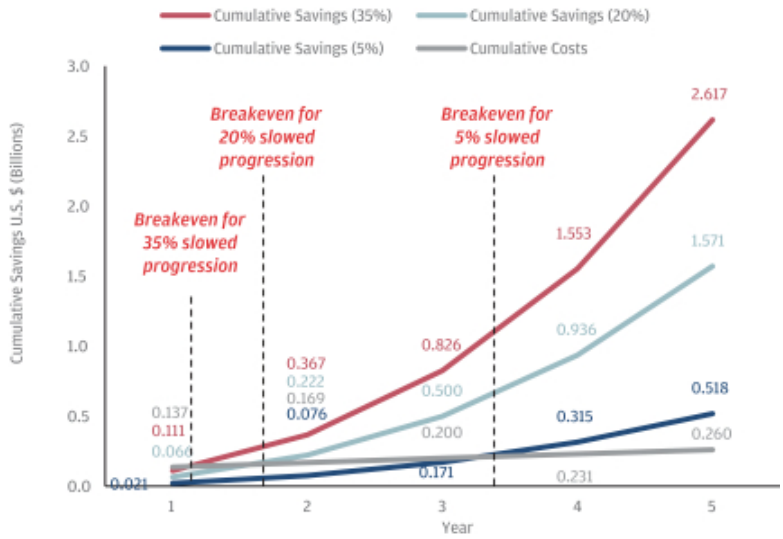
As shown in the graph below, the net present value of five-year payor savings associated with KidneyIntelX adoption for the 100,000 patient cohort was estimated to range between $835 million and $1.3 billion over a five-year time horizon for the most stringent and least stringent definitions of progression, respectively. The estimated savings realized for the stringent definition of progression (or base-case) was $1.15 billion.

Net present value of savings (discounted) over five years due to KidneyIntelX



Furthermore, according to the study analysis, the estimated time to breakeven for KidneyIntelX adoption occurs between 12 and 24 months following implementation, assuming the stringent definition of progression (or base-case). As the graph below shows, after the breakeven point, the cumulative savings are expected to start increasing compared to the costs of implementation.

Cumulative (undiscounted) savings vs cost of KidneyIntelX implementation



The majority of the savings over five years are expected to be attributable to slowed progression through DKD stages owing to the use of KidneyIntelX compared to savings from other categories. We believe that KidneyIntelX will help slow progression of patients with DKD to the next stage of disease by:

- accurately predicting which patients with earlier stage DKD (Stages 1 through 3) are at high-risk (top 16%) of experiencing progressive kidney function decline within a five-year timeframe;
- enabling optimization of the patient care pathway at earlier stages of DKD leading to improved outcomes and quality of life;
- empowering primary care physicians to continue to treat low-risk (bottom 46%) DKD patients, which enables health systems to better allocate scarce specialist resources to patients most in need;
- arming primary care physicians and all levels of specialty practice with a diagnostic and predictive tool tied to specific guideline-driven clinical actions, including timely referral to a clinical specialist;
- increasing compliance through diagnostic and prescriptive kidney care protocols and improved clinical workflows and care coordination for DKD patients;
- achieving clinical and actuarial risk mitigation at both the individual and population levels; and
- supporting scaled implementation at a population-health level.

Recent and upcoming studies, presentations or publications

We intend to continue a robust data development and clinical study program for KidneyIntelX through scaled commercial activities and expanded product version introductions. We are currently working with a global

network that includes, among others, the leading clinical society organization, the American Society of Nephrology, major academic medical centers, clinical investigators, patient advocacy organizations, including the NKF, and relevant payors to design studies for KidneyIntelX to measure real-world utility, clinical work-flow implications, health economics, patient behavior impacts and short- and long-term disease outcomes of KidneyIntelX. Recent or upcoming presentations or publications include:

- ***Evaluation of Payer Budget Impact Associated with the Use of Artificial Intelligence in vitro Diagnostic, KidneyIntelX, to Modify DKD Progression***. As described above, an economic analysis performed by BHA of the impact of KidneyIntelX was selected for a late-breaking podium presentation at the NKF Spring Clinical Meeting in March 2020. The presentation highlighted the significant cost savings potential from the implementation of KidneyIntelX as modeled in large healthcare system patient populations in the United States. NKF's Spring Clinical Meeting gathers more than 3,000 nephrology healthcare professionals from across the United States to learn about the newest developments related to all aspects of nephrology practice.
- ***American Journal of Kidney Diseases—Evaluation of Payer Budget Impact Associated with the Use of Artificial Intelligence in vitro Diagnostic, KidneyIntelX, to Modify DKD Progression***. The KidneyIntelX health economics findings from the BHA model have also been published in the May 2020 issue of the American Journal of Kidney Disease, the official journal of the NKF, which is recognized worldwide as a leading source of information devoted to clinical nephrology practice and clinical research.
- ***medRxiv.*** Derivation and validation of a machine-learning risk score using biomarker and EHR data to predict rapid progression of DKD was published in medRxiv, the preprint server for health sciences. This manuscript demonstrated that of KidneyIntelX, a machine learned model combining plasma biomarkers and EHR data, significantly improved prediction of progressive kidney function decline within five years over KDIGO risk strata and standard clinical models in 1,146 patients with earlier-stage DKD. Over 60% of patients classified as "high risk" by KidneyIntelX experienced the composite kidney endpoint, compared to less than 10% classified as "low risk." For the FDA-accepted endpoint of a sustained 40% decline in kidney function or kidney failure, those with KidneyIntelX high-risk scores had a nine-fold higher risk than those classified as the combined low- or intermediate-risk group.
- ***American Diabetes Association 80th Scientific Session Oral Presentation***. Findings from the multi-center validation study examining the derivation and validation of KidneyIntelX machine-learning risk score using biomarker and EHR data to predict rapid progression of DKD were presented at the American Diabetes Association 80th Scientific Session in June 2020 in Chicago, Illinois.
- ***Kidney360, A Journal of the American Society of Nephrology – Under Review.*** Findings from the study examining the ability of KidneyIntelX machine-learning combining blood biomarkers and EHR data to predict the composite kidney endpoint in two distinct populations from the Mount Sinai Bio*Me* biobank: one group with type 2 diabetes and relatively preserved kidney function, and the second group of approximately 500 patients of African ancestry with the *APOL1* high-risk genotype were submitted for publication. In both patient groups, KidneyIntelX outperformed standard clinical models for predicting progression of kidney disease. As in the multi-center validation study, the positive predictive value exceeded 60% in the high-risk strata, and the negative predictive value exceeded 90% in both populations. These data were also presented at ASN Kidney Week 2019 in Washington, DC.
- ***American Society of Nephrology Kidney Week 2020***. We have generated data from 3,500 participants from a randomized controlled trial of a therapeutic intervention in type 2 diabetes with over 9,000 blood samples collected longitudinally. Initial findings are expected to be presented at the American Society of Nephrology Kidney Week 2020 in Denver, Colorado in November 2020. This initial data assessed KidneyIntelX as both a predictive score for progressive kidney function decline and as a predictor of therapeutic response.

Our key agreements

Mount Sinai Health System

In May 2018, we entered into a license agreement, or the Mount Sinai Agreement, with the Icahn School of Medicine at Mount Sinai pursuant to which we obtained a worldwide, royalty-bearing, exclusive license under certain patents and a worldwide, royalty-bearing, non-exclusive license under certain know-how of Mount Sinai to develop and commercialize licensed products in connection with the application of artificial intelligence for the diagnosis of kidney disease. Pursuant to the terms of the Mount Sinai Agreement, we are obligated to use commercially reasonable efforts in connection with the development and commercialization of the licensed products, including in accordance with certain diligence milestones.

We paid Mount Sinai $10 million as an up-front payment upon entering into the Mount Sinai Agreement. Under the terms of the Mount Sinai Agreement, we are obligated to pay Mount Sinai $1.5 million and $7.5 million in commercial milestone payments upon achieving worldwide net sales of KidneyIntelX of $50 million and $300 million, respectively. We are also obligated to pay Mount Sinai a 4% to 5% royalty on net sales of KidneyIntelX, subject to customary reductions. Royalties are payable on a product-by-product basis from first commercial sale of such product until the later of (1) expiration of the last valid claim of a licensed patent covering such product or (2) on a country-by-country basis, 12 years from first commercial sale of such product in such country. Moreover, we are obligated to pay Mount Sinai between 15% and 25% of any consideration received by us from a sublicensee. The two provisional patent applications covering the KidneyIntelX diagnostic in-licensed under the Mount Sinai Agreement were filed in February 2020 and April 2020, respectively. If issued, these patents will expire in February 2041 and April 2041, respectively.

The Mount Sinai Agreement expires on the later of the tenth anniversary of the execution of the agreement and expiration of the last remaining royalty term. We may terminate the Mount Sinai Agreement at any time on 90 days' prior written notice. Mount Sinai may terminate the agreement for our uncured material breach, our failure to meet certain diligence milestones, our insolvency, or in the event that we challenge the validity or enforceability of any licensed patent.

Joslin Diabetes Center

In July 2017, EKF Diagnostics Holding Plc, or EKF, entered into a license agreement, or the Joslin Agreement, with the Joslin Diabetes Center, Inc., or Joslin. In October 2018, EKF assigned to us all of its rights, title, interest and benefit in the Joslin Agreement.

Pursuant to the Joslin Agreement and the related assignment from EKF, we obtained a worldwide, royalty-bearing, exclusive license under any patents and any related know-how of Joslin related to the patent application filed with respect to the use the TNFR1 and TNFR2 biomarkers for determining whether a patient has an increased risk of developing CKD or ESKD, or the Joslin IP, to make, have made, use, offer for sale and sell licensed products covered by claims in the Joslin IP, and to perform, practice offer for sale and sell certain licensed processes related to the Joslin IP. We are obligated to use commercially reasonable efforts in connection with the development and commercialization of the licensed products and licensed processes, including in accordance with a development plan.

Under the terms of the Joslin Agreement, we are obligated to pay Joslin certain milestone payments of up to $1.3 million in the aggregate based on specified commercial milestones as follows: $300,000 upon the achievement of total net sales of $2.0 million for any licensed products or licensed processes and $1.0 million upon the achievement of total net sales of $10.0 million for any licensed products or licensed processes. We are also obligated to pay Joslin a 5% royalty on net sales of any licensed products or licensed processes, subject to

customary reductions. Moreover, we are obligated to pay Joslin 25% of any consideration received by us from a sublicensee.

The Joslin Agreement initially expires on July 31, 2025, and is subject to an automatic five-year extension unless either party notifies the other party of its intent not to extend the agreement at least 180 days prior to initial expiration. Either party may terminate the Joslin Agreement earlier upon an uncured material breach of the agreement by the other party, the insolvency of the other party, or in the event the other party is unable to perform its obligations under the agreement for a specified period. Additionally, Joslin may terminate the agreement in the event that we cease developing or commercializing licensed products or processes, if we fail to maintain certain required insurance policies, and if we fail to pay patent expenses related to the licensed patents.

Kantaro Biosciences LLC

In May 2020, we and Mount Sinai entered into the Kantaro Operating Agreement in order to form Kantaro for the purpose of developing and commercializing laboratory tests for the detection of antibodies against SARS-CoV-2 originally developed by Mount Sinai. In connection with the formation of Kantaro, we entered into the Advisory Agreement, pursuant to which we have agreed to provide certain advisory services to Kantaro.

Pursuant to the Kantaro Operating Agreement, Kantaro issued 750 Class A Units to Mount Sinai in exchange for Mount Sinai granting licenses to Kantaro under certain intellectual property rights of Mount Sinai and 250 Class A Units to us in respect of the services to be rendered by us under the Advisory Agreement. A portion of our units are subject to forfeiture if, prior to December 31, 2020, Kantaro terminates the Advisory Agreement as a result of our uncured material breach of the Advisory Agreement or in the event we are acquired by a hospital or health system that serves all or any portion of the service areas served by Mount Sinai.

In addition to the equity granted at formation, we and Mount Sinai each committed to making a loan to Kantaro. Mount Sinai committed to lend an initial amount of $250,000 and an additional $500,000 thereafter. We committed to lend an initial amount of $83,333 and an additional $166,667 thereafter. Each loan bears interest at a per annum rate equal to 0.25%, compounded monthly, until repaid, and is repayable from the first amounts that would otherwise constitute cash available for distribution to the members of Kantaro (provided that each loan repayment will be made, 75% to Mount Sinai and 25% to us).

All services provided by us under the Advisory Agreement are subject to the oversight and direction of the board of managers of Kantaro. If, as circumstances develop, we believe that any of Kantaro's functions require a level of effort or expense that could not have reasonably been anticipated as of the date of the Advisory Agreement, the parties will consult together regarding such circumstances and the board of managers of Kantaro will determine whether the terms of the Advisory Agreement should be adjusted to take account of such circumstances; provided, however, that we shall not be required by any such adjustment to increase our level of effort or bear any expense in any material respect to an extent that exceeds those originally contemplated unless the parties have mutually agreed upon how such efforts and expenses shall be borne by the parties. It is the goal of the parties that Kantaro build its internal operational capabilities in order to eventually be self-sustaining, and certain of the aforementioned services are expected to sunset as Kantaro achieves such self-sustainability.

The sole consideration due to us for performance of these services is the issuance of the 250 Class A Units as described above.

The term of the Advisory Agreement will continue until the fifth anniversary of the execution thereof, unless earlier terminated. The Advisory Agreement may be terminated by either party upon an uncured material

breach of the Advisory Agreement by the other party or in the event the other party is unable to perform under the Advisory Agreement for a specified period of time due to a force majeure event. Kantaro may also terminate the Advisory Agreement by notice to us if we are acquired by a hospital or health system that serves all or any portion of the service areas served by Mount Sinai.

Commercialization

We plan to deploy KidneyIntelX to patient populations with DKD on a regional basis through partnerships with healthcare systems and insurance payors that provide coverage to those healthcare systems' patients. We believe that our core partnership with Mount Sinai Health System, a large integrated disease network in the New York metropolitan area, will demonstrate the value of our partnership model.

Integration of the KidneyIntelX software platform with healthcare providers' EHR systems enables seamless electronic test ordering and score reporting. Insurance payor participation increases the visibility and potentially the potency of the KidneyIntelX cost/benefit economics. To both health system and payors, KidneyIntelX offers a novel platform that can provide insights through the course of disease diagnosis, prognosis, clinical management and treatment.

To assist with KidneyIntelX utility and system-wide integration, we deploy a variety of critical supporting resources to providers, including direct customer service, care navigation and specialist educational programs. In addition, by deploying KidneyIntelX at a population health and clinical medicine level, we are able to deduce fixed operating costs associated with hiring and maintaining a direct sales force.

We are focused on hiring and training an efficient team of medical educators to establish relationships with healthcare systems and relevant payors rather than expending significant resources to build a large direct sales force. In addition, we employ experts in practitioner behavior change, health economics and data management in order to help define the optimal implementation of KidneyIntelX in a specific health system.

Recent reimbursement and regulatory developments

We have recently achieved the following reimbursement and regulatory milestones critical to broad-scale commercial adoption and utilization:

- ***CPT Code 0105U Effective***. In October 2019, a distinct CPT code 0105U became effective for KidneyIntelX, which can be used to report the use of KidneyIntelX to private and public payors throughout the United States for reimbursement.
- ***Medicare National Pricing Set.*** CMS included KidneyIntelX on the Final 2020 CLFS, setting the national price for KidneyIntelX at $950 per reportable test result, effective for a three-year term as of January 1, 2020, and repriced thereafter based on the weighted-average private insurance market reimbursed rate.
- ***FDA Breakthrough Device Designation Received.*** In May 2019, the FDA granted breakthrough device designation for KidneyIntelX.
- ***Utah CLIA Certificate of Registration Received.*** In January 2020, we announced that our newly established commercial laboratory operation in Salt Lake City, Utah received a CLIA Certificate of Registration. We believe our Utah facility will support our ability to scale-up test volumes, optimize processing costs and accelerate payor coverage determinations.
- ***New York State Clinical Laboratory Permit Received.*** In June 2020, we announced that our commercial laboratory in New York City received a clinical laboratory permit from the New York State Department of

Health to provide commercial testing of KidneyIntelX. With licensed CLIA commercial laboratories in Utah and New York, we can now provide KidneyIntelX testing services in 47 states (excluding California, Maryland and Pennsylvania).

- ***ISO Compliance.*** In March 2020, we successfully passed the ISO-13485:2016 inspection. We have been recommended for certification by the notified body.

Coverage and reimbursement

Current environment

In the United States and markets in other countries, patients who are prescribed treatments for their conditions and providers performing the prescribed services generally rely on third-party payors to reimburse all or part of the associated healthcare costs. Thus, even if a medical product is approved, sales of the medical product will depend, in part, on the extent to which third-party payors, including government health programs in the United States, such as Medicare and Medicaid, commercial health insurers and managed care organizations, provide coverage, and establish adequate reimbursement levels for, the product. In the United States, the principal decisions about reimbursement for new medical products are typically made by CMS. CMS decides whether and to what extent a new product will be covered and reimbursed under Medicare and private payors tend to follow CMS to a substantial degree. No uniform policy of coverage and reimbursement for medical products exists among third-party payors. Therefore, coverage and reimbursement for products can differ significantly from payor to payor. The process for determining whether a third-party payor will provide coverage for a medical product may be separate from the process for setting the price or reimbursement rate that the payor will pay for the product once coverage is approved. Third-party payors are increasingly challenging the prices charged, examining the medical necessity, and reviewing the cost-effectiveness of medical products and services and imposing controls to manage costs. Third-party payors may limit coverage to specific products on an approved list, also known as a formulary, which might not include all of the approved products for a particular indication.

In order to secure coverage and reimbursement for any medical product that might be approved for sale, a company may need to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of the product, in addition to the costs required to obtain FDA or other comparable regulatory approvals. Additionally, companies may also need to provide discounts to purchasers, private health plans or government healthcare programs. Nonetheless, products may not be considered medically necessary or cost effective. A decision by a third-party payor not to cover a product could reduce physician utilization once the product is approved and have a material adverse effect on sales, our operations and financial condition. Additionally, a third-party payor’s decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved. Further, one payor’s determination to provide coverage for a product does not assure that other payors will also provide coverage and reimbursement for the product, and the level of coverage and reimbursement can differ significantly from payor to payor. Further, due to the COVID-19 pandemic, millions of individuals have lost, or will be losing, employer-based insurance coverage, which may adversely affect our ability to commercialize our products.

The containment of healthcare costs has become a priority of federal, state and foreign governments, and the prices of products have been a focus in this effort. Governments have shown significant interest in implementing cost-containment programs, including price controls, restrictions on reimbursement and requirements for substitution of generic products. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit a company’s revenue generated from the sale of any approved products. Coverage policies and third-party payor reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is

attained for one or more products for which a company or its collaborators receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

These measures, and future state and federal healthcare reform measures that may be adopted in the future, may result in additional reductions in Medicare and other healthcare funding and otherwise affect the price of KidneyIntelX and any diagnostic product for which we may obtain regulatory approval or the frequency with which any such products are prescribed or used.

Outside the United States, ensuring coverage and adequate payment for a product also involves challenges, as the pricing of biological products is subject to governmental control in many countries. For example, in the European Union, pricing and reimbursement schemes vary widely from country to country. Some countries provide that products may be marketed only after a reimbursement price has been agreed. Some countries may require the completion of additional studies that compare the cost effectiveness of a particular technology to currently available products or so-called health technology assessments, in order to obtain reimbursement or pricing approval. Efforts to control prices and utilization of biological products will likely continue as countries attempt to manage healthcare expenditures.

Current coverage and reimbursement status

We intend to generate revenue from several sources, including government and third-party payors, and self-paying individuals.

To receive reimbursement from third-party payors, the KidneyIntelX testing services can be billed using the CPT code 0105U, as defined by the American Medical Association. This CPT code became effective throughout the United States in October 2019, meaning the code is in national payor databases in the United States in 2020. This avoids the common practice of initially billing for a novel diagnostic test under a miscellaneous code at commercial launch. Because miscellaneous codes do not describe a specific service, pricing for a unique test cannot be established. In addition, a third-party payor claim may need to be examined to determine the service that was provided, whether the service was appropriate and medically necessary and whether and at what level payment should be rendered—a process that can require a letter of medical necessity from the ordering physician and result in significant uncertainty with regard to receiving payment as well as payment delays.

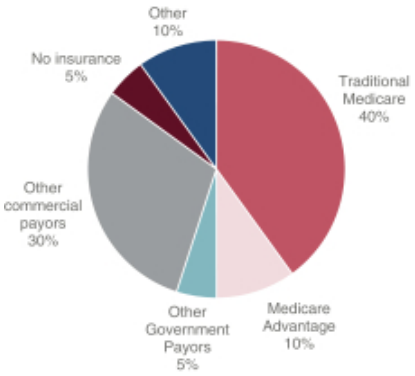
Under Medicare, payment for laboratory tests generally is made under the CLFS, with payment amounts assigned to specific procedure billing codes. Having both a unique test code and an established Medicare price often accelerates reimbursement timelines and facilitates coverage determinations and success on appeal.

Our coverage and reimbursement strategy

We are actively engaged in efforts to achieve broad commercial coverage and reimbursement for KidneyIntelX and to contract with third-party payors. Achieving positive coverage determinations eliminates the need for appeals and reduces failures to collect from the patient's third-party payor. Implementing our strategy includes our managed care and medical affairs teams educating third-party payors regarding our strong health economic and clinical validation data, and in the future clinical utility and outcomes data, which we believe validates the value of our products and provides evidence for third-party payors to establish value-based reimbursement.

We believe our reimbursement strategy is aligned with our commercialization strategy. The KidneyIntelX test is a single site, *in vitro*, artificial intelligence-enabled diagnostic test, and we are both the manufacturer and the service provider for the test. In all cases, we will bill payors and patients for the test.

The overall goal of the reimbursement strategy is to execute high-quality public and private payor contracts for coverage and reimbursement of KidneyIntelX. We estimate that health insurance coverage for the eligible patient population for KidneyIntelX breaks down as follows:



At 50%, the largest payor population is Traditional Medicare and Medicare Advantage insurance coverage.

In 2019, we achieved a significant milestone toward obtaining Medicare coverage, with CMS including KidneyIntelX on the Final 2020 CLFS and setting the national price for KidneyIntelX at $950 per reportable test result, effective for a three-year term as of January 1, 2020. This price will be re-evaluated at the end of this three year period using an average of accepted payment from private health insurance plans. In March 2020, we announced that our application for a Medicare PTAN was approved by Noridian Healthcare Solutions, the regional Medicare Administrative Contractor with responsibility for overseeing facilities and providers located in the western United States, and we were granted a Medicare provider number for our Salt Lake City, Utah clinical laboratory. As a result, we are now qualified as a provider and can bill for services provided to patients with Medicare health insurance coverage in the United States.

We are actively working to secure a coverage determination from Medicare. Our clinical laboratory in Utah is in a coverage region that follows recommendations from the MolDX Program. Coverage determinations are made under a defined process that takes up to 18 months to complete following submission. We currently anticipate a coverage determination decision under MolDX in calendar year 2021. A positive coverage determination would mean that KidneyIntelX tests performed in any region that participates in the MolDX program would be covered. A positive Medicare determination could create material upside in our revenue case and could also require incremental increases in laboratory and manufacturing capacity.

While working to secure a coverage determination we will also focus on contracting with regional Medicare Advantage plans that are aligned with our test launch regions.

In 2020 and 2021, we also plan to accelerate credentialing and coverage contracts with Medicaid programs and providers. We also expect to execute a U.S. Government Services Administration Contract in 2021. This will allow us to provide testing to individual Veterans Administration, or VA, health systems and Department of Defense, or DoD, facilities as we work to secure coverage with the TriCare programs (DoD) and regional VA programs in 2021 and 2022.

Non-Medicare Advantage national and regional private payor plans make up approximately 30% of the total addressable market or KidneyIntelX. A key element in selecting initial health system launch sites is to focus on areas with coverage from one or two plans at launch and an additional two to three plans within 12 months.

In addition, our focused health system partnership launch plan for KidneyIntelX is a critical component of our reimbursement strategy. We plan to collaborate with our launch partners to ensure all payor targets are

prioritized and aligned. In addition, we will create a patient friendly billing program for those patients who may not have health coverage or have burdensome cost share responsibilities. This will allow those patients in need of KidneyIntelX the benefit of the test while offering a more affordable solution.

Competition

We face competition from clinical reference laboratories and diagnostics manufacturers, including large diagnostic laboratories such as Quest Diagnostics Inc. and Laboratory Corporation of America Holdings (LabCorp) and large diagnostics manufacturers such as ThermoFisher Scientific Inc., Danaher Corporation, Roche Holding AG, Abbott Laboratories, Bio-Rad Laboratories, Inc., Ortho Clinical Diagnostics NV and Siemens Healthineers AG, all of which have widespread brand recognition and market penetration and substantially greater financial, technical, research and development and selling and marketing capabilities than we do. None of these companies, however, currently offer tests that are comparable to KidneyIntelX, as existing tests, such as serum creatinine or Cystatin C, only provide information on the current status of kidney function through an estimation of eGFR.

We also face competition from data analytics companies that have developed technology-based or artificial intelligence-based approaches to healthcare applications and medical devices and that currently or in the future may develop diagnostic or prognostic products focused on kidney disease.

Principal competitive factors in our market include:

- quality and strength of clinical and analytical validation data;
- proprietary access to extensively validated biomarkers for CKD;
- partnerships with healthcare systems;
- confidence in diagnostic or prognostic performance;
- technical performance and innovation to deliver products that provide clinically actionable results;
- reputation among health systems, physicians and payors as a provider of high-value diagnostic products;
- third-party reimbursement achievements;
- regulatory achievements;
- inclusion in practice guidelines;
- economic health benefits; and
- ease of use and willingness of physicians to include products as part of their routine care for patients with kidney disease.

We believe we compete effectively based on these factors; however, we cannot assure you that we will continue to do so. Many of our competitors and potential competitors have longer operating histories, larger customer bases, greater brand recognition and market penetration, substantially greater financial, technological and research and development resources and selling and marketing capabilities, and more experience dealing with third-party payors. As a result, they may be able to respond more quickly to changes in customer requirements and devote greater resources to the development, promotion and sale of their diagnostic tests. We may not be able to compete effectively against these organizations should they choose to enter the market for kidney disease prognostics.

Manufacturing, supply and operations

KidneyIntelX is an artificial intelligence-enabled *in vitro* prognostic testing solution that has been developed to be commercialized as a single-site *in vitro* diagnostic. As such, we expect to achieve FDA regulatory clearance of KidneyIntelX and operate under ISO 13485 certification. We are both the Manufacturer of Record and the service provider for the testing solution.

In 2019, we established a second laboratory in Salt Lake City, Utah. This facility has been granted a CLIA Certificate of Registration and can be used for commercial testing. This laboratory has also been certified under the ISO 13485 standard. The laboratory facility in Utah is approximately 4,000 square feet and has been established to be compliant with the FDA's quality system regulation.

Our laboratory in New York City, New York is located within a JLabs facility and was established for research, development and clinical testing. In June 2020, we announced that our commercial laboratory in New York City received a clinical laboratory permit from the New York State Department of Health to provide commercial testing of KidneyIntelX. The laboratory will be utilized for initial commercial testing with KidneyIntelX.

With licensed CLIA commercial laboratories in Utah and New York, we can now provide KidneyIntelX testing services in 47 states (excluding California, Maryland and Pennsylvania). We are seeking separate licenses with these states.

In June 2019, we announced that multiple production-scale lots of the critical materials had been successfully produced and had met the stringent quality control specifications required to scale up manufacturing for commercial production. This milestone results from a successful collaboration with Meso Scale Diagnostics, LLC, based in Rockville, Maryland, a leading provider of highly sensitive multiplex immunoassays.

Intellectual property

Intellectual property is of vital importance in our field and in diagnostics generally. We seek to protect and enhance proprietary technology, inventions, and improvements that are commercially important to the development of our business by seeking, maintaining, and defending patent rights, whether developed internally, acquired or licensed from third parties. We will also seek to rely on regulatory protection afforded through data exclusivity, market exclusivity and patent term extensions where available.

Our intellectual property estate is designed to provide multiple layers of protection, including: patent rights with claims directed to platform technologies, such as key biomarkers, and patent rights covering specific products, such as KidneyIntelX. We also rely on trade secrets that may be important to the development of our business.

We believe our current patent estate, together with our efforts to develop and patent next generation technologies, provides us with substantial intellectual property protection.

We have sought patent protection in the United States and internationally for our KidneyIntelX product. However, the area of patent and other intellectual property rights in biotechnology is an evolving one with many risks and uncertainties.

Our commercial success will depend in part on obtaining and maintaining patent protection and trade secret protection of our current and future diagnostic products and the methods used to develop and manufacture them, as well as successfully defending these patents against third-party challenges and operating without infringing on the proprietary rights of others. Our ability to stop third parties from making, using, selling, offering to sell or importing our diagnostic products depends on the extent to which we have rights under valid and enforceable patents or trade secrets that cover these activities. We cannot be sure that patents will be granted with respect to any of our pending patent applications or with respect to any patent applications filed by us in the future, nor can we be sure that any of our existing patents or any patents that may be granted to us

in the future will be commercially useful in protecting our diagnostic products, discovery programs and processes. For this and more comprehensive risks related to our intellectual property, see “Risk factors—Risks related to our intellectual property.”

The term of individual patents depends upon the legal term of the patents in the countries in which they are obtained. In most countries in which we file, including the United States, the patent term is 20 years from the earliest date of filing a non-provisional patent application. In the United States, a patent’s term may be lengthened by patent term adjustment, which compensates a patentee for administrative delays by the USPTO in examining and granting a patent, or may be shortened if a patent is terminally disclaimed over an earlier filed patent or delays on the part of a patentee. For more information regarding the risks related to our intellectual property, see “Risk factors—Risks related to our intellectual property.”

In some instances, we submit patent applications directly with the USPTO as provisional patent applications. Corresponding non-provisional patent applications must be filed not later than 12 months after the provisional application filing date. While we intend to timely file non-provisional patent applications relating to our provisional patent applications, we cannot predict whether any such patent applications will result in the issuance of patents that provide us with any competitive advantage.

We file U.S. non-provisional applications and Patent Cooperation Treaty, or PCT, applications that claim the benefit of the priority date of earlier filed provisional applications, when applicable. The PCT system allows a single application to be filed within 12 months of the original priority date of the patent application, and to designate all of the PCT member states in which national patent applications can later be pursued based on the international patent application filed under the PCT. The PCT searching authority performs a patentability search and issues a non-binding patentability opinion which can be used to evaluate the chances of success for the national applications in foreign countries prior to having to incur the filing fees. Although a PCT application does not issue as a patent, it allows the applicant to seek protection in any of the member states through national-phase applications. At the end of the period of two and a half years from the first priority date of the patent application, separate patent applications can be pursued in any of the PCT member states either by direct national filing or, in some cases by filing through a regional patent organization, such as the European Patent Organization. The PCT system delays expenses, allows a limited evaluation of the chances of success for national/regional patent applications and enables substantial savings where applications are abandoned within the first two and a half years of filing.

For all patent applications, we determine claiming strategy on a case-by-case basis. Advice of counsel and our business model and needs are always considered. We file patents containing claims for protection of all useful applications of our proprietary technologies and any products, as well as all new applications and/or uses we discover for existing technologies and products, assuming these are strategically valuable. We continuously reassess the number and type of patent applications, as well as the pending and issued patent claims to ensure that maximum coverage and value are obtained for our processes, and compositions, given existing patent office rules and regulations. Further, claims may be modified during patent prosecution to meet our intellectual property and business needs.

We recognize that the ability to obtain patent protection and the degree of such protection depends on a number of factors, including the extent of the prior art, the novelty and non-obviousness of the invention, and the ability to satisfy the enablement requirement of the patent laws. In addition, the coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted or further altered even after patent issuance. Consequently, we may not obtain or maintain adequate patent protection for any of our future diagnostic products or for our technology platform. We cannot predict whether the patent applications we are currently pursuing will issue as patents in any particular jurisdiction or whether

the claims of any issued patents will provide sufficient proprietary protection from competitors. Any patents that we hold may be challenged, circumvented or invalidated by third parties.

In addition to patent protection, we also rely on trademark registration, trade secrets, know how, other proprietary information and continuing technological innovation to develop and maintain our competitive position. We seek to protect and maintain the confidentiality of proprietary information to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection. Although we take steps to protect our proprietary information and trade secrets, including through contractual means with our employees and consultants, third parties may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets or disclose our technology. Thus, we may not be able to meaningfully protect our trade secrets. It is our policy to require our employees, consultants, outside scientific collaborators, sponsored researchers and other advisors to execute confidentiality agreements upon the commencement of employment or consulting relationships with us. These agreements provide that all confidential information concerning our business or financial affairs developed or made known to the individual during the course of the individual's relationship with us is to be kept confidential and not disclosed to third parties except in specific circumstances. Our agreements with employees also provide that all inventions conceived by the employee in the course of employment with us or from the employee's use of our confidential information are our exclusive property. However, such confidentiality agreements and invention assignment agreements can be breached and we may not have adequate remedies for any such breach. In addition, our trade secrets may otherwise become known or be independently discovered by competitors. To the extent that our consultants, contractors or collaborators use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting trade secrets, know-how and inventions. For more information regarding the risks related to our intellectual property, see "Risk factors—Risks related to our intellectual property."

The patent positions of companies like ours are generally uncertain and involve complex legal, scientific and factual questions. Our commercial success will also depend in part on not infringing upon the proprietary rights of third parties. It is uncertain whether the issuance of any third-party patent would require us to alter our development or commercial strategies, or our products or processes, obtain licenses or cease certain activities. Our breach of any license agreements or our failure to obtain a license to proprietary rights required to develop or commercialize our future products may have a material adverse impact on us. If third parties prepare and file patent applications in the United States that also claim technology to which we have rights, we may have to participate in interference or derivation proceedings in the USPTO to determine priority of invention. For more information, see "Risk factors—Risks related to our intellectual property."

When available to expand market exclusivity, our strategy is to obtain, or license additional intellectual property related to current or contemplated development platforms, core elements of technology and/or clinical candidates.

In-licensed intellectual property

The KidneyIntelX diagnostic is covered by a published PCT application filed in December 2009 that has been in-licensed from Joslin. National phase applications from this PCT were filed in the United States and Europe. There are two issued United States patents, which will both expire in December 2029. The claims are directed to methods of determining whether a human subject has an increased risk of developing CKD or ESKD or both. There is also a pending United States divisional patent application. There is an issued European patent, which will expire in December 2029. The claims are directed to methods of determining whether a human subject has an increased risk of developing early renal function decline. The European patent is regionally validated in Belgium, Denmark, France, Germany, Ireland, Italy, Netherlands and Spain, and additionally in Hong-Kong. There is also a pending divisional EP patent application.

In addition, the KidneyIntelX diagnostic is covered by two provisional patent applications that have been in-licensed from the Mount Sinai School of Medicine. These provisional patent applications were filed in February 2020 and April 2020, respectively. If issued, these patents will expire in February 2041 and April 2041, respectively.

We also have an option with Chirag Parikh and Dennis Moledina to negotiate a non-exclusive license to certain United States pending patent applications that claim methods of detecting markers associated with interstitial nephritis. This option will expire May 25, 2021.

Finally, we have an option with the Icahn School of Medicine at Mount Sinai to negotiate a non-exclusive license to certain United States pending patent applications that claim methods of automated medical diagnosis generally and automated diagnosis of patients with CKD. This option will expire in May 2021.

Government regulation and product approval

Clinical laboratory framework

Clinical Laboratory Improvement Amendments of 1988

As a clinical reference laboratory, with locations in Utah and New York, we are required to hold certain federal, state and local licenses, certifications and permits to conduct our business. CMS regulates all non-research laboratory testing performed on humans in the United States through the CLIA. In total, CLIA covers approximately 260,000 laboratory entities. The Division of Clinical Laboratory Improvement & Quality, within the Quality, Safety & Oversight Group, under the Center for Clinical Standards and Quality, or CCSQ, has the responsibility for implementing the CLIA program. Under CLIA, we are required to hold a certificate applicable to the type of laboratory tests we perform and to comply with standards applicable to our operations, including test processes, personnel, facilities administration, equipment maintenance, recordkeeping, quality systems and proficiency testing, which are intended to ensure, among other things, that clinical laboratory testing services are accurate, reliable and timely.

We maintain a CLIA Certificate of Registration for our Utah laboratory that allows us to now perform non-waived (moderate and/or high complexity) testing at that site. In 2020, the laboratory is expected to be inspected by the Utah Department of Health to determine its compliance with CLIA regulations. After a successful inspection, CMS will issue a Certificate of Compliance for our Utah laboratory. There will be subsequent annual inspections run by the Utah Department of Health. In June 2020, we also received CLIA certification for our New York laboratory through the New York State Department of Health. Following completion of a volume expansion project in the Utah laboratory, that certification will be transferred to the Utah laboratory.

In addition, a laboratory that is certified as “high complexity” under CLIA may develop, manufacture, validate and use proprietary tests referred to as laboratory developed tests, or LDTs. CLIA requires analytical validation including accuracy, precision, specificity, sensitivity and establishment of a reference range for any LDT used in clinical testing. The regulatory and compliance standards applicable to the testing we perform may change over time, and any such changes could have a material effect on our business.

Penalties for non-compliance with CLIA requirements include a range of enforcement actions, including suspension, limitation or revocation of the laboratory’s CLIA certificate, as well as directed plan of correction, state on-site monitoring, civil monetary penalties, civil injunctive suit or criminal penalties.

State laboratory licensing

In addition to federal certification requirements of laboratories under CLIA, CLIA provides that states may adopt laboratory regulations and licensure requirements that are more stringent than those under federal law.

A number of states have implemented their own more stringent laboratory regulatory requirements. Such laws, among other things, establish standards for the day-to-day operation of a clinical laboratory, including the training and skills required of personnel and quality control. Five states require a separate out-of-state license before we can provide testing services for their residents: California, Maryland, New York, Pennsylvania and Rhode Island. In June 2020, we successfully received CLIA certification for our New York laboratory through the New York State Department of Health. We have also initiated the application process for our Utah laboratory in Maryland and expect to initiate the application process for California, Pennsylvania and Rhode Island in the first half of calendar year 2020.

Federal oversight of laboratory developed tests

The laws and regulations governing the marketing of clinical laboratory testing and diagnostic products are evolving, extremely complex and, in many instances, there are no significant regulatory or judicial interpretations of these laws and regulations. Clinical laboratory tests are regulated under CLIA, as administered by CMS, as well as by applicable state laws. In addition, the Federal Food, Drug and Cosmetic Act, or FDCA, defines a medical device to include any instrument, apparatus, implement, machine, contrivance, implant, *in vitro* reagent, or other similar or related article, including a component part, or accessory, intended for use in the diagnosis of disease or other conditions, or in the cure, mitigation, treatment, or prevention of disease, in man or other animals. Our *in vitro* testing products are considered by the FDA to be subject to regulation as medical devices. Among other things, pursuant to the FDCA and its implementing regulations, the FDA regulates the research, testing, manufacturing, safety, labeling, storage, recordkeeping, pre-market clearance or approval, marketing and promotion, and sales and distribution of medical devices in the United States to ensure that medical products distributed domestically are safe and effective for their intended uses. In addition, the FDA regulates the export of medical devices manufactured in the United States to international markets.

Although the FDA has statutory authority to assure that medical devices are safe and effective for their intended uses, the FDA has generally exercised its enforcement discretion and not enforced applicable regulations with respect to *in vitro* diagnostics that are designed, manufactured, and used within a single laboratory for use only in that laboratory (i.e., LDTs). We believe KidneyIntelX qualifies as an LDT and, thus, is currently subject to the FDA's enforcement discretion and not subject to the FDA's active oversight.

Legislative and administrative proposals proposing to amend FDA's oversight of LDTs have been introduced in recent years and we expect that new legislative and administrative proposals will continue to be introduced from time to time. It is possible that legislation could be enacted into law or regulations or guidance could be issued by the FDA which may result in new or increased regulatory requirements for us to continue to offer LDTs or to develop and introduce new tests as LDTs. For example, FDA has stated its intention to modify its enforcement discretion policy with respect to LDTs. Specifically, in July 2014, the FDA notified the U.S. Congress of its intent to modify, in a risk-based manner, its policy of enforcement discretion with respect to LDTs. In October 2014, the FDA issued two draft guidance documents titled "Framework for Regulatory Oversight of Laboratory Developed Tests (LDTs)," or the Framework Guidance, and "FDA Notification and Medical Device Reporting for Laboratory Developed Tests (LDTs)," or the Reporting Guidance. The Framework Guidance stated that FDA intends to modify its policy of enforcement discretion with respect to LDTs in a risk-based manner consistent with the classification of medical devices generally in Classes I through III. The Reporting Guidance would have further enabled FDA to collect information regarding the LDTs currently being offered for clinical use through a notification process, as well as to enforce its regulations for reporting safety issues and collecting information on any known or suspected adverse events related to the use of an LDT.

Although the FDA halted finalization of these guidance documents in November 2016 to allow for further public discussion on an appropriate oversight approach to LDTs and to give congressional authorizing committees the

opportunity to develop a legislative solution, and the FDA issued a discussion paper on possible approaches to LDT regulation in January 2017, the FDA could ultimately modify its current approach to LDTs in a way that would subject LDTs to additional regulatory requirements. Legislative measures could likewise result in a change to the approach to FDA's regulation over LDTs, including a requirement for premarket review of LDTs, among other things. For example, on March 5, 2020, Congress introduced legislation entitled the Verifying Accurate, Leading-edge IVCT Development Act, or VALID Act, which would create a new test product category, *in vitro* clinical tests, or IVCTs, including LDTs and test kits, and would give FDA authority to review and approve such IVCTs. Currently it is unclear whether or in what form such legislation will be enacted.

Medical device regulatory framework

Pursuant to its authority under the FDCA, the FDA has jurisdiction over medical devices, which are defined to include, among other things, *in vitro* diagnostic devices. The FDA regulates, among other things, the research, design, development, preclinical and clinical testing, manufacturing, safety, effectiveness, packaging, labeling, storage, recordkeeping, pre-market clearance or approval, adverse event reporting, marketing, promotion, sales, distribution and import and export of medical devices. Although we currently intend to market KidneyIntelX as an LDT, we could be subject to more onerous FDA compliance obligations in the future. Specifically, if the FDA begins to actively regulate LDTs, then, unless an exemption applies, each new or significantly modified medical device we seek to commercially distribute in the United States could require a premarket notification to the FDA requesting permission for commercial distribution under Section 510(k) of the FDCA, also referred to as a 510(k) clearance, approval from the FDA of a premarket approval, or PMA, application, or a de novo request for classification, or de novo request. The 510(k) clearance, PMA and de novo processes can be resource intensive, expensive, and lengthy, and require payment of significant user fees.

In May 2019, the FDA granted breakthrough device designation for KidneyIntelX. The Breakthrough Devices Program is a voluntary program intended to expedite the review, development, assessment and review of certain medical devices that provide for more effective treatment or diagnosis of life-threatening or irreversibly debilitating human diseases or conditions for which no approved or cleared treatment exists or that offer significant advantages over existing approved or cleared alternatives. All submissions for devices designated as breakthrough devices will receive priority review, meaning that the review of the submission is placed at the top of the appropriate review queue and receives additional review resources, as needed. Although breakthrough designation or access to any other expedited program may expedite the development or approval process, it does not change the standards for approval. Breakthrough designation may also be withdrawn by the FDA if it believes that the designation is no longer supported by data from our clinical development program. Additionally, breakthrough designation does not ensure that we will ultimately obtain FDA clearance or approval.

Device classification

Under the FDCA, medical devices are classified into one of three classes (Class I, Class II or Class III) depending on the degree of risk associated with each medical device and the extent of control needed to provide reasonable assurances with respect to safety and effectiveness.

Class I includes devices with the lowest risk to the patient and are those for which safety and effectiveness can be reasonably assured by adherence to General Controls for Medical Devices, which require compliance with the applicable portions of the FDA's Quality System Regulation, facility registration and product listing, reporting of adverse events and malfunctions, and appropriate, truthful and non-misleading labeling and promotional materials. While some Class I devices also require premarket clearance by the FDA through the 510(k) premarket notification process described below, most Class I products are exempt from the premarket notification requirements.

Class II devices are those that are subject to the General Controls, as well as Special Controls as deemed necessary by the FDA to ensure the safety and effectiveness of the device. These Special Controls can include performance standards, patient registries and post-market surveillance. Most Class II devices are subject to premarket review and clearance by the FDA. Premarket review and clearance by the FDA for Class II devices is accomplished through the 510(k) premarket notification process.

Class III devices include devices deemed by the FDA to pose the greatest risk, such as life-supporting, life- sustaining devices, or implantable devices, in addition to those deemed novel and not substantially equivalent following the 510(k) process. The safety and effectiveness of Class III devices cannot be reasonably assured solely by the General Controls and Special Controls described above. Therefore, these devices are subject to the PMA application process, which is generally more costly and time-consuming than the 510(k) process. Through the PMA application process, the applicant must submit data and information demonstrating reasonable assurance of the safety and effectiveness of the device for its intended use to the FDA's satisfaction. Accordingly, a PMA typically includes, but is not limited to, extensive technical information regarding device design and development, preclinical and clinical trial data, manufacturing information, labeling and financial disclosure information for the clinical investigators in device studies. The PMA application must provide valid scientific evidence that demonstrates to the FDA's satisfaction a reasonable assurance of the safety and effectiveness of the device for its intended use.

The 510(k) clearance process

Under the 510(k) clearance process, the manufacturer must submit to the FDA a premarket notification, demonstrating that the device is "substantially equivalent" to a legally marketed predicate device. A predicate device is a legally marketed device that is not subject to a PMA (i.e., a device that was legally marketed prior to May 28, 1976 (pre-amendments device) and for which a PMA is not required), a device that has been reclassified from Class III to Class II or I, or a device that was previously found substantially equivalent through the 510(k) process. To be "substantially equivalent," the proposed device must have the same intended use as the predicate device, and either have the same technological characteristics as the predicate device or have different technological characteristics and not raise different questions of safety or effectiveness than the predicate device. Clinical data is sometimes required to support substantial equivalence.

After a 510(k) premarket notification is submitted, the FDA determines whether to accept it for substantive review. If it lacks necessary information for substantive review, the FDA will refuse to accept the 510(k) premarket notification. If it is accepted for filing, the FDA begins a substantive review. By statute, the FDA is required to complete its review of a 510(k) notification within 90 days of receiving the 510(k) notification. As a practical matter, clearance often takes longer, and clearance is never assured. Although many 510(k) premarket notifications are cleared without clinical data, the FDA may require further information, including clinical data, to make a determination regarding substantial equivalence, which may significantly prolong the review process. If the FDA agrees that the device is substantially equivalent, it will grant clearance to commercially market the device.

If the FDA determines that the device is not "substantially equivalent" to a predicate device, or if the device is automatically classified into Class III, the device sponsor must then fulfill the much more rigorous premarketing requirements of the PMA approval process, or seek classification of the device through the de novo process. The de novo classification process is an alternate pathway to classify medical devices that are automatically classified into Class III but which are low to moderate risk. A manufacturer can submit a request for direct de novo review if the manufacturer is unable to identify an appropriate predicate device and the new device or new use of the device presents a moderate or low risk. De novo classification may also be available after receipt of a "not substantially equivalent" letter following submission of a 510(k) to FDA.

After a device receives 510(k) clearance or marketing authorization through the de novo classification process whereupon the device is classified into a classification regulation subject to 510(k), any modification that could significantly affect its safety or effectiveness, or that would constitute a new or major change in its intended use, will require a new 510(k) clearance or, depending on the modification, could require a PMA application or new de novo request. The FDA requires each manufacturer to determine whether the proposed change requires a new submission in the first instance, but the FDA can review any such decision and disagree with a manufacturer's determination. Many minor modifications are accomplished by an internal letter-to-file in which the manufacture documents its reasoning for why a change does not require premarket submission to the FDA. The letter-to-file is in lieu of submitting a new 510(k) to obtain clearance for such change. The FDA can always review these letters to file in an inspection. If the FDA disagrees with a manufacturer's determination regarding whether a new premarket submission is required for the modification of an existing 510(k)-cleared device, the FDA can require the manufacturer to cease marketing and/or recall the modified device until marketing authorization is obtained. In addition, in these circumstances, the FDA can impose significant regulatory fines or penalties for failure to submit the requisite application(s).

Over the last several years, the FDA has proposed reforms to its 510(k) clearance process, and such proposals could include increased requirements for clinical data and a longer review period, or could make it more difficult for manufacturers to utilize the 510(k) clearance process for their products.

The PMA approval process

Following receipt of a PMA application, the FDA conducts an administrative review to determine whether the application is sufficiently complete to permit a substantive review. If it is not, the agency will refuse to file the PMA. If it is, the FDA will accept the application for filing and begin the review. The FDA has 180 days to review a filed PMA application, although the review of an application more often occurs over a significantly longer period of time. During this review period, the FDA may request additional information or clarification of information already provided, and the FDA may issue a major deficiency letter to the applicant, requesting the applicant's response to deficiencies communicated by the FDA.

Before approving or denying a PMA, an FDA advisory committee may review the PMA at a public meeting and provide the FDA with the committee's recommendation on whether the FDA should approve the submission, approve it with specific conditions, or not approve it. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

Prior to approval of a PMA, the FDA may conduct inspections of the clinical trial data and clinical trial sites, as well as inspections of the manufacturing facility and processes. Overall, the FDA review of a PMA application generally takes between one and three years, but may take significantly longer. The FDA can delay, limit or deny approval of a PMA application for many reasons, including:

- the device may not be shown safe or effective to the FDA's satisfaction;
- the data from preclinical studies and/or clinical trials may be found unreliable or insufficient to support approval;
- the manufacturing process or facilities may not meet applicable requirements; and
- changes in FDA approval policies or adoption of new regulations may require additional data.

If the FDA evaluation of a PMA is favorable, the FDA will issue either an approval letter, or an approvable letter, the latter of which usually contains a number of conditions that must be met in order to secure final approval of the PMA. When and if those conditions have been fulfilled to the satisfaction of the FDA, the agency will issue a

PMA approval letter authorizing commercial marketing of the device, subject to the conditions of approval and the limitations established in the approval letter. If the FDA's evaluation of a PMA application or manufacturing facilities is not favorable, the FDA will deny approval of the PMA or issue a not approvable letter. The FDA also may determine that additional tests or clinical trials are necessary, in which case the PMA approval may be delayed for several months or years while the trials are conducted and data is submitted in an amendment to the PMA, or the PMA is withdrawn and resubmitted when the data are available. The PMA process can be expensive, uncertain and lengthy and a number of devices for which the FDA approval has been sought by other companies have never been approved by the FDA for marketing.

New PMA applications or PMA supplements are required for modification to the manufacturing process, equipment or facility, quality control procedures, sterilization, packaging, expiration date, labeling, device specifications, ingredients, materials or design of a device that has been approved through the PMA process. PMA supplements often require submission of the same type of information as an initial PMA application, except that the supplement is limited to information needed to support any changes from the device covered by the approved PMA application and may or may not require as extensive technical or clinical data or the convening of an advisory panel, depending on the nature of the proposed change.

In approving a PMA application, as a condition of approval, the FDA may also require some form of post-approval study or post-market surveillance, whereby the applicant conducts a follow-up study or follows certain patient groups for a number of years and makes periodic reports to the FDA on the clinical status of those patients when necessary to protect the public health or to provide additional or longer term safety and effectiveness data for the device. The FDA may also approve a PMA application with other post-approval conditions intended to ensure the safety and effectiveness of the device, such as, among other things, restrictions on labeling, promotion, sale, distribution and use. New PMA applications or PMA supplements may also be required for modifications to any approved diagnostic tests, including modifications to our manufacturing processes, device labeling and device design, based on the findings of post-approval studies.

The investigational device process

In the United States, absent certain limited exceptions, human clinical trials intended to support medical device clearance or approval require an investigational device exemption, or IDE, application. Some types of studies deemed to present "non-significant risk" are deemed to have an approved IDE—without affirmative submission of an IDE application to the FDA—once certain requirements are addressed and Institutional Review Board, or IRB, approval is obtained. If the device presents a "significant risk" to human health, as defined by the FDA, the sponsor must submit an IDE application to the FDA and obtain IDE approval prior to commencing the human clinical trials. The IDE application must be supported by appropriate data, such as animal and laboratory testing results, showing that it is safe to test the device in humans and that the testing protocol is scientifically sound. Generally, clinical trials for a significant risk device may begin once the IDE application is approved by the FDA and the study protocol and informed consent are approved by appropriate IRBs at the clinical trial sites. Submission of an IDE will not necessarily result in the ability to commence clinical trials, and although the FDA's approval of an IDE allows clinical testing to go forward for a specified number of subjects, it does not bind the FDA to accept the results of the trial as sufficient to prove the product's safety and efficacy, even if the trial meets its intended success criteria.

Such clinical trials must be conducted in accordance with the FDA's IDE regulations that govern investigational device labeling, prohibit promotion and specify an array of recordkeeping, reporting and monitoring responsibilities of study sponsors and study investigators. Clinical trials must further comply with good clinical practice regulations for IRB approval and for informed consent and other human subject protections. Required records and reports are subject to inspection by the FDA for any clinical trials subject to FDA oversight. The

results of clinical testing may be unfavorable, or, even if the intended safety and efficacy success criteria are achieved, may not be considered sufficient for the FDA to grant marketing approval or clearance of a product. The commencement or completion of any clinical trial may be delayed or halted, or be inadequate to support approval of a PMA application or clearance of a 510(k) premarket notification, for numerous reasons.

Post-market regulation

After a device is cleared or approved for marketing, numerous and pervasive regulatory requirements continue to apply. These include:

- establishment registration and device listing with the FDA;
- QSR requirements, which require manufacturers, including third-party manufacturers, to follow stringent design, testing, control, documentation and other quality assurance procedures during all aspects of the design and manufacturing process;
- labeling regulations and FDA prohibitions against the promotion of investigational products, or the promotion of ‘‘off-label’’ uses of cleared or approved products;
- requirements related to promotional activities;
- clearance or approval of product modifications to 510(k)-cleared devices that could significantly affect safety or effectiveness or that would constitute a major change in intended use of one of our cleared devices, or approval of certain modifications to PMA-approved devices;
- Medical Device Reporting regulations, which require that a manufacturer report to the FDA if a device it markets may have caused or contributed to a death or serious injury, or has malfunctioned and the device or a similar device that it markets would be likely to cause or contribute to a death or serious injury, if the malfunction were to recur;
- correction, removal and recall reporting regulations, which require that manufacturers report to the FDA field corrections and product recalls or removals if undertaken to reduce a risk to health posed by the device or to remedy a violation of the FDCA that may present a risk to health;
- the FDA’s recall authority, whereby the agency can order device manufacturers to recall from the market a product that is in violation of governing laws and regulations; and
- post-market surveillance activities and regulations, which apply when deemed by the FDA to be necessary to protect the public health or to provide additional safety and effectiveness data for the device.

Device manufacturing processes are required to comply with the applicable portions of the QSR, which cover the methods and the facilities and controls for the design, manufacture, testing, production, processes, controls, quality assurance, labeling, packaging, distribution, installation and servicing of finished devices intended for human use. The QSR also requires, among other things, maintenance of a device master file, device history file, and complaint files. Manufacturers are subject to periodic scheduled or unscheduled inspections by the FDA. A failure to maintain compliance with the QSR requirements could result in the shut-down of, or restrictions on, manufacturing operations and the recall or seizure of products. The discovery of previously unknown problems with products, including unanticipated adverse events or adverse events of increasing severity or frequency, whether resulting from the use of the device within the scope of its clearance or off-label by a physician in the practice of medicine, could result in restrictions on the device, including the removal of the product from the market or voluntary or mandatory device recalls.

The FDA has broad regulatory compliance and enforcement powers. If the FDA determines that a manufacturer has failed to comply with applicable regulatory requirements, it can take a variety of compliance or enforcement actions, including the following:

- issuance of warning letters, untitled letters, fines, injunctions, consent decrees and civil penalties;
- requesting or requiring recalls, withdrawals, or administrative detention or seizure of our products;
- imposing operating restrictions or partial suspension or total shutdown of production;
- refusing or delaying requests for 510(k) marketing clearance or PMA approvals of new products or modified products;
- withdrawing 510(k) clearances or PMA approvals that have already been granted;
- refusal to grant export approvals for our products; or
- criminal prosecution.

U.S. federal and state health care laws

Federal and state physician self-referral prohibitions

We are subject to the federal physician self-referral prohibitions, commonly known as the Stark Law, and to comparable state laws. Together these restrictions generally prohibit us from billing a patient or governmental or private payor for certain designated health services, including clinical laboratory services, when the physician ordering the service, or a member of such physician's immediate family, has a financial relationship, such as an ownership or investment interest in or compensation arrangement with us, unless the relationship meets an applicable exception to the prohibition. Several Stark Law exceptions are relevant to many common financial relationships involving clinical laboratories and referring physicians, including: (1) fair market value compensation for the provision of items or services; (2) payments by physicians to a laboratory for clinical laboratory services; (3) space and equipment rental arrangements that satisfy certain requirements, and (4) personal services arrangements that satisfy certain requirements. The laboratory cannot submit claims to the Medicare Part B program for services furnished in violation of the Stark Law, and Medicaid reimbursements may be at risk as well.

Sanctions for a Stark Law violation include the following:

- denial of payment for the services provided in violation of the prohibition;
- refunds of amounts collected by an entity in violation of the Stark Law;
- a civil penalty for each bill or claim for a service arising out of the prohibited referral;
- the imposition of up to three times the amounts for each item or service wrongfully claimed;
- possible exclusion from federal healthcare programs, including Medicare and Medicaid; and
- a civil penalty for each arrangement or scheme that the parties know (or should know) has the principal purpose of circumventing the Stark Law's prohibition.

The Stark law is a strict liability statute, which means these prohibitions apply regardless of any intent by the parties to induce or reward referrals or the reasons for the financial relationship and the referral. In addition, knowing violations of the Stark Law may also serve as the basis for liability under the federal False Claims Act, or the FCA, which can result in additional civil and criminal penalties.

Federal and state anti-kickback laws

The federal Anti-Kickback Statute, or the AKS, makes it a felony for a person or entity, including a clinical laboratory, to knowingly and willfully offer, pay, solicit or receive any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, in order to induce business that is reimbursable under any federal healthcare program. A violation of the AKS may result in imprisonment, significant administrative and civil penalties and monetary fines and to exclude healthcare providers and others engaged in prohibited activities from Medicare, Medicaid and other federal healthcare programs. The government may also assert that a claim that includes items or services resulting from a violation of the AKS constitutes a false or fraudulent claim under the FCA, which is discussed in greater detail below. Additionally, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation.

Although the AKS applies only to items and services reimbursable under any federal healthcare program, a number of states have passed statutes substantially similar to the AKS that apply to all payors. Penalties for violations of such state laws include imprisonment and significant monetary fines.

Federal and state law enforcement authorities scrutinize arrangements between healthcare providers and potential referral sources to ensure that the arrangements are not designed as a mechanism to induce patient care referrals or induce the purchase or prescribing of particular products or services. Generally, courts have taken a broad interpretation of the scope of the AKS, holding that the statute may be violated if merely one purpose of a payment arrangement is to induce referrals or purchases.

In addition to statutory exceptions to the AKS, regulations provide for a number of safe harbors. If an arrangement meets the provisions of an applicable exception or safe harbor, it is deemed not to violate the AKS. An arrangement must fully comply with each element of an applicable exception or safe harbor in order to qualify for protection.

Failure to meet the requirements of the safe harbor, however, does not render an arrangement illegal. Rather, the government may evaluate such arrangements on a case-by-case basis, taking into account all facts and circumstances. On October 9, 2019, the Office of Inspector General of HHS, or OIG, and CMS proposed further modifications to the federal AKS safe harbor protections for certain coordinated care and value-based arrangements among clinicians, providers and others. CMS also proposed multiple new exceptions and revisions to current exceptions for value-based arrangements under the Stark Law. It is unknown at this time which, if any, of these modifications will go into effect and what effect it will have on our business.

Corporate practice of medicine; fee splitting

A number of states, including California, do not allow business corporations to employ physicians to provide professional services. This prohibition against the “corporate practice of medicine” is aimed at preventing corporations such as us from exercising control over the medical judgments or decisions of physicians. The state licensure statutes and regulations and agency and court decisions that enumerate the specific corporate practice rules vary considerably from state to state and are enforced by both the courts and regulatory authorities, each with broad discretion. Activities in addition to those directly related to the delivery of medical care also may be considered an element of the practice of medicine in many states. We may enter into services contracts with healthcare providers organizations pursuant to which we provide them with a range of services. These contractual relationships are subject to various state laws, including those of New York, Texas and California, that prohibit fee splitting or the practice of medicine by lay entities or persons and are intended to prevent unlicensed persons from interfering with or influencing the physician’s professional judgment. If regulatory authorities or other parties in any jurisdiction successfully assert that we are engaged in the unauthorized corporate practice of medicine, or fee-splitting, we could be required to restructure our contractual and other arrangements with certain physicians and other healthcare professions.

Some of these requirements may apply to us even if we do not have a physical presence in the state, based solely on our agreements with providers licensed in the state. However, regulatory authorities or other parties, including our providers, may assert that we are engaged in the corporate practice of medicine or that our contractual arrangements with our provider clients constitute unlawful fee splitting. In addition, violation of these laws may result in significant civil, criminal and administrative penalties, such as sanctions imposed against us and/or the professional through licensure proceedings, and exclusion from state and federal healthcare programs.

Other federal and state healthcare laws

In addition to the requirements discussed above, several other healthcare fraud and abuse laws could have an effect on our business. For example, provisions of the Social Security Act permit Medicare and Medicaid to exclude an entity that charges the federal healthcare programs substantially in excess of its usual charges for its services. The terms “usual charge” and “substantially in excess” are subject to varying interpretations.

The FCA prohibits, among other things, a person from knowingly presenting, or causing to be presented, a false or fraudulent claim for payment or approval and from, making, using, or causing to be made or used, a false record or statement material to a false or fraudulent claim in order to secure payment or retaining an overpayment by the federal government. In addition to actions initiated by the government itself, the statute authorizes actions to be brought on behalf of the federal government by a private party having knowledge of the alleged fraud through whistleblower or qui tam actions. Because the complaint is initially filed under seal, the action may be pending for some time before the defendant is even aware of the action. If the government intervenes and is ultimately successful in obtaining redress in the matter or if the plaintiff succeeds in obtaining redress without the government’s involvement, then the plaintiff will receive a percentage of the recovery. In addition, the improper retention of an overpayment for 60 days or more is also a basis for a FCA action, even if the claim was originally submitted appropriately. Penalties for FCA violations include fines for each false claim, plus up to three times the amount of damages sustained by the federal government. A FCA violation may provide the basis for exclusion from the federally funded healthcare programs. In addition, some states have adopted similar fraud, whistleblower and false claims provisions. The Social Security Act includes its own provisions that prohibit the filing of false claims or submitting false statements in order to obtain payment. The Social Security Act also includes civil monetary penalty provisions that impose penalties against any person or entity that, among other things, is determined to have presented or caused to be presented a claim to a federal health program that the person knows or should know is for an item or service that was not provided as claimed or is false or fraudulent. In addition, a person who offers or provides to a Medicare or Medicaid beneficiary any remuneration, including waivers of co-payments and deductible amounts (or any part thereof), that the person knows or should know is likely to influence the beneficiary’s selection of a particular provider, practitioner or supplier of Medicare or Medicaid payable items or services may be liable under the civil monetary penalties statute. Moreover, in certain cases, providers who routinely waive copayments and deductibles for Medicare and Medicaid beneficiaries, for example, in connection with patient assistance programs, can also be held liable under the AKS and FCA. One of the statutory exceptions to the prohibition is non-routine, unadvertised waivers of copayments or deductible amounts based on individualized determinations of financial need or exhaustion of reasonable collection efforts. The OIG, emphasizes, however, that this exception should only be used occasionally to address special financial needs of a particular patient. Although this prohibition applies only to federal healthcare program beneficiaries, applicable state laws related to, among other things, unlawful schemes to defraud, excessive fees for services, tortious interference with patient contracts and statutory or common law fraud, may also be implicated for similar practices offered to patients covered by private third-party payors.

The federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, created new federal criminal statutes that prohibit, among other actions, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, including private third-party payors, or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e.g., public or private) and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Like the AKS, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation.

Several states in which we operate have also adopted similar fraud and abuse laws as described above. The scope of these laws and the interpretations of them vary from state to state and are enforced by state courts and regulatory authorities, each with broad discretion. Some state fraud and abuse laws apply to items or services reimbursed by any third party payor, including commercial insurers, not just those reimbursed by a federally funded healthcare program. A determination of liability under such state fraud and abuse laws could result in fines and penalties and restrictions on our ability to operate in these jurisdictions.

The Physician Payments Sunshine Act, enacted as part of the ACA, and its implementing regulations, also imposed annual reporting requirements on manufacturers of certain devices, drugs and biologics for payments available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) and other transfers of value to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals; as well as ownership and investment interests held by physicians and their immediate family members. As of January 1, 2022, these reporting obligations will extend to include transfers of value made in the previous year to certain non-physician providers such as physician assistants and nurse practitioners. Any failure to comply with these reporting requirements could result in significant fines and penalties. Because our service offerings are currently limited to LDTs solely for use by or within our own laboratory, we believe that we are exempt from these reporting requirements. We cannot guarantee, however, that the government will agree with our determination, and a determination that we have violated these laws and regulations, or a public announcement that we are being investigated for possible violations, could adversely affect our business, prospects, results of operations or financial condition.

Federal consumer protection and unfair competition laws broadly regulate marketplace activities and activities that potentially harm consumers.

Finally, there are analogous state and foreign laws and regulations, such as state and foreign laws that require medical device companies to comply with the medical device industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; state and foreign laws that require device manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers, marketing expenditures or product pricing; state and local laws that require the registration of medical device sales representatives; and state and foreign laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

The scope and enforcement of each of these laws is uncertain and subject to rapid change in the current environment of healthcare reform, especially in light of the lack of applicable precedent and regulations. Ensuring business arrangements comply with applicable healthcare laws, as well as responding to possible investigations by government authorities, can be time- and resource-consuming and can divert a company's attention from the business.

Efforts to ensure that our internal operations and business arrangements with third parties comply with applicable laws and regulations involve substantial costs. Any action brought against us for violation of these or other laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. If our operations are found to be in violation of any of the fraud and abuse laws described above or any other laws that apply to us, we may be subject to penalties, including potentially significant criminal, civil and administrative penalties, damages, fines, disgorgement, imprisonment, exclusion from participation in government healthcare programs, contractual damages, reputational harm, integrity oversight and reporting obligations, if we become subject to a corporate integrity agreement or other agreement to resolve allegations of non-compliance with these laws, diminished profits and future earnings, and the curtailment or restructuring of our operations. Further, if any of the physicians or other healthcare providers or entities with whom we expect to do business is found to be not in compliance with applicable laws, they may be subject to significant criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs. Any action for violation of these laws, even if successfully defended, could cause a manufacturer to incur significant legal expenses and divert management's attention from the operation of the business. Prohibitions or restrictions on sales or withdrawal of future marketed products could materially affect business in an adverse way.

International regulations

Many countries in which we may offer any of our testing products in the future have anti-kickback regulations prohibiting providers from offering, paying, soliciting or receiving remuneration, directly or indirectly, in order to induce business that is reimbursable under any national healthcare program. In situations involving physicians employed by state-funded institutions or national healthcare agencies, violation of a local anti-kickback law may also constitute a violation of the U.S. Foreign Corrupt Practices Act, or FCPA.

The FCPA prohibits any U.S. individual, business entity or employee of a U.S. business entity from offering or providing, directly or through a third-party, including any potential distributors we may rely on in certain markets, anything of value to a foreign government official with corrupt intent to influence an award or continuation of business or to gain an unfair advantage, whether or not such conduct violates local laws. In addition, it is illegal for a company that reports to the SEC to have false or inaccurate books or records or to fail to maintain a system of internal accounting controls. We will also be required to maintain accurate information and control over sales and distributors' activities that may fall within the purview of the FCPA, its books and records provisions and its anti-bribery provisions.

The standard of intent and knowledge in the foreign anti-bribery context is minimal; intent and knowledge often may be inferred from that fact that bribery took place. The accounting provisions do not require intent.

Violations of the FCPA's anti-bribery provisions for corporations and other business entities are subject to a fine of up to $2.0 million and officers, directors, stockholders, employees, and agents are subject to a fine of up to $100,000 and imprisonment for up to five years. Other countries, including the United Kingdom and other OECD Anti-Bribery Convention members, have similar anti-corruption regulations, such as the United Kingdom Anti- Bribery Act.

When marketing our testing products outside of the United States, we may be subject to foreign regulatory requirements governing human clinical testing, prohibitions on the import of tissue necessary for us to perform our testing products or restrictions on the export of tissue imposed by countries outside of the United States or the import of tissue into the United States, and marketing approval. These requirements vary by jurisdiction, differ from those in the United States and may in some cases require us to perform additional preclinical or clinical testing. In many countries outside of the United States, coverage, pricing and reimbursement approvals are also required.

Privacy and security laws

Health Insurance Portability And Accountability Act

HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH, and their respective implementing regulations, impose, among other things, requirements relating to the privacy, security and transmission of protected health information, or PHI, on covered entities including certain healthcare providers, health plans, and health clearinghouses, as well as their respective "business associates," those independent contractors or agents of covered entities that perform services for covered entities that involve the creation, use, receipt, maintenance or disclosure of individually identifiable health information. HIPAA also regulates standardization of data content, codes and formats used in certain healthcare transactions and standardization of identifiers for health plans and providers.

HITECH created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions. HIPAA also authorizes state attorneys general to file suit on behalf of their residents for violations. Courts are able to award damages, costs and attorneys' fees related to violations of HIPAA in such cases. While HIPAA does not create a private right of action allowing individuals to file suit against us in civil court for violations of HIPAA, its standards have been used as the basis for duty of care cases in state civil suits such as those for negligence or recklessness in the misuse or breach of PHI. In addition, HIPAA mandates that the Secretary of HHS conduct periodic compliance audits of HIPAA covered entities, such as us, and their business associates for compliance with the HIPAA privacy and security standards. It also tasks HHS with establishing a methodology whereby harmed individuals who were the victims of breaches of unsecured PHI may receive a percentage of the civil monetary penalty paid by the violator.

As a covered entity with downstream vendors and subcontractors and, in certain instances, as a business associate of other covered entities with whom we have entered into a business associate agreement, we have certain obligations under HIPAA regarding the use and disclosure of any PHI that may be provided to us. HIPAA and HITECH impose significant administrative, civil and criminal penalties against covered entities and business associates for noncompliance with privacy and security requirements. Further, various states, such as California and Massachusetts, have implemented similar privacy laws and regulations that impose restrictive requirements regulating the use and disclosure of health information and other personally identifiable information. For example, on June 28, 2018, California enacted the California Consumer Privacy Act, or CCPA, which became effective on January 1, 2020. The CCPA creates new individual privacy rights for California consumers (as defined in the law) and places increased privacy and security obligations on entities handling personal data of consumers or households. The CCPA requires covered companies to provide certain disclosures to consumers about its data collection, use and sharing practices, and to provide affected California residents with ways to opt-out of certain sales or transfers of personal information. As of March 28, the California State Attorney General has proposed varying versions of companion draft regulations which are not yet finalized. Despite the delay in adopting regulations, the California State Attorney General will commence enforcement actions against violators beginning July 1, 2020. While any information we maintain in our role as a business associate may be exempt from the CCPA, other records and information we maintain on our customers may be subject to the CCPA. Where state laws are more protective than HIPAA, we must comply with the state laws we are subject to, in addition to HIPAA. In certain cases, it may be necessary to modify our planned operations and procedures to comply with these more stringent state laws. Not only may some of these state laws impose fines and penalties upon violators, but also some, unlike HIPAA, may afford private rights of action to individuals who believe their personal information has been misused. In addition, state laws are changing rapidly, and there is discussion of a new federal privacy law or federal breach notification law, to which we may be subject.

Numerous other federal, state and foreign laws, including consumer protection laws and regulations, govern the collection, dissemination, use, access to, confidentiality and security of patient health information. We intend to continue to comprehensively protect all personal information and to comply with all applicable laws regarding the protection of such information.

The collection, use, storage, disclosure, transfer, or other processing of personal data regarding individuals in the European Economic Area, or EEA, including personal health data, is subject to the EU General Data Protection Regulation, or GDPR, which became effective on May 25, 2018. The GDPR is wide-ranging in scope and imposes numerous requirements on companies that process personal data, including requirements relating to processing health and other sensitive data, obtaining consent of the individuals to whom the personal data relates, providing information to individuals regarding data processing activities, implementing safeguards to protect the security and confidentiality of personal data, providing notification of data breaches, and taking certain measures when engaging third-party processors. The GDPR also imposes strict rules on the transfer of personal data to countries outside the EEA, including the United States, and permits data protection authorities to impose large penalties for violations of the GDPR, including potential fines of up to €20 million or 4% of annual global revenues, whichever is greater. The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the GDPR. In addition, the GDPR includes restrictions on cross-border data transfers. The GDPR may increase our responsibility and liability in relation to personal data that we process where such processing is subject to the GDPR, and we may be required to put in place additional mechanisms to ensure compliance with the GDPR, including as implemented by individual countries. Compliance with the GDPR will be a rigorous and time-intensive process that may increase our cost of doing business or require us to change our business practices, and despite those efforts, there is a risk that we may be subject to fines and penalties, litigation, and reputational harm in connection with our European activities. Further, the United Kingdom's decision to leave the EU, often referred to as Brexit, has created uncertainty with regard to data protection regulation in the United Kingdom. In particular, it is unclear how data transfers to and from the United Kingdom will be regulated now that the United Kingdom has left the EU.

We are committed to information technology and data security. Given the AI-derived algorithm that incorporates features from a patient's EHR, we have access to patient data that requires high standards for data integrity. Therefore, we are undergoing compliance activities to submit ISO/IEC 27001:2013 certification, which specifies the requirements for establishing, implementing, maintaining and continually improving an information security management system within the context of the organization. It also includes requirements for the assessment and treatment of information security risks tailored to the needs of the organization. We expect certification to this standard in the last half of 2020.

Healthcare reform

In March 2010, the Patient Protection and Affordable Care Act of 2010, as amended by the Healthcare and Education Reconciliation Act of 2010, collectively the ACA, was enacted in the United States. The Affordable Care Act made a number of substantial changes to the way healthcare is financed both by governmental and private insurers. For example, the ACA also contains a number of provisions, including provisions governing enrollment in federal and state healthcare programs, reimbursement matters and fraud and abuse, which we expect will impact our industry and our operations in ways that we cannot currently predict. There remain judicial and Congressional challenges to certain provisions of the ACA, as well as efforts by the Trump administration to repeal or replace certain aspects of the Affordable Care Act. Since January 2017, President Trump has signed Executive Orders and other directives designed to delay the implementation of certain provisions of the ACA. Concurrently, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, it has enacted

laws that modify certain provisions of the ACA such as removing penalties, starting January 1, 2019, for not complying with the ACA's individual mandate to carry health insurance, eliminating the implementation of certain Affordable Care Act-mandated fees, and increasing the point-of-sale discount that is owed by pharmaceutical manufacturers who participate in Medicare Part D.

On December 14, 2018, a U.S. District Court Judge in the Northern District of Texas, or Texas District Court Judge, ruled that the entire Affordable Care Act is invalid based primarily on the fact that the Tax Cuts and Jobs Act of 2017 repealed the tax-based shared responsibility payment imposed by the ACA, on certain individuals who fail to maintain qualifying health coverage for all or part of a year, which is commonly referred to as the "individual mandate". Additionally, on December 18, 2019, the U.S. Court of Appeals for the 5th Circuit upheld the District Court ruling that that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the ACA are invalid as well. On March 2, 2020, the U.S. Supreme Court granted the petitions for writs of certiorari to review this case, and has allotted one hour for oral arguments, which are expected to occur in the fall. It is unclear how such litigation and other efforts to repeal and replace the ACA will impact the ACA.

Other legislative changes have been proposed and adopted in the United States since the ACA was enacted. In August 2011, the Budget Control Act of 2011, among other things, included aggregate reductions of Medicare payments to providers of 2% per fiscal year, which went into effect in April 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through 2030 unless additional Congressional action is taken. These Medicare sequester reductions will be suspended from May 1, 2020 through December 31, 2020 due to the COVID-19 pandemic. In January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. As part of the 2020 federal spending package, the ACA-required medical device manufacturer 2.3% sales tax has been eliminated, effective January 1, 2020.

Moreover, payment methodologies may be subject to changes in healthcare legislation and regulatory initiatives. For example, CMS may develop new payment and delivery models, such as bundled payment models. In addition, recently there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their commercial products, which has resulted in several Congressional inquiries and proposed and enacted state and federal legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for products. At the state level, legislatures are increasingly passing legislation and implementing regulations designed to control pharmaceutical and medical device pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

Employees

As of March 31, 2020, we had 14 employees, including 12 full-time employees employed by our U.S. subsidiary, Renalytix AI, Inc., and 2 part-time employees employed directly by Renalytix AI plc. None of our employees are represented by labor unions or covered by collective bargaining agreements. We consider our relationship with our employees to be good.

Facilities

We lease office and laboratory space in New York City, New York on short-term leases that automatically renew. In addition, we lease laboratory space in Salt Lake City, Utah, which lease expires in October 2024. We believe our facilities are adequate and suitable for our current needs and that, should it be needed, suitable additional or alternative space will be available to accommodate our operations.

Legal proceedings

From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. We are not currently subject to any material legal proceedings.

Management

Executive officers and directors

The following table sets forth information regarding our executive officers and directors, including their ages as of April 30, 2020.

Name	Age	Position(s)
Executive Officers:		
James McCullough	52	Chief Executive Officer and Director
Fergus Fleming	53	Chief Technical Officer and Director
Thomas McLain	62	President and Chief Commercial Officer
O. James Sterling	49	Chief Financial Officer
Michael J. Donovan, Ph.D., M.D.	65	Chief Medical Officer
Non-Executive Directors:		
Julian Baines, MBE*	55	Chairman of the Board of Directors
Richard Evans*	62	Non-Executive Director
Erik Lium, Ph.D.	52	Non-Executive Director
Christopher Mills	68	Non-Executive Director
Barbara Murphy, M.D.	55	Non-Executive Director
Chirag R. Parikh, Ph.D., M.D.	46	Non-Executive Director

* Each of Messrs. Baines and Evans has indicated he will resign from our board of directors, effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

Executive officers

James McCullough has served as our co-founder and Chief Executive Officer since our inception. Mr. McCullough has leadership experience building emerging technology companies in both the public and private sectors with specific expertise in the life-sciences industry. From 2008 to 2014, he served as chief executive officer of Exosome Diagnostics Inc., a venture backed personalized medicine company developing non-invasive liquid biopsy diagnostics in cancer that was acquired by Bio-Techne Corporation in 2018. Since 2014, Mr. McCullough has also served as a managing partner of Renwick Capital, LLC, a management consulting firm specializing in assisting emerging healthcare technology companies with strategic planning and business execution. He received his B.A. from Boston University and an MBA from Columbia Business School.

Fergus Fleming has served as our Chief Technical Officer since our inception. Mr. Fleming has served as managing director of FF Consulting Limited, providing Product Development and Commercialization support to Medical Devices and Diagnostics companies since June 2013. Roles in this period include Head of Business Development for Oncomark Limited from November 2016 to October 2018 and from 2013, he served in various roles at EKF Diagnostics plc. He has over 30 years of experience in the life sciences sector, including leadership positions with Baxter Healthcare, Boston Scientific and Trinity Biotech plc. Mr. Fleming received a degree in Science from University College Galway, Ireland.

Thomas McLain has served as our President and Chief Commercial Officer since July 2019. Prior to joining Renalytix AI, he held leading positions, including as Chief Executive Officer, of Exosome Diagnostics Inc. from July 2014 to July 2019. Mr. McLain has also served as President and Chief Executive Officer of Vermillion, Inc., Chief Executive Officer of Claro Scientific LLC, Chairman, Chief Executive Officer and President of Nabi Biopharmaceuticals and Vice President at Bausch & Lomb. Mr. McClain received his B.A. in Economics at College of the Holy Cross and his MBA at the William E. Simon Graduate School of Business Administration at University of Rochester.

O. James Sterling, MBA, has served as our Chief Financial Officer since our inception. Since May 2015, Mr. Sterling has also served as a managing partner of Renwick Capital, LLC. Previously, he served as a managing director at SF Sentry Securities, Brock Capital Group LLC and Aleutian Capital Group. Mr. Sterling also has experience as a management consultant at Booz Allen Hamilton. He received his B.A. in geography (alternative energy and environmental science) from Boston University and an MBA from Columbia Business School.

Michael J. Donovan, Ph.D., M.D. has served as our Chief Medical Officer since our inception. Since November 2011, Donovan has also served as a Professor of Experimental Pathology and Director of the Biorepository and Pathology core at the Icahn School of Medicine at Mount Sinai. In addition to an academic career at Harvard Medical School and Boston Children's Hospital, Dr. Donovan has over 20 years' experience in the biotechnology industry, serving in various senior management roles at Millennium Pharmaceuticals and Incyte Pharmaceuticals. He most recently served as Chief Clinical Officer of Vigilant Biosciences, Inc., Chief Medical Officer of MetaStat, Inc. and Chief Medical Officer of Exosome Diagnostics, Inc. Dr. Donovan received a B.S. in Zoology, an M.S. in Endocrinology and a Ph.D. in Cell and Developmental Biology from Rutgers University. He received his M.D. from the University of Medicine and Dentistry of New Jersey.

Non-executive directors

Julian Baines, MBE, has served as the chairman of our board of directors since our inception. Since 2009, Mr. Baines has served as the Chief Executive Officer of EKF Diagnostics Holdings PLC, a medical manufacturer of point-of-care devices and tests for hemoglobin, glycated hemoglobin, glucose and lactate. Prior to his current role, Mr. Baines was Group Chief Executive Officer of BBI Holdings, where he undertook a management buyout in 2000, a flotation on AIM in 2004 and was responsible for selling the business to Alere Inc. in 2008. In 2016, Mr. Baines received an MBE in the Queen's Birthday Honours, which was awarded to him for services to the life sciences industry.

Richard Evans has served as a member of our board of directors since our inception. Since February 2011, Mr. Evans is finance director of EKF Diagnostics Holdings PLC. Prior to that, Mr. Evans was Finance Director, General Manager and finally Global Account Director at Hitachi Data Systems GmbH from October 2002 to January 2011 . He has also held positions at Fisher Scientific, TRW Seat Belt Systems, Maxtor Corporation, United Technologies Carrier and Abbot Diagnostics GmbH in Germany. Mr. Evans is qualified as a Chartered Management Accountant and holds a Bachelor of Commerce in Business Studies and Law from Edinburgh University and an MBA from INSEAD.

Christopher Mills has served as a member of our board of directors since our inception. Mr. Mills founded Harwood Capital Management in 2011, a successor from its former parent company J.O. Hambro Capital Management, which he co-founded in 1993. He is chief executive officer and investment manager of North Atlantic Smaller Companies Investment Trust plc and chairman and chief executive officer of Harwood Capital Management Ltd. Prior to that, Mr. Mills was a Director of Invesco MIM, where he was head of North American Investments and Venture Capital, and of Samuel Montagu International. Mr. Mills currently serves on the board of a number of public companies, including EKF Diagnostics plc, Sureserve Group plc, Augean plc and MJ Gleeson plc. Mr. Mills received a B.A. in Business Studies from Guildhall University.

Erik Lium, Ph.D. has served as a member of our board of directors since November 2018. Since March 2014, Dr. Lium has served in various roles at Mount Sinai, where he is currently the president of Mount Sinai Innovation Partners, and the executive vice president and chief commercial innovation officer of the Mount Sinai Health System. Dr. Lium represents Mount Sinai on several private company boards and previously served as a member of the investment review committee for the Accelerate NY Seed Fund. Dr. Lium also serves as chairman of the board of managers of Kantaro. Prior to joining Mount Sinai, Dr. Lium served as the assistant vice chancellor of Innovation, Technology & Alliances at the University of California, San Francisco (UCSF), the UCSF principal investigator for the Bay Area National Science Foundation I-Corps node, and assistant vice chancellor of Research. Dr. Lium served as president of LabVelocity Inc. prior to its acquisition in 2004. He pursued postdoctoral research at UCSF in the laboratory of J. Michael Bishop, M.D., earned a Ph.D. from the Integrated Program in Cellular, Molecular and Biophysical Studies at Columbia University in the laboratory of Dr. Saul J. Silverstein, and holds a B.S. in Biology from Gonzaga University.

Barbara Murphy, M.D. has served as a member of our board of directors since November 2018. Since 2013, Dr. Murphy has served as the Murray M. Rosenberg Professor of Medicine, chair of the Department of Medicine for Mount Sinai and Dean for Clinical Integration and Population Health. Her area of interest is transplant immunology, focusing on the use of high throughput genomic technologies as a means to understand the immune mechanisms that lead to graft injury and loss, with the aim of identifying gene expression profiles and or genetic variants that may be used to predict those at greatest risk. Dr. Murphy belongs to a number of professional societies including the American Society of Transplantation and the American Society of Nephrology, and has held many leadership roles at a national level. She is a past President of the American Society of Transplantation and is currently on Council for the American Society of Nephrology. Dr. Murphy earned her M.B. B.A.O. B.Ch. from The Royal College of Surgeons in Ireland and completed her postdoctoral training with a fellowship in Nephrology at Brigham and Women's Hospital, Harvard Medical School.

Chirag R. Parikh, Ph.D., M.D. has served as a member of our board of directors since October 2019. Since July 2018, Dr. Parikh has served as a Professor of Medicine and the Division Director of Nephrology at Johns Hopkins University. Dr. Parikh also served a faculty member at Yale University where he directed the Program of Applied Translational Research. Dr. Parikh's research focuses on the translation and validation of novel biomarkers for the diagnosis and prognosis of kidney diseases. He has assembled multicenter longitudinal prospective cohorts for translational research studies across several clinical settings of acute kidney injury and chronic kidney disease for the efficient translation of novel biomarkers. Dr. Parikh received his medical degree from Seth G.S. Medical College and KEM Hospital in Mumbai, India and subsequently completed his Nephrology fellowship and a Ph.D. in Clinical Investigation at the University of Colorado Health Sciences Center.

Family relationships

There are no family relationships among any of our executive officers or directors.

Foreign private issuer exemption

We are a "foreign private issuer," as defined by the SEC. As a result, in accordance with Nasdaq rules, we will comply with home country governance requirements and certain exemptions thereunder rather than complying with Nasdaq corporate governance standards. While we expect to voluntarily follow most Nasdaq corporate governance rules, we may choose to take advantage of the following limited exemptions:

- Exemption from filing quarterly reports on Form 10-Q containing unaudited financial and other specified information or current reports on Form 8-K upon the occurrence of specified significant events;
- Exemption from Section 16 rules requiring insiders to file public reports of their securities ownership and trading activities and providing for liability for insiders who profit from trades in a short period of time;

- Exemption from the Nasdaq rules applicable to domestic issuers requiring disclosure within four business days of any determination to grant a waiver of the code of business conduct and ethics to directors and officers;
- Exemption from the requirement to obtain shareholder approval for certain issuances of securities, including shareholder approval of share option plans;
- Exemption from the requirement that our audit committee have review and oversight responsibilities over all "related party transactions," as defined in Item 7.B of Form 20-F;
- Exemption from the requirement that our board have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- Exemption from the requirements that director nominees are selected, or recommended for selection by our board, either by (1) independent directors constituting a majority of our board's independent directors in a vote in which only independent directors participate, or (2) a committee comprised solely of independent directors, and that a formal written charter or board resolution, as applicable, addressing the nominations process is adopted.

Furthermore, Nasdaq Rule 5615(a)(3) provides that a foreign private issuer, such as we, may rely on home country corporate governance practices in lieu of certain of the rules in the Nasdaq Rule 5600 Series and Rule 5250(d), provided that we nevertheless comply with Nasdaq's Notification of Noncompliance requirement (Rule 5625), the Voting Rights requirement (Rule 5640) and that we have an audit committee that satisfies Rule 5605(c)(3), consisting of committee members that meet the independence requirements of Rule 5605(c)(2)(A)(ii). Although we are permitted to follow certain corporate governance rules that conform to U.K. requirements in lieu of many of the Nasdaq corporate governance rules, we intend to comply with the Nasdaq corporate governance rules applicable to foreign private issuers.

Accordingly, our shareholders will not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of Nasdaq. We may utilize these exemptions for as long as we continue to qualify as a foreign private issuer. For an overview of our corporate governance principles, see the sections titled "Description of share capital and articles of association—Differences in corporate law" and "Description of share capital and articles of association—Corporate governance code" included in this prospectus.

Composition of our board of directors

Our board of directors currently has eight members. Under the rules and regulations of Nasdaq, a director will qualify as "independent" if our board of directors affirmatively determines that he or she has no material relationship with us (either directly or as a partner, shareholder or officer of an organization that has a relationship with us). Our board of directors has determined that, of our eight directors, no director, other than James McCullough and Fergus Fleming, has a relationship that would interfere with the exercise of independent judgment in carrying out his or her responsibilities as a director and that each of these directors is "independent" as that term is defined under Nasdaq rules. Each of Julian Baines and Richard Evans has indicated he will resign from our board of directors, effective immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

In accordance with our articles of association, at every annual general meeting, there shall retire from office any director who has been appointed by our board of directors since the last annual general meeting or who shall have been a director at each of the preceding two annual general meetings and who was not re-appointed at either such meeting or who has held office (other than in an executive position) for a continuous period of nine years or more. A retiring director shall be eligible for re-appointment. A director retiring at a meeting

shall, if he is not re-appointed at such meeting, retain office until the meeting appoints someone in his place, or if it does not do so, until the conclusion of such meeting. See “Description of share capital and articles of association—Rotation of directors.”

Committees of our board of directors

Our board of directors has three standing committees: an audit committee, a remuneration committee and a nomination committee.

Audit committee

Following the completion of this offering, our audit committee will consist of Erik Lium, Ph.D., Christopher Mills and Barbara Murphy, M.D., and will assist the board of directors in overseeing our accounting and financial reporting processes and the audits of our financial statements. Dr. Lium will serve as chairman of the audit committee. The audit committee consists exclusively of members of our board who are financially literate, and Mr. Mills is considered an “audit committee financial expert” as defined by applicable SEC rules and has the requisite financial sophistication as defined under the applicable Nasdaq rules and regulations. Our board has determined that all of the members of the audit committee satisfy the “independence” requirements set forth in Rule 10A-3 under the Exchange Act. The audit committee will be governed by a charter that complies with Nasdaq rules, effective upon the effectiveness of the registration statement of which this prospectus forms a part.

The audit committee’s responsibilities will include:

- monitoring the integrity of our financial and narrative reporting;
- reviewing accounting policies and key estimates and judgments;
- reviewing the appropriateness and completeness of the internal controls;
- recommending the appointment, re-appointment or removal of the independent auditor to the annual general meeting of shareholders;
- the appointment, compensation, retention and oversight of any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit services;
- pre-approving the audit services and non-audit services to be provided by our independent auditor before the auditor is engaged to render such services;
- evaluating the independent auditor’s qualifications, performance and independence, and presenting its conclusions to the full board of directors on at least an annual basis;
- reviewing and discussing with the executive officers, the board of directors and the independent auditor our financial statements and our financial reporting process; and
- reviewing procedures for detection of fraud, whistleblowing and prevention of bribery, and reports on systems for internal financial control, financial reporting and risk management.

Remuneration committee

Following the completion of this offering, our remuneration committee will consist of Erik Lium, Ph.D. and Chirag Parikh, Ph.D., M.D. and will assist the board of directors in determining executive officer compensation. Dr. Lium will serve as chairman of the remuneration committee.

The remuneration committee's responsibilities will include:

- identifying, reviewing and proposing policies relevant to executive officer compensation;
- evaluating each executive officer's performance in light of such policies and reporting to the board;
- analyzing the possible outcomes of the variable remuneration components and how they may affect the remuneration of the executive officers;
- recommending any equity long-term incentive component of each executive officer's compensation in line with the remuneration policy and reviewing our executive officer compensation and benefits policies generally; and
- reviewing and assessing risks arising from our compensation policies and practices.

Nomination committee

Following the completion of this offering, our nomination committee will consist of Barbara Murphy, M.D. and Chirag Parikh, Ph.D., M.D., and will assist our board of directors in identifying individuals qualified to become members of our board and executive officers consistent with criteria established by our board and in developing our corporate governance principles. Dr. Murphy will serve as chairperson of the nomination committee.

The nomination committee's responsibilities will include:

- drawing up selection criteria and appointment procedures for directors;
- reviewing and evaluating the size and composition of our board and making a proposal for a composition profile of the board of directors at least annually;
- recommending nominees for election to our board of directors and its corresponding committees;
- assessing the functioning of individual members of board and executive officers and reporting the results of such assessment to the board of directors; and
- developing and recommending to the board rules governing the board, reviewing and reassessing the adequacy of such rules governing the board and recommending any proposed changes to the board of directors.

Code of business conduct and ethics

In connection with this offering, we have adopted a Code of Business Conduct and Ethics, or Code of Ethics, applicable to our and our subsidiaries' employees, independent contractors, executive officers and directors, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. Following the effectiveness of the registration statement of which this prospectus is a part, a current copy of the Code of Ethics will be posted on our website, which is located at www.renalytixai.com. Information contained on, or that can be accessed through, our website does not constitute a part of this prospectus and is not incorporated by reference herein.

Compensation of executive officers and directors

For the year ended June 30, 2019, the aggregate compensation paid to the members of our board of directors and our executive officers for services in all capacities was $2,081,726. This amount includes the following compensation paid to our executive directors:

Executive Director	Salary and Consulting Fees	Non-Equity Incentive Plan Compensation[1]	Other Compensation	Total
James McCullough	$ 269,333[2]	$ —	$ 7,300[3]	$276,633
Fergus Fleming	$ 194,794[4]	$ 521,183	$ —	$715,977

(1) The amounts reflect the full grant date fair value of option grants under our Share Option Plan, computed in accordance with ASC Topic 718, *Compensation—Stock Compensation*.

(2) Includes $36,000 in compensation paid pursuant to a consulting agreement in effect prior to the entry into his current employment agreement.

(3) Consists of our contributions towards Mr. McCullough's 401(k) plan and life insurance premiums.

(4) Mr. Fleming's salary is paid in pounds sterling. The amount in the table is based on the exchange rate on June 28, 2019 of £1.00 = $1.2704.

The amounts paid to each of the non-executive members of our board of directors is set forth below under "—Non-executive director remuneration."

During the year ended June 30, 2019, our executive officers participated in performance-based compensation programs and we paid amounts to provide pension and healthcare benefits to our executive officers.

During the year ended June 30, 2019, options to purchase 1,011,743 ordinary shares were awarded to our executive officers and directors. As of June 30, 2019, our executive officers and directors held options to purchase 1,684,445 ordinary shares. Our executive officers and directors did not exercise options to purchase ordinary shares during the year ended June 30, 2019.

We periodically grant share options to employees, directors and consultants to enable them to share in our successes and to reinforce a corporate culture that aligns their interests with that of our shareholders. During the fiscal year ended June 30, 2019, we did not grant options to purchase ordinary shares to any employees or consultants who are not directors or executive officers.

Executive officer employment agreements

Employment agreement of James McCullough

James McCullough, our Chief Executive Officer, is employed by Renalytix AI, Inc., our wholly owned U.S. subsidiary, and entered into an employment agreement with Renalytix AI, Inc. in November 2018. Mr. McCullough also entered into a separate appointment letter with us in October 2018, which governs the terms of his appointment as a director. He receives no compensation or benefits for his service as a director above those that are provided under the employment agreement.

Pursuant to the terms of the employment agreement, Mr. McCullough is entitled to annual base salary, initially $350,000, which is subject to annual review by our remuneration committee and to a minimum annual increase of 3%. Our remuneration committee has approved an increase to Mr. McCullough's annual base salary to $589,000, effective on and from the date our ADSs begin trading on Nasdaq. Under the terms of the employment agreement, Mr. McCullough is also: (1) eligible for an annual cash bonus in the sole discretion of the remuneration committee; (2) entitled to participate on the same basis as similarly situated employees in our benefit plans in effect from time to time during his employment; and (3) entitled to five weeks' holiday per annum.

Mr. McCullough is employed at-will. If his employment is terminated by us without "Cause," as defined in the employment agreement, and in circumstances constituting a "separation from service," as defined in the U.S. Treasury Regulation Section 1.409A-1(h), or by Mr. McCullough with "Good Reason," as defined in the employment agreement, Mr. McCullough is entitled to be paid his salary and benefits in the usual way up to his termination date and, provided he complies with certain conditions including execution of a release, is entitled to receive the following severance benefits:

- 12 months' base salary;
- if elected, continued coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, or COBRA, for himself and his covered dependents for up to 12 months following termination;
- any accrued but unpaid bonus in relation to any prior year's employment, together with a pro rata bonus in respect of the portion of the then current year worked; and
- accelerated vesting of the portion of equity awards held by Mr. McCullough which would have vested within 12 months following the termination date had Mr. McCullough remained in employment for such period, or full vesting of all equity in the event of a "Change in Control," as defined in the employment agreement.

In the event that Mr. McCullough's employment is terminated by us due to his death or "Disability," as defined in the employment agreement, he is entitled to receive any accrued but unpaid bonus in relation to any prior year's employment, together with a pro rata bonus in respect of the portion of the then current year worked.

Mr. McCullough has also entered into an employee confidential information and invention assignment agreement with Renalytix AI, Inc., which governs matters related to confidentiality, intellectual property and post-termination covenants. Mr. McCullough is subject to confidentiality obligations which remain in place following termination of employment, and to non-solicitation and non-compete restrictive covenants for a period of 12 months post-termination of his employment.

Employment agreement of Fergus Fleming

Fergus Fleming, our Chief Technology Officer, entered into an employment agreement with us in November 2018, which agreement also governs the terms of his appointment as a director.

Pursuant to the terms of the employment agreement, Mr. Fleming is entitled to an annual base salary, initially €200,000, which is subject to annual review by our remuneration committee. Our remuneration committee has approved an increase to Mr. Fleming's annual base salary to €340,000, effective on and from the date our ADSs begin trading on Nasdaq. Under the terms of the employment agreement, Mr. Fleming is also: (1) eligible to join any pension scheme we operate from time to time and, should he so join, we will make contributions to such pension scheme at a rate of 5% of Mr. Fleming's annual base salary each year; (2) entitled to a car allowance of €5,000 per year, for so long as he holds a driving license; (3) entitled to participate, at our expense, in our private medical expenses insurance scheme; and (4) entitled to 25 days' holiday per annum, plus holiday pay during the period between Christmas and New Year each year.

Mr. Fleming's employment is terminable by either party on not less than 12 months' prior written notice. We may elect to terminate Mr. Fleming's employment prior to the expiration of any such notice by notifying him of such and paying him his basic salary in lieu of the remaining period of notice in full and final settlement of any claims he may have against us or any of our subsidiaries. We may elect to put Mr. Fleming on garden leave for all or part of any period of notice, or if or if he seeks to or indicates an intention to resign as a director or any of our subsidiaries or terminate his employment without notice.

The employment agreement contains standard assignment provisions relating to the ownership of intellectual property. Mr. Fleming is subject to confidentiality obligations which remain in place following termination of employment, and to non-solicitation and non-compete restrictive covenants for a period of nine months post-termination of his employment.

Employment agreement of Thomas McLain

Thomas McLain, our President and Chief Commercial Officer, is employed by Renalytix AI, Inc. and entered into an employment agreement with Renalytix AI, Inc. in June 2019.

Pursuant to the terms of the employment agreement, Mr. McLain is entitled to an annual base salary, initially $300,000, which is subject to annual review by our remuneration committee and to a minimum annual increase of 3%. Our remuneration committee has approved an increase to Mr. McLain's annual base salary to $408,000, effective on and from the date our ADSs begin trading on Nasdaq. Mr. McLain is also: (1) eligible for an annual cash bonus in the sole discretion of our remuneration committee; (2) entitled to participate on the same basis as similarly situated employees in our benefit plans in effect from time to time during his employment; and (3) entitled to five weeks' holiday per annum.

Mr. McLain is employed at-will. If his employment is terminated by us without "Cause," as defined in the employment agreement, and in circumstances constituting a "separation from service," as defined in the U.S. Treasury Regulation Section 1.409A-1(h), or by Mr. McLain with "Good Reason," as defined in the employment agreement, Mr. McLain is entitled to be paid his salary and benefits in the usual way up to his termination date and, provided he complies with certain conditions, including execution of a release, is entitled to receive the following severance benefits:

- six months' base salary;
- if elected, continued coverage under COBRA for himself and his covered dependents for up to 12 months following termination;
- any accrued but unpaid bonus in relation to any prior year's employment, together with a pro rata bonus in respect of the portion of the then current year worked; and
- accelerated vesting of the portion of equity awards held by Mr. McLain which would have vested within one year following the termination date had Mr. McLain remained in employment for such period, or full vesting of all equity in the event of a "Change in Control," as defined in the employment agreement.

In the event that Mr. McLain's employment is terminated by our U.S. subsidiary due to his death or "Disability," as defined in the employment agreement, he is entitled to receive any accrued but unpaid bonus in relation to any prior year's employment, together with a pro rata bonus in respect of the portion of the then current year worked.

Mr. McLain has also entered into an employee confidential information and invention assignment agreement with Renalytix AI, Inc., which governs matters related to confidentiality, intellectual property and post-termination covenants. Mr. McLain is subject to confidentiality obligations which remain in place following termination of employment, and to non-solicitation and non- compete restrictive covenants for a period of 12 months post-termination of his employment.

Employment agreement of O. James Sterling

O. James Sterling, our Chief Financial Officer, is employed by Renalytix AI, Inc. and entered into an employment agreement with Renalytix AI, Inc. in November 2018.

Pursuant to the terms of the employment agreement, Mr. Sterling is entitled to an annual base salary, initially $275,000, which is subject to annual review by our remuneration committee and to a minimum annual increase

of 3%. Our remuneration committee has approved an increase to Mr. Sterling's annual base salary to $420,000, effective on and from the date our ADSs begin trading on Nasdaq. Mr. Sterling is also: (1) eligible for an annual cash bonus in the sole discretion of our remuneration committee; (2) entitled to participate on the same basis as similarly situated employees in our benefit plans in effect from time to time during his employment; and (3) entitled to five weeks' holiday per annum.

Mr. Sterling is employed at-will. If the employment is terminated by us without "Cause," as defined in the employment agreement and in circumstances constituting a "separation from service," as defined in the U.S. Treasury Regulation Section 1.409A-1(h) or by Mr. Sterling with "Good Reason," as defined in the service agreement, Mr. Sterling is entitled to be paid his salary and benefits in the usual way up to his termination date and, provided he complies with certain conditions, including execution of a release, is entitled to receive the following severance benefits:

- 12 months' base salary;
- if elected, continued coverage under COBRA for himself and his covered dependents for up to 12 months following termination;
- any accrued but unpaid bonus in relation to any prior year's employment, together with a pro rata bonus in respect of the portion of the then current year worked; and
- accelerated vesting of the portion of equity awards held by Mr. Sterling which would have vested within one year following the termination date had Mr. Sterling remained in employment for such period, or full vesting of all equity in the event of a Change in Control," as defined in the employment agreement.

In the event that Mr. Sterling's employment is terminated by us due to his death or "Disability," as defined in the employment agreement, he is entitled to receive any accrued but unpaid bonus in relation to any prior year's employment, together with a pro rata bonus in respect of the portion of the then current year worked.

Mr. Sterling has also entered into an employee confidential information and invention assignment agreement with Renalytix AI, Inc., which governs matters related to confidentiality, intellectual property and post-termination covenants. Mr. Sterling is subject to confidentiality obligations which remain in place following termination of employment, and to non-solicitation and non- compete restrictive covenants for a period of 12 months post-termination of his employment.

Contractor Agreement of Michael J. Donovan, Ph.D., M.D.

Michael J. Donovan, Ph.D., M.D., our Chief Medical Officer, provides services to us pursuant to an independent contractor services agreement entered into with Renalytix AI, Inc. in November 2018.

Pursuant to the terms of this agreement, Dr. Donovan is entitled to: $10,000 per month, or part thereof; and the grant of an option over our ordinary shares as detailed in his option grant.

The agreement is terminable by either party at any time on 10 days' written notice. On such termination, Dr. Donovan is entitled to receive fees accrued prior to the date of termination.

The agreement contains standard assignment provisions relating to the ownership of intellectual property. Dr. Donovan is subject to confidentiality obligations which remain in place following termination of his engagement.

Non-executive director remuneration

The remuneration of our non-executive directors is proposed by the remuneration committee and determined by our board of directors as a whole, based on a review of current practices in other companies. The remuneration paid to our non-executive directors during the year ended June 30, 2019 is set forth in the table below.

Name	Salary and fees
Julian Baines, MBE	$22,000
Richard Evans.	—
Christopher Mills	17,000
Barbara Murphy, M.D.	17,000
Erik Lium, Ph.D.(1)	—
Chirag R. Parikh, Ph.D., M.D.(2)	—

(1) Dr. Lium sits on our board as a representative of the Icahn School of Medicine at Mount Sinai.

(2) Dr. Parikh joined our board of directors in October 2019.

In addition to their fees for acting as a non-executive director and as a chair and/or member of any of our board committees, certain of our non-executive directors have been granted options over our ordinary shares under our Share Option Plan. The following tables set forth the options held by non-executive directors as of June 30, 2019:

Name	Number of ordinary shares underlying options	Option price per ordinary share
Julian Baines, MBE	—	£ —
Richard Evans.	—	—
Christopher Mills	—	—
Barbara Murphy, M.D.	269,081	1.21
Erik Lium, Ph.D.(1)	204,501	1.21
Chirag R. Parikh, Ph.D., M.D.(2)	—	—

(1) Dr. Lium sits on our board as a representative of the Icahn School of Medicine at Mount Sinai. Mount Sinai receives all fees payable in respect of Erik Lium's service as a non-executive director, and has been granted an option under our Share Option Plan in relation to such service.

(2) Dr. Parikh joined our board of directors in October 2019.

In addition, each of the non-executive directors is entitled to be reimbursed for reasonable and properly documented expenses incurred in performing their duties as a director.

Non-executive director agreements

We have entered into a letter of appointment with each of our non-executive directors. The appointment of our non-executive directors can be terminated at any time by either us or the applicable non-executive director by giving six months' written notice. On termination of the appointment, the non-executive director shall only be entitled to such fees as may have accrued to the date of termination, together with reimbursement in the normal way of any expenses properly incurred prior to that date. We may also terminate an appointment with immediate effect if the non-executive director: (1) commits a material breach of his or her obligations under the letter of appointment; (2) commits a serious or repeated breach or non-observance of his obligations to our company; (3) is guilty of any fraud or dishonesty or acts in a manner which, in our opinion, brings or is likely to

bring him or us into disrepute or is materially adverse to our interests; or (4) is convicted of an arrestable criminal offense other than a road traffic offense for which a fine or non-custodial penalty is imposed.

Equity incentive plans

The principal features of our equity incentive plans are summarized below. These summaries are qualified in their entirety by reference to the actual text of the plan, which is filed as exhibits to the registration statement of which this prospectus is a part.

2020 Equity Incentive Plan

Our board of directors adopted and our shareholders approved our 2020 Equity Incentive Plan, or EIP, in 2020. We did not utilize our 2020 EIP until immediately prior to the execution of the underwriting agreement for this offering, at which point no further grants will be made under our Share Option Plan, as described under "—Share option plan" below. No awards have been granted and no shares have been issued under our 2020 EIP.

Eligibility and administration

Our employees and directors, who are also our employees, and employees of our subsidiaries are eligible to receive awards under the 2020 EIP. Our consultants and directors, who are not employees, and those of our subsidiaries, are eligible to receive awards under the 2020 Non-Employee Sub-Plan to the 2020 EIP described below. Persons eligible to receive awards under the 2020 EIP (including the 2020 Non-Employee Sub-Plan) are together referred to as service providers below. Except as otherwise specified, references below to the 2020 EIP include the 2020 Non-Employee Sub-Plan.

The 2020 EIP is administered by our board of directors, which may delegate its duties and responsibilities to one or more committees of our directors and/or officers (referred to as the Plan Administrator below), subject to certain limitations imposed under the 2020 EIP, and other applicable laws and stock exchange rules. The Plan Administrator has the authority to take all actions and make all determinations under the 2020 EIP, to interpret the 2020 EIP and award agreements and to adopt, amend and repeal rules for the administration of the 2020 EIP as it deems advisable. The Plan Administrator also has the authority to determine which eligible service providers receive awards, grant awards, set the terms and conditions of all awards under the 2020 EIP, including any vesting and vesting acceleration provisions, subject to the conditions and limitations in the 2020 EIP.

Shares available for awards

The maximum number of ordinary shares that may be issued under our 2020 EIP is 8,500,000 ordinary shares. No more than 25,500,000 ordinary shares may be issued under the 2020 EIP upon the exercise of incentive share options. In addition, the number of ordinary shares reserved for issuance under our 2020 EIP will automatically increase on January 1 of each year, commencing on January 1, 2021 and ending on (and including) January 1, 2030, in an amount equal to 5 % of the total number of ordinary shares outstanding on December 31 of the preceding calendar year. Our board may act prior to January 1 of a given year to provide that there will be no increase for such year or that the increase for such year will be a lesser number of ordinary shares. ordinary shares issued under the 2020 EIP may be new shares, shares purchased on the open market or treasury shares.

If an award under the 2020 EIP, expires, lapses or is terminated, exchanged for cash, surrendered, repurchased, cancelled without having been fully exercised or forfeited, any unused shares subject to the award will, as applicable, become or again be available for new grants under the 2020 EIP.

If an option granted under the Share Option Plan prior to the effective date expires, lapses or is terminated, exchanged for cash, surrendered, repurchased, cancelled without having been fully exercised or forfeited on or after the effective date, any unused shares subject to the option will, as applicable, become available for new grants under the 2020 EIP.

Awards granted under the 2020 EIP in substitution for any options or other equity or equity-based awards granted by an entity before the entity's merger or consolidation with us or our acquisition of the entity's property or stock will not reduce the number of ordinary shares available for grant under the 2020 EIP, but will count against the maximum number of ordinary shares that may be issued upon the exercise of incentive stock options.

Awards

The 2020 EIP provides for the grant of market value options, market value share appreciation rights, or SARs, restricted shares, restricted share units, or RSUs, performance restricted share units, or PSUs, and other share-based awards. All awards under the 2020 EIP will be set forth in award agreements, which will detail the terms and conditions of awards, including any applicable vesting and payment terms, change of control provisions and post-termination exercise limitations. A brief description of each award type follows.

Options and SARs. Options provide for the purchase of our ordinary shares in the future at an exercise price set at no less than the market value of an ordinary share on the grant date. SARs entitle their holder, upon exercise, to receive from us an amount equal to the appreciation of the shares subject to the award between the grant date and the exercise date. The Plan Administrator will determine the number of shares covered by each option and SAR, and the conditions and limitations applicable to the exercise of each option and SAR.

Restricted shares, RSUs and PSUs. Restricted shares are an award of non-transferable ordinary shares that remain forfeitable unless and until specified conditions are met and which may be subject to a purchase price. RSUs and PSUs are contractual promises to deliver our ordinary shares in the future, which may also remain forfeitable unless and until specified conditions are met. The Plan Administrator may provide that the delivery of the shares underlying RSUs will be deferred on a mandatory basis or at the election of the participant. The terms and conditions applicable to restricted shares, RSUs and PSUs will be determined by the Plan Administrator, subject to the conditions and limitations contained in the 2020 EIP.

Other share-based awards. Other share-based awards are awards of fully vested ordinary shares and other awards valued wholly or partially by referring to, or otherwise based on, our ordinary shares or other property. Other share-based awards may be granted to participants and may also be available as a payment form in the settlement of other awards, as standalone payments and as payment in lieu of compensation to which a participant is otherwise entitled. The Plan Administrator will determine the terms and conditions of other share-based awards, which may include any purchase price, performance goal, transfer restrictions and vesting conditions.

Performance criteria

The Plan Administrator may select performance criteria for an award to establish performance goals for a performance period.

Certain transactions

In connection with certain corporate transactions and events affecting our ordinary shares, including a change of control, another similar corporate transaction or event, another unusual or nonrecurring transaction or

event affecting us or our financial statements or a change in any applicable laws or accounting principles, the Plan Administrator has broad discretion to take action under the 2020 EIP to prevent the dilution or enlargement of intended benefits, facilitate the transaction or event or give effect to the change in applicable laws or accounting principles. This includes canceling awards for cash or property, accelerating the vesting of awards, providing for the assumption or substitution of awards by a successor entity, adjusting the number and type of shares subject to outstanding awards and/or with respect to which awards may be granted under the 2020 EIP and replacing or terminating awards under the 2020 EIP. In addition, in the event of certain non-reciprocal transactions with our shareholders, the Plan Administrator will make equitable adjustments to the 2020 EIP, the limits thereunder and outstanding awards as it deems appropriate to reflect the transaction.

Plan amendment and termination

Our board of directors may amend or terminate the 2020 EIP at any time; however, no amendment, other than an amendment that increases the number of shares available under the 2020 EIP, may materially and adversely affect an award outstanding under the 2020 EIP without the consent of the affected participant and shareholder approval will be obtained for any amendment to the extent necessary to comply with applicable laws. Further, the Plan Administrator cannot, without the approval of our shareholders, amend any outstanding option or SAR to reduce its price per share or cancel any outstanding option or SAR in exchange for cash or another award under the 2020 EIP with an exercise price per share that is less than the exercise price per share of the original option or SAR. The 2020 EIP will remain in effect until the tenth anniversary of its effective date unless earlier terminated by our board of directors. No awards may be granted under the 2020 EIP after its termination.

Transferability and participant payments

Except as the Plan Administrator may determine or provide in an award agreement, awards under the 2020 EIP are generally non-transferrable, except by will or the laws of descent and distribution, or, subject to the Plan Administrator's consent, pursuant to a domestic relations order, and are generally exercisable only by the participant. With regard to tax withholding obligations arising in connection with awards under the 2020 EIP, and exercise price obligations arising in connection with the exercise of options under the 2020 EIP, the Plan Administrator may, in its discretion, accept cash, wire transfer or check, our ordinary shares that meet specified conditions, a promissory note, a "market sell order," such other consideration as the Plan Administrator deems suitable or any combination of the foregoing.

Non-U.S. and Non-U.K. participants

The Plan Administrator may modify awards granted to participants who are non-U.S. or U.K. nationals or employed outside the U.S. and the U.K. or establish sub-plans or procedures to address differences in laws, rules, regulations or customs of such international jurisdictions with respect to tax, securities, currency, employee benefit or other matters or to enable awards to be granted in compliance with a tax favorable regime that may be available in any jurisdiction.

2020 Non-Employee sub-plan

The 2020 Non-Employee Sub-Plan governs equity awards granted to our non-executive directors, consultants, advisers and other non-employee service providers and provides for awards to be made on identical terms to awards made under our 2020 EIP.

2020 Employee Share Purchase Plan

Our board has adopted and our shareholders have approved our 2020 Employee Share Purchase Plan, or 2020 ESPP, in 2020.

Purpose

The purpose of the 2020 ESPP is to provide a means by which our employees may be given an opportunity to purchase ordinary shares, to assist us in retaining the services of our employees, to secure and retain the services of new employees and to provide incentives for such persons to exert maximum efforts for our success. The rights to purchase ordinary shares granted under the 2020 ESPP are intended to qualify as options issued under an "employee stock purchase plan" as that term is defined in Section 423(b) of the Code.

Administration

Our Board has the power to administer the 2020 ESPP and may also delegate administration of the 2020 ESPP to a committee comprised of one or more members of our board of directors. Our board of directors has delegated administration of the 2020 ESPP to the remuneration committee of our board of directors, but may, at any time, revest in itself some or all of the powers previously delegated to the remuneration committee. Our Board and the remuneration committee are each considered to be a Plan Administrator as such term in used herein. The Plan Administrator has the final power to construe and interpret both the 2020 ESPP and the rights granted under it. The Plan Administrator has the power, subject to the provisions of the 2020 ESPP, to determine when and how rights to purchase our ordinary shares will be granted, the provisions of each offering of such rights (which need not be identical), and whether employees of any of our parent or subsidiary companies will be eligible to participate in the 2020 ESPP.

Ordinary Shares Subject to the 2020 ESPP

Subject to adjustment for certain changes in our capitalization, the maximum number of ordinary shares that may be issued under the 2020 ESPP is 850,000 ordinary shares. In addition, the number of ordinary shares reserved for issuance under our 2020 ESPP will automatically increase on January 1 of each year, commencing on January 1, 2021 and ending on (and including) January 1, 2030, in an amount equal to the lesser of 1% of the total number of ordinary shares outstanding on December 31 of the preceding calendar year, and 2,000,000 ordinary shares. If any rights granted under the 2020 ESPP terminate without being exercised in full, the ordinary shares not purchased under such rights again become available for issuance under the 2020 ESPP. The ordinary shares issuable under the 2020 ESPP will be new shares.

Offerings

The 2020 ESPP will be implemented by offerings of rights to purchase ordinary shares to all eligible employees. The Plan Administrator will determine the duration of each offering period, provided that in no event may an offering period exceed 27 months. The Plan Administrator may establish separate offerings which vary in terms (although not inconsistent with the provisions of the 2020 ESPP or the requirements of applicable laws). Each offering period will have one or more purchase dates, as determined by the Plan Administrator prior to the commencement of the offering period. The Plan Administrator has the authority to alter the terms of an offering prior to the commencement of the offering period, including the duration of subsequent offering periods. When an eligible employee elects to join an offering period, he or she is granted a right to purchase ordinary shares on each purchase date within the offering period. On the purchase date, all contributions collected from the participant are automatically applied to the purchase of our ordinary shares, subject to certain limitations (which are described further below under "**Eligibility**").

The Plan Administrator has the discretion to structure an offering so that if the fair market value of our ordinary shares on the first trading day of a new purchase period within the offering period is less than or equal to the fair market value of our ordinary shares on the first day of the offering period, then that offering will terminate immediately as of that first trading day, and the participants in such terminated offering will be automatically enrolled in a new offering beginning on the first trading day of such new purchase period.

Eligibility

Any individual who is employed by us (or by any of our parent or subsidiary companies if such company is designated by the Plan Administrator as eligible to participate in the 2020 ESPP) may participate in offerings under the 2020 ESPP, provided such individual has been employed by us (or our parent or subsidiary, if applicable) for such continuous period preceding the first day of the offering period as the Plan Administrator may require, but in no event may the required period of continuous employment be equal to or greater than two years. In addition, subject to applicable law, the Plan Administrator may provide that an employee will not be eligible to be granted purchase rights under the 2020 ESPP unless such employee is customarily employed for more than 20 hours per week and five months per calendar year. The Plan Administrator may also provide in any offering that certain of our employees who are "highly compensated" as defined in the Code are not eligible to participate in the 2020 ESPP.

No employee will be eligible to participate in the 2020 ESPP if, immediately after the grant of purchase rights, the employee would own, directly or indirectly, shares possessing 5% or more of the total combined voting power or value of all classes of our shares or of any of our parent or subsidiary companies, including any shares which such employee may purchase under all outstanding purchase rights and options. In addition, no employee may purchase more than US$25,000 worth of our ordinary shares (determined based on the fair market value of the shares at the time such rights are granted) under all our employee share purchase plans and any employee share purchase plans of our parent or subsidiary companies for each calendar year during which such rights are outstanding.

Participation in the 2020 ESPP

An eligible employee may enroll in the 2020 ESPP by delivering to us, prior to the date selected by the Plan Administrator as the beginning of an offering period, an agreement authorizing contributions which may not exceed the maximum amount specified by the Plan Administrator, but in any case which may not exceed 15% of such employee's earnings during the offering period. Each participant will be granted a separate purchase right for each offering in which he or she participates. Unless an employee's participation is discontinued, his or her purchase right will be exercised automatically at the end of each purchase period at the applicable purchase price.

Purchase Price

The purchase price per share at which our ordinary shares are sold on each purchase date during an offering period will not be less than the lower of (i) 85% of the fair market value of an Ordinary Share on the first day of the offering period or (ii) 85% of the fair market value of an Ordinary Share on the purchase date.

Payment of Purchase Price; Payroll Deductions

The purchase of shares during an offering period generally will be funded by a participant's payroll deductions accumulated during the offering period. A participant may change his or her rate of contributions, as determined by the Plan Administrator in the offering. All contributions made for a participant are credited to his or her account under the 2020 ESPP and deposited with our general funds.

Purchase Limits

In connection with each offering made under the 2020 ESPP, the Plan Administrator may specify (i) a maximum number of ordinary shares that may be purchased by any participant pursuant to such offering, (ii) a maximum number of ordinary shares that may be purchased by any participant on any purchase date pursuant to such offering, (iii) a maximum aggregate number of ordinary shares that may be purchased by all participants pursuant to such offering, and/or (iv) a maximum aggregate number of ordinary shares that may be purchased by all participants on any purchase date pursuant to such offering. If the aggregate purchase ordinary shares issuable upon exercise of purchase rights granted under such offering would exceed any such maximum aggregate number, then the Plan Administrator will make a pro rata allocation of available shares in a uniform and equitable manner.

Withdrawal

Participants may withdraw from a given offering by delivering a withdrawal form to us and terminating their contributions. Such withdrawal may be elected at any time prior to the end of an offering, except as otherwise provided by the Plan Administrator. Upon such withdrawal, we will distribute to the employee his or her accumulated but unused contributions without interest, and such employee's right to participate in that offering will terminate. However, an employee's withdrawal from an offering does not affect such employee's eligibility to participate in subsequent offerings under the 2020 ESPP.

Termination of Employment

A participant's rights under any offering under the 2020 ESPP will terminate immediately if the participant either (i) is no longer employed by us or any of our parent or subsidiary companies (subject to any post-employment participation period required by law) or (ii) is otherwise no longer eligible to participate. In such event, we will distribute to the participant his or her accumulated but unused contributions without interest.

Restrictions on Transfer

Rights granted under the 2020 ESPP are not transferable except by will, by the laws of descent and distribution, or if permitted by us, by a beneficiary designation. During a participant's lifetime, such rights may only be exercised by the participant.

Changes in Capitalization

In the event of certain changes in our share capitalization, the Plan Administrator will appropriately adjust: (i) the class(es) and maximum number of securities subject to the 2020 ESPP; (ii) the class(es) and number of securities subject to, and the purchase price applicable to outstanding purchase rights; and (iii) the class(es) and number of securities that are the subject of any purchase limits under each ongoing offering.

Effect of Certain Corporate Transactions

In the event of a corporate transaction (as defined in the 2020 ESPP and described below), (i) any acquiring company (or its parent company) may assume or continue outstanding purchase rights granted under the 2020 ESPP or may substitute similar rights (including a right to acquire the same consideration paid to the shareholders in the corporate transaction) for such outstanding purchase rights, or (ii) if any acquiring company (or its parent company) does not assume or continue such outstanding purchase rights or does not substitute similar rights for such outstanding purchase rights, then the participants' accumulated contributions will be used to purchase ordinary shares within ten business days prior to the corporate transaction under such purchase rights, and such purchase rights will terminate immediately after such purchase.

For purposes of the 2020 ESPP, a corporate transaction generally will be deemed to occur in the event of the consummation of: (i) a sale or other disposition of all or substantially all of our consolidated assets; or (ii) a change of Control (as defined in section 995(2) of the UK Income Tax Act 2007) of the Company.

Non-US Participants

The Plan Administrator may adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the 2020 ESPP by eligible employees who are resident or employed outside the United States.

Duration, Amendment and Termination

The Plan Administrator may amend or terminate the 2020 ESPP at any time. However, except in regard to certain capitalization adjustments, any such amendment must be approved by our shareholders if such approval is required by applicable law or listing requirements.

Any outstanding purchase rights granted before an amendment or termination of the 2020 ESPP will not be materially impaired by any such amendment or termination, except (i) with the consent of the employee to whom such purchase rights were granted, (ii) as necessary to comply with applicable laws, listing requirements or governmental regulations (including Section 423 of the Code), or (iii) as necessary to obtain or maintain favorable tax, listing or regulatory treatment.

Notwithstanding anything in the 2020 ESPP or any offering to the contrary, the Plan Administrator will be entitled to: (i) establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars; (ii) permit contributions in excess of the amount designated by a participant in order to adjust for mistakes in the processing of properly completed contribution elections; (iii) establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of our ordinary shares for each participant properly correspond with amounts withheld from the participant's contributions; (iv) amend any outstanding purchase rights or clarify any ambiguities regarding the terms of any offering to enable such purchase rights to qualify under and/or comply with Section 423 of the Code; and (v) establish other limitations or procedures as the Plan Administrator determines in its sole discretion advisable that are consistent with the 2020 ESPP. Any such actions by the Plan Administrator will not be considered to alter or impair any purchase rights granted under an offering as they are part of the initial terms of each offering and the purchase rights granted under each offering.

Federal Income Tax Information

The following is a summary of the principal United States federal income taxation consequences to participants and us with respect to participation in the 2020 ESPP. This summary is not intended to be exhaustive and does not discuss the income tax laws of any local, state or foreign jurisdiction in which a participant may reside. The information is based upon current federal income tax rules and therefore is subject to change when those rules change. Because the tax consequences to any participant may depend on his or her particular situation, each participant should consult the participant's tax adviser regarding the federal, state, local, and other tax consequences of the grant or exercise of a purchase right or the sale or other disposition of ordinary shares acquired under the 2020 ESPP. The 2020 ESPP is not qualified under the provisions of Section 401(a) of the Code and is not subject to any of the provisions of the Employee Retirement Income Security Act of 1974, as amended.

Rights granted under the 2020 ESPP are intended to qualify for favorable federal income tax treatment associated with rights granted under an "employee stock purchase plan" which qualifies under the provisions of Section 423 of the Code.

A participant will be taxed on amounts withheld for the purchase of ordinary shares as if such amounts were actually received. Otherwise, no income will be taxable to a participant as a result of the granting or exercise of a purchase right until a sale or other disposition of the acquired shares. The taxation upon such sale or disposition will depend upon the holding period of the acquired shares.

If the shares are sold or otherwise disposed of more than two years after the beginning of the offering period and more than one year after the shares are transferred to the participant, then the lesser of the following will be treated as ordinary income: (i) the excess of the fair market value of the shares at the time of such sale or disposition over the purchase price; or (ii) the excess of the fair market value of the shares as of the beginning of the offering period over the purchase price (determined as of the beginning of the offering period). Any further gain or any loss will be taxed as a long-term capital gain or loss.

If the shares are sold or otherwise disposed of before the expiration of either of the holding periods described above, then the excess of the fair market value of the shares on the purchase date over the purchase price will be treated as ordinary income at the time of such sale or disposition. The balance of any gain will be treated as capital gain. Even if the shares are later sold or otherwise disposed of for less than its fair market value on the purchase date, the same amount of ordinary income is attributed to the participant, and a capital loss is recognized equal to the difference between the sales price and the fair market value of the shares on such purchase date. Any capital gain or loss will be short-term or long-term, depending on how long the shares have been held.

There are no federal income tax consequences to us by reason of the grant or exercise of rights under the 2020 ESPP. We are entitled to a deduction to the extent amounts are taxed as ordinary income to a participant for shares sold or otherwise disposed of before the expiration of the holding periods described above (subject to the requirement of reasonableness and the satisfaction of tax reporting obligations).

New Plan Benefits

Participation in the 2020 ESPP is voluntary and each eligible employee will make his or her own decision regarding whether and to what extent to participate in the 2020 ESPP. In addition, our Board and the remuneration committee of our Board have not granted any purchase rights under the 2020 ESPP that are subject to shareholder approval. Accordingly, the benefits or amounts that will be received by or allocated to our executive officers and other employees under the 2020 ESPP, as well as the benefits or amounts which

would have been received by or allocated to our executive officers and other employees for the Company's current financial year if the 2020 ESPP had been in effect, are not determinable. Our non-executive directors will not be eligible to participate in the 2020 ESPP.

Share option plan

On September 11, 2018, our board adopted our Share Option Plan, which was subsequently approved by our shareholders on October 23, 2018, to incentivize certain of our employees, directors and other service providers, and those of our subsidiaries.

As of March 31, 2020, options to purchase 3,028,858 shares were outstanding, at a weighted-average exercise price of £1.63 per share.

The principal features of the Share Option Plan are outlined below.

Eligibility, awards and administration

The Share Option Plan provides for the grant of both tax-advantaged Enterprise Management Incentive, or EMI, options and non-tax advantaged options to our employees and those of our subsidiaries, subject to exercise conditions as summarized below.

In the case of tax-advantaged EMI options, full-time working requirements must be met, which means that the employee must be required to work 25 hours per week or if less, 75% of the employee's working time for us or our subsidiaries. Employees who have a material interest in our company cannot be granted EMI options. A material interest is either beneficial ownership of, or the ability to control directly or indirectly, more than 30% of our ordinary share capital.

The Share Option Plan has a Non-Employee Sub-Plan for the grant of options to our and our subsidiaries' advisors, consultants, non-executive directors, and entities providing services, through an individual such as advisory, consultancy, or office holder services and a U.S. Sub-Plan for the grant of options to eligible participants in the Share Option Plan and the Non-Employee Sub-Plan who are U.S. residents and U.S. taxpayers. Save as otherwise specified, references below to the Share Option Plan include the Non-Employee Sub-Plan and the U.S. Sub-Plan.

The Share Option Plan is operated by our board of directors, or a duly authorized committee of our board and some powers have been delegated to our remuneration committee.

General terms of options

Options may be granted within 42 days immediately following the end of a closed period, which has the same meaning as in Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, and within any other period that our remuneration committee has decided options should be granted as exceptional circumstances exist.

No consideration is payable on the grant of options. The remuneration committee determines the exercise price of options before they are granted, which shall not be less than the nominal value of an ordinary share.

None of the benefits which may be received under the Share Option Plan will be taken into account when determining any pension or similar entitlements.

Each option is personal to the option holder and any transfer of, or the creation of any charge, pledge or other encumbrance over, the option will cause it to lapse (other than in respect of a transfer to an option holder's personal representative on or following their death).

An option holder does not have any shareholder rights with respect to an option until the option has vested and been exercised and the option holder has received the corresponding ordinary shares.

Where a tax liability arises on the exercise of an option, we may require the option holder to make payment to us or the option holder's employer to meet such liability, or to enter into other arrangements in respect of the satisfaction of such liability. If such payments or arrangements are insufficient (or are not made) we may sell as many of the option holder's ordinary shares as are necessary to cover the liability. The option holder may be required to bear the cost of secondary UK National Insurance contributions, or similar liability for social security contributions in any jurisdiction, to the extent applicable.

Vesting and exercise

Options can normally only be exercised on satisfaction of the conditions relating to time or the achievement of challenging performance targets over a specified period that have the intention of enhancing shareholder value as determined by the remuneration committee at grant. The remuneration committee may subsequently waive or vary such conditions, provided any varied condition is considered to be a fairer measure of performance and no more difficult to satisfy than the original condition.

Option holders who exercise an option under the Share Option Plan are required to pay the applicable option exercise price in a manner determined by the board of directors.

The last date for exercise of an option will be the day before the tenth anniversary of its grant.

Limitations on awards

The number of ordinary shares that may be issued or are issuable pursuant to the exercise of the options and any other options granted, or awards made, under all of the discretionary share option plans operated by us may not exceed 10% of our issued share capital.

Ordinary shares transferred from treasury to satisfy options will count as newly issued shares for these purposes.

Options which have lapsed or been surrendered or which were capable of exercise prior to admission of our ordinary shares to AIM will not count towards these dilution limits.

A maximum of 6,000,000 ordinary shares may be issued under the U.S. Sub-Plan upon the exercise of incentive stock options, as defined in Section 422 of the Code.

Leavers

In the case of death, an option holder's personal representatives may exercise his or her options within 12 months after the date of death to the extent the exercise conditions have been satisfied, save that the remuneration committee may waive the exercise conditions in these circumstances. If an option holder ceases to be an employee by reason of injury, ill health, disability, retirement, redundancy or sale of the option holder's employing company or business, options are exercisable to the extent the exercise conditions have been satisfied during the 90 days from the date of cessation, save that the remuneration committee may waive the exercise conditions in these circumstances. If an option holder ceases to be an employee for any other

reason, options may, at the discretion of the remuneration committee, be exercisable to the extent the exercise conditions have been satisfied during the 90 days from the date of cessation, save that the remuneration committee may waive the exercise conditions in these circumstances. If an option holder ceases to be an employee on or after the normal vesting date applicable to that option for any reason other than summary dismissal, the option may be exercised during the 90 day period following the date of cessation.

Certain transactions

In the event of a takeover, scheme of arrangement, change of control or voluntary winding up of the Company, options may be exercised to the extent the board determines that exercise conditions have been met, save that the remuneration committee may waive the exercise conditions in these circumstances in full. If options are not exercised within an appropriate period, generally 90 days of the relevant event, they will lapse. There is a provision allowing for the roll-over (assumption with consent) of options with agreement from the acquirer provided that, in the case of EMI options, such new options continue to meet EMI qualifying conditions.

Changes to capital structure

In the event of any variation of share capital by way of capitalization, rights issue, consolidation, sub-division or reduction of share capital or other variation, affecting the value of options to option holders, the number and description of ordinary shares comprised in subsisting options and the exercise price may be adjusted by the board in such manner that the board deems to be fair and appropriate in their reasonable opinion.

Amendment and termination

The remuneration committee may make amendments to the rules of the Share Option Plan provided the amendment does not: (a) apply to options granted before the amendment was made; or (b) materially adversely affect the interests of option holders (unless the relevant option holders consent to such amendment). Further, no deletion, amendment or addition may be made except with the prior approval of our shareholders in general meeting if the deletion, amendment or addition is in relation to (a) the definition of ‘employee’; or (b) the Share Option Plan’s grant limits; or (c) the variation of share capital. No options may be granted under the Share Option Plan after the tenth anniversary of its adoption.

Non-Employee Sub-Plan

Under the Non-Employee Sub-Plan, options may be granted to advisers, consultants and non- executive directors of the Company and entities providing, through an individual, such advisory, consultancy, or office holder services, on terms comparable to those described above. These options will not be EMI Options.

U.S. Sub-Plan

The U.S. Sub-Plan permits the grant of options to eligible participants under the Share Option Plan and the Non-Employee Sub-Plan who are U.S. residents and U.S. taxpayers, including potentially tax efficient incentive stock options. The exercise price of options granted under the U.S. Sub- Plan shall not be less than 100% of the fair market value of an ordinary share on the date of grant, determined in accordance with Section 409A of the Code.

Insurance and indemnification

To the extent permitted by the Companies Act, we are empowered to indemnify our directors against any liability they incur by reason of their directorship. We maintain directors’ and officers’ insurance to insure such

persons against certain liabilities. We have entered into a deed of indemnity with each of our directors and we expect to enter into a new deed of indemnity with each of our directors and executive officers in connection with the listing of our ADSs on Nasdaq. In addition to such indemnification, we provide our directors and executive officers with directors' and officers' liability insurance.

Insofar as indemnification of liabilities arising under the Securities Act may be permitted to our board, executive officers or persons controlling us pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Related party transactions

Since our inception, we have engaged in the following transactions with our directors, executive officers and holders of more than 5% of our outstanding ordinary shares and their affiliates, which we refer to as our “related parties.”

EKF Diagnostics Holdings

In October 2018, we purchased the Joslin Agreement and other assets from EKF in exchange for 15,427,704 ordinary shares. See “Business—Our key agreements—Joslin Diabetes Center.”

Prior to our admission to AIM, we received loans from EKF bearing interest at an annual rate of 5%. The loans were due on or within seven business days following the consummation of our initial public offing. Upon our admission to trading on AIM in November 2018, all borrowings and accrued interest were paid in their entirety.

Renwick Capital, LLC

Prior to our admission to AIM in November 2018, James McCullough, our Chief Executive Officer, and O. James Sterling, our Chief Financial Officer, provided their respective services through a consulting arrangement between us and Renwick Capital, LLC. During the period from March 15, 2018 (inception) through June 30, 2018 and for the year ended June 30, 2019, we incurred consulting services of $0.1 million and $0.2 million, respectively. Upon our admission to AIM, Mr. McCullough and Mr. Sterling became employees and the consulting agreement with Renwick Capital, LLC was terminated.

Icahn School of Medicine at Mount Sinai

In May 2018, we entered into the Mount Sinai Agreement. See “Business—Our key agreements—Mount Sinai Health System.” As part of that partnership, Mount Sinai acquired 6,730,784 of our ordinary shares. Mount Sinai also purchased 1,288,202 of our ordinary shares as part of our admission to AIM, and an additional 834,440 ordinary shares in July 2019. Additionally, in connection with the FractalDx portfolio, we paid $1.0 million for the acquisition of the related license and $0.3 million for the reimbursement of patent costs.

In May 2020, we and Mount Sinai entered into the Kantaro Operating Agreement in order to form Kantaro for the purpose of developing and commercializing laboratory tests for the detection of antibodies against SARS-CoV-2 originally developed by Mount Sinai. In connection with the formation of Kantaro, we entered into the Advisory Agreement, pursuant to which we have agreed to provide certain services to Kantaro. See “Business—Our key agreements—Kantaro Biosciences LLC” for additional information.

In June 2020, we entered into a registration rights agreement with Mount Sinai. See “Ordinary shares and ADSs eligible for future sale” for additional information.

Agreements with our executive officers and directors

We have entered into employment agreements with certain of our executive officers and appointment letters with our non-executive directors. See “Management—Compensation of executive officers and directors—Executive officer employment agreements” and “—Non-executive director agreements.” These agreements contain customary provisions and representations, including confidentiality, non-competition, non-solicitation and inventions assignment undertakings by the executive officers. However, the enforceability of the non-competition provisions may be limited under applicable law.

Indemnification agreements

We have entered into deeds of indemnity with our directors and we expect to enter into a new deed of indemnity with each of our directors and executive officers in connection with the listing of our ADSs on

Nasdaq. The deeds of indemnity and our articles of association require us to indemnify our directors and executive officers to the fullest extent permitted by law. See “Management—Insurance and indemnification.”

Related person transaction policy

In connection with this offering, we have adopted a related person transaction policy that sets forth our procedures for the identification, review, consideration and approval or ratification of related person transactions. The policy will become effective upon the effectiveness of the registration statement of which this prospectus forms a part. For purposes of our policy only, a related person transaction is a transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which we or any of our subsidiaries and any related person are, were or will be participants in which the amount involved exceeds $120,000 or which is unusual in its nature or conditions. Transactions involving compensation for services provided to us as an employee or director are not covered by this policy. A related person is any executive officer, director or beneficial owner of more than 5% of any class of our voting securities, including any of their immediate family members and any entity owned or controlled by such persons.

The related person transactions policy also covers related party transactions under the AIM Rules for Companies published by the London Stock Exchange, or the AIM Rules, which contains a different definition of a related party to the definition of a related person set out above for U.S. purposes. The AIM Rules require that any transaction with a related party (pursuant to the definition in the AIM Rules) that exceeds 5% in any of the class tests set out in the AIM Rules, taking into account certain provisions relating to aggregation of transactions, should be announced without delay as soon as the terms of the transaction are agreed, and that the announcement should include certain specified information including a statement that our directors (with the exception of any director who is involved in the transaction as a related party) consider, having consulted with our nominated adviser for AIM, that the terms of the transaction are fair and reasonable insofar as our shareholders are concerned.

Principal shareholders

The following table sets forth information with respect to the beneficial ownership of our ordinary shares as of March 31, 2020 for:

- each beneficial owner of 5% or more of our outstanding ordinary shares;
- each of our directors and executive officers; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities and include ordinary shares issuable upon the exercise of options that are immediately exercisable or exercisable within 60 days of March 31, 2020. Percentage ownership calculations are based on 59,416,134 ordinary shares outstanding as of March 31, 2020.

The percentage of ordinary shares beneficially owned after completion of this offering is based on ordinary shares outstanding after this offering, including (1) ordinary shares and (2) ordinary shares represented by ADSs issued in connection with the global offering. The table assumes no exercise of the underwriters' option to purchase additional ordinary shares, including ordinary shares represented by ADSs.

Except as otherwise indicated, all of the shares reflected in the table are ordinary shares and all persons listed below have sole voting and investment power with respect to the shares beneficially owned by them, subject to applicable community property laws. The information is not necessarily indicative of beneficial ownership for any other purpose.

Except as otherwise indicated in the table below, addresses of the directors, executive officers and named beneficial owners are care of Renalytix AI plc, Avon House 19 Stanwell Road, Penarth, Cardiff, CF64 2EZ, United Kingdom. As of March 31, 2020, to our knowledge, eight U.S. record holders held an aggregate of 14,211,603 (approximately 23.9%) of our issued and outstanding ordinary shares.

Name of Beneficial Owner	Number of ordinary shares beneficially owned	Percentage of ordinary shares beneficially owned	
		Before offering	After offering
5% or Greater Shareholders (other than Executive Officers and Directors):			
Icahn School of Medicine at Mount Sinai(1)	8,955,672	15.0%	%
Executive Officers and Directors:			
James McCullough(2).	2,870,110	4.8	
Fergus Fleming(3)	853,557	1.4	
Thomas McClain(4).	134,538	*	
O. James Sterling(5)	1,902,640	3.2	
Michael J. Donovan, Ph.D., M.D.(6)	134,538	*	
Julian Baines(7)	1,231,236	2.1	
Richard Evans(8)	706,322	1.2	
Erik Lium, Ph.D.	—	—	
Christopher Mills(9)	9,197,501	15.5	
Barbara Murphy, M.D.(10).	285,338	*	
Chirag R. Parikh, Ph.D., M.D.(11)	48,694	*	
All current directors and executive officers as a group (11 persons)	17,364,474	28.9	

* Represents beneficial ownership of less than one percent.

(1) Consists of (a) 8,853,426 ordinary shares held by Icahn School of Medicine at Mount Sinai and (b) 102,246 ordinary shares underlying options exercisable within 60 days of March 31, 2020. The address of Mount Sinai is 1 Gustave L. Levy Place, New York, New York, 10029.

(2) Consists of 2,870,110 ordinary shares held of record by Mr. McCullough.

(3) Consists of (a) 584,481 ordinary shares held by Mr. Fleming and (b) 269,076 ordinary shares underlying options exercisable within 60 days of March 31, 2020 held by Mr. Fleming.

(4) Consists 134,538 ordinary shares underlying options exercisable within 60 days of March 31, 2020 held by Mr. McClain.

(5) Consists of 1,902,640 ordinary shares held by Mr. Sterling.

(6) Consists of 134,538 ordinary shares underlying options exercisable within 60 days of March 31, 2020 held by Dr. Donovan.

(7) Consists of (a) 1,231,236 ordinary shares held by Mr. Baines.

(8) Consists of 706,322 ordinary shares held by Mr. Evans.

(9) Consists of (a) 272,500 ordinary shares held by Mr. Mills and his immediate family, (b) 6,145,001 ordinary shares held of record by North Atlantic Smaller Companies Investment Trust plc, of which Harwood Capital LLP, or Harwood, is the investment manager and (c) 2,780,000 ordinary shares held of record by Oryx International Growth Fund Limited of which Harwood is an investment adviser. Mr. Mills is a partner and the chief investment officer at Harwood. The address of North Atlantic Smaller Companies Investment Trust plc, Oryx International Growth Fund Limited and Harwood is 6 Stratton St, Mayfair, London W1J 8LD, United Kingdom.

(10) Consists of (a) 150,800 ordinary shares held by Dr. Murphy and (b) 134,538 ordinary shares underlying options exercisable within 60 days of March 31, 2020 held by Dr. Murphy.

(11) Consists of 48,694 ordinary shares underlying options exercisable within 60 days of March 31, 2020 held by Dr. Parikh.

Description of share capital and articles of association

Introduction

Set forth below is a summary of certain information concerning our share capital as well as a description of certain provisions of our articles of association and relevant provisions of the Companies Act. The summary below contains only material information concerning our share capital and corporate status and does not purport to be complete and is qualified in its entirety by reference to our articles of association and applicable English law. Further, please note that holders of ADSs will not be treated as one of our shareholders and will not have any shareholder rights.

General

We were incorporated as a public limited company under the laws of England and Wales on March 15, 2018, with company number 11257655. Our principal executive offices in the United States are located at 1460 Broadway, New York, New York 10036 and our telephone number is +1 646 397 3970. Our registered office in the United Kingdom is located at Avon House, 19 Stanwell Road, Penarth, Cardiff, CF64 2EZ, United Kingdom, and the telephone number of our registered office is +44 20 3139 2910.

Since November 6, 2018, our ordinary shares have been traded on AIM under the symbol “RENX”. Our website address is www.renalytixai.com. The information contained on, or that can be accessed from, our website does not form part of this prospectus. Our agent for service of process in the United States is Renalytix AI, Inc.

As of June 30, 2019, we had 53,816,134 ordinary shares outstanding, with a nominal value of £0.0025 per ordinary share. Each issued ordinary share is fully paid. Upon the closing of the global offering, we will have ordinary shares outstanding, including ordinary shares represented by ADSs.

Ordinary shares

In accordance with our articles of association, the following summarizes the rights of holders of our ordinary shares:

- each holder of our ordinary shares is entitled to one vote per ordinary share on all matters to be voted on by shareholders generally;
- the holders of the ordinary shares shall be entitled to receive notice of, attend, speak and vote at our general meetings; and
- holders of our ordinary shares are entitled to receive such dividends as are recommended by our directors and declared by our shareholders.

See also “Articles of association—Shares and rights attaching to them” below.

Options

As of March 31, 2020, there were options to purchase 3,028,858 ordinary shares outstanding with a weighted average exercise price of £1.63 per ordinary share. The options generally lapse after ten years from the date of the grant.

Share register

We are required by the Companies Act to keep a register of our shareholders. Under the laws of England and Wales, the ordinary shares are deemed to be issued when the name of the shareholder is entered in our share

register. The share register therefore is prima facie evidence of the identity of our shareholders, and the shares that they hold. The share register generally provides limited, or no, information regarding the ultimate beneficial owners of our ordinary shares. Our share register is maintained by our registrar, Link Asset Services Limited.

Holders of our ADSs will not be treated as one of our shareholders and their names will therefore not be entered in our share register. The depositary, the custodian or their nominees will be the holder of the shares underlying our ADSs. Holders of our ADSs have a right to receive the ordinary shares underlying their ADSs. For discussion on our ADSs and ADS holder rights see “Description of American Depositary Shares” in this prospectus.

Under the Companies Act, we must enter an allotment of shares in our share register as soon as practicable and in any event within two months of the allotment. We will perform all procedures necessary to update the share register to reflect the ordinary shares being sold in this offering, including updating the share register with the number of ordinary shares to be issued to the depositary upon the closing of this offering. We also are required by the Companies Act to register a transfer of shares (or give the transferee notice of and reasons for refusal) as soon as practicable and in any event within two months of receiving notice of the transfer.

We, any of our shareholders or any other affected person, may apply to the court for rectification of the share register if:

- the name of any person, without sufficient cause, is wrongly entered in or omitted from our register of members; or
- there is a default or unnecessary delay in entering on the register the fact of any person having ceased to be a member or on which we have a lien, provided that such refusal does not prevent dealings in the shares taking place on an open and proper basis.

Preemptive rights

The laws of England and Wales generally provide shareholders with preemptive rights when new shares are issued for cash; however, it is possible for the articles of association, or shareholders in a general meeting, to disapply preemptive rights. Such a disapplication of preemptive rights may be for a maximum period of up to five years from the date of adoption of the articles of association, if the disapplication is contained in the articles of association, or from the date of the shareholder resolution, if the disapplication is by shareholder resolution. In either case, this disapplication would need to be renewed by our shareholders upon its expiration (i.e., at least every five years).

On September 30, 2019, our shareholders approved the disapplication of preemptive rights for the period up to the conclusion of our next annual general meeting, which disapplication allows for the issue of ordinary shares up to the aggregate nominal amount of £14,854.03 (plus the issue of shares on the exercise of share options granted by us), and that will need to be renewed upon expiration to remain effective.

On , 2020, our shareholders approved the disapplication of preemptive rights for the allotment of ordinary shares in connection with the global offering.

Articles of association

Shares and rights attaching to them

Objects

The objects of the company are unrestricted.

Share rights

Subject to the Companies Act and any rights attaching to shares already in issue, our shares may be issued with or have attached to them any rights and restrictions as we may by ordinary resolution of the shareholders determine or, in the absence of any such determination, as our board of directors may determine.

Voting rights

Subject to any rights or restrictions attached to any shares from time to time, the general voting rights attaching to shares are as follows:

- any resolution put to the vote of a general meeting must be decided exclusively on a poll;
- on a poll, every shareholder who is present in person or by proxy or corporate representative shall have one vote for each share of which they are the holder. A shareholder, proxy or corporate representative entitled to more than one vote need not, if they vote, use all their votes or cast all the votes in the same way; and
- if two or more persons are joint holders of a share, then in voting on any question the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of the holders stand in the share register.

Restrictions on voting

No shareholder shall be entitled to vote at any general meeting or at any separate class meeting in respect of any share held by him unless all calls or other sums payable by him in respect of that share have been paid.

The board may from time to time make calls upon the shareholders in respect of any money unpaid on their shares and each shareholder shall (subject to at least 14 days' notice specifying the time or times and place of payment) pay at the time or times so specified the amount called on their shares.

Dividends

We may by ordinary resolution of shareholders declare dividends out of profits available for distribution in accordance with the respective rights of shareholders, but no such dividend shall exceed the amount recommended by the board of directors.

The board of directors may from time to time pay shareholders such interim dividends as appears to the board to be justified by the profits available for distribution (including any dividends at a fixed rate). If the share capital is divided into different classes, the board of directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

The board of directors may deduct from any dividend or other money payable to any person on or in respect of a share all such sums as may be due from such shareholder to the company on account of calls or otherwise in relation to the shares of the Company. Sums so deducted can be used to pay amounts owing to the company in respect of the shares.

Subject to any special rights attaching to or the terms of issue of any share, no dividend or other moneys payable by us on or in respect of any share shall bear interest against us. Any dividend unclaimed after a period of 12 years from the date such dividend became due for payment shall be forfeited and shall revert to us.

Dividends may be declared or paid in any currency and the board may decide the rate of exchange for any currency conversions that may be required, and how any costs involved are to be met.

The board of directors may, by ordinary resolution of the company, direct (or in the case of an interim dividend may without the authority of an ordinary resolution direct) that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways.

Change of control

There is no specific provision in our articles of association that would have the effect of delaying, deferring or preventing a change of control.

Distributions on winding up

On a winding up, the liquidator may, with the sanction of a special resolution of shareholders and any other sanction required by law, divide amongst the shareholders in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as he may with the like sanction determine, but no shareholder shall be compelled to accept any assets upon which there is a liability.

Variation of rights

All or any of the rights and restrictions attached to any class of shares issued may be varied or abrogated with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class (excluding any shares held as treasury shares) or by special resolution passed at a separate general meeting of the holders of such shares, subject to the Companies Act and the terms of their issue. The Companies Act provides a right to object to the variation of the share capital by the shareholders who did not vote in favor of the variation. Should an aggregate of 15% of the shareholders of the issued shares in question apply to the court to have the variation cancelled, the variation shall have no effect unless and until it is confirmed by the court.

Alteration to share capital

We may, by ordinary resolution of shareholders, consolidate all or any of our share capital into shares of larger amount than our existing shares, or sub-divide our shares or any of them into shares of a smaller amount. We may, by special resolution of shareholders, confirmed by the court, reduce our share capital or any capital redemption reserve or any share premium account in any manner authorized by the Companies Act. We may redeem or purchase all or any of our shares as described in “—Other English law considerations—Purchase of own shares.”

Allotment of shares and preemption rights

In accordance with the Companies Act, the board of directors may be generally and unconditionally authorized to exercise all the powers of the company to allot shares up to an aggregate nominal amount equal to the amount stated in the relevant ordinary resolution authorizing such allotment. The following such authorities to allot shares in the company and to grant rights to subscribe for or to convert any security into shares in the

company were granted at the company's annual general meeting on September 30, 2019 and remain in force at the date of this prospectus:

- up to a maximum nominal amount of £5,739.24 for the purposes of the exercise of outstanding share options and other potential shares granted by the company only; and
- up to an aggregate nominal amount of £14,854.03 (in addition to the authority above), representing approximately 10% of the company's then issued share capital, such authorities (unless previously renewed, revoked or varied) to expire at the conclusion of the next annual general meeting of the company to be held in 2020.

On , 2020, our shareholders authorized our board of directors to allot ordinary shares up to an aggregate nominal value of £ in connection with the global offering.

In certain circumstances, our shareholders may have statutory preemptive rights under the Companies Act in respect of the allotment of new shares as described in "—Preemptive Rights" and "—Differences in Corporate Law—Preemptive Rights" in this prospectus.

Transfer of shares

Any shareholder holding shares in certificated form may transfer all or any of his shares by an instrument of transfer in any usual or common form or in any other manner which is permitted by the Companies Act and approved by the board. Any written instrument of transfer shall be signed by or on behalf of the transferor and (in the case of a share which is not fully paid up) the transferee.

All transfers of uncertificated shares shall be made in accordance with and subject to the provisions of the Uncertificated Securities Regulations 2001 and the facilities and requirements of its relevant system. The Uncertificated Securities Regulations 2001 permit shares to be issued and held in uncertificated form and transferred by means of a computer-based system.

The board of directors may decline to register any transfer of any share in certificated form:

- which is not a fully paid share, provided that such discretion may not be exercised in a way in which the London Stock Exchange regards as preventing dealing in shares from taking place on an open and proper basis;
- where the company has a lien over such share;
- unless any written instrument of transfer, duly stamped or duly certificated or otherwise shown to the satisfaction of the board of directors to be exempt from stamp duty (if this is required), is lodged with us at our registered office or such other place as the board may from time to time determine, accompanied by the certificate for the shares to which it relates;
- unless there is provided such evidence as the board may reasonably require to show the right of the transferor to make the transfer and if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so;
- where the transfer is in respect of more than one class of share; and
- in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred exceeds four.

The board of directors may decline to register a transfer of uncertificated shares in any circumstances that are allowed or required by the Uncertificated Securities Regulations 2001 and the requirements of its relevant system.

If the board of directors declines to register a transfer it shall, as soon as practicable and in any event within two months after the date on which the transfer is lodged or the instructions to the relevant system received, send to the transferee notice of the refusal, together with reasons for the refusal or, in the case of uncertified shares, notify such persons as may be required by the Uncertified Securities Regulations 2001 and the requirements of the relevant system concerned.

CREST

To be traded on AIM, securities must be able to be transferred and settled through the CREST system. CREST is a computerized paperless share transfer and settlement system which allows securities to be transferred by electronic means, without the need for a written instrument of transfer. Our articles of association are consistent with CREST membership and, amongst other things, allow for the holding and transfer of shares in uncertificated form.

Annual general meetings

In accordance with the Companies Act, we are required in each year to hold an annual general meeting in addition to any other general meetings in that year and to specify the meeting as such in the notice convening it. The annual general meeting shall be convened whenever and wherever the board sees fit, subject to the requirements of the Companies Act, as described in "—Differences in Corporate Law—Annual General Meeting" and "—Differences in Corporate Law—Notice of General Meetings" in this prospectus.

Notice of general meetings

The arrangements for the calling of general meetings are described in "—Differences in Corporate Law—Notice of General Meetings" in this prospectus.

Quorum of general meetings

No business shall be transacted at any general meeting unless a quorum is present. At least two shareholders present in person or by proxy and entitled to vote shall be a quorum for all purposes.

Class meetings

The provisions in our articles of association relating to general meetings apply to every separate general meeting of the holders of a class of shares except that:

- the quorum for such class meeting shall be two holders in person or by proxy representing not less than one-third in nominal value of the issued shares of the class (excluding any shares held in treasury); and
- if at any adjourned meeting of such holders a quorum is not present at the meeting, one holder of shares of the class present in person or by proxy at an adjourned meeting constitutes a quorum.

Number of directors

We may not have less than two directors or more than fifteen directors on the board of directors. We may, by ordinary resolution of the shareholders, vary the minimum and/or maximum number of directors from time to time.

Appointment of directors

Subject to the provisions of our articles of association, we may, by ordinary resolution of the shareholders, appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing board. However, any person that is not a director retiring from the existing board must be recommended by the board of directors, or be proposed by a shareholder not less than seven and not more than 42 days before the date appointed for the meeting, in order to be eligible for appointment.

Without prejudice to the power to appoint any person to be a director by shareholder resolution, the board has power to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing board but so that the total number of directors does not exceed the maximum number fixed by or in accordance with our articles of association.

Any director appointed by the board will hold office only until the following annual general meeting. Such a director is eligible for re-appointment at that meeting.

Rotation of directors

At every annual general meeting, any director who has been appointed by the board of directors since the last annual general meeting, or who shall have been a director at each of the preceding two annual general meetings and who did not retire at either such meeting, or any director who has held office (other than in an executive position) for a continuous period of nine years or more shall retire and may offer himself for re-appointment by the shareholders. A retiring director shall be eligible for re-appointment. A director retiring at a meeting shall, if he is not re-appointed at such meeting, retain office until the meeting appoints someone in his place, or if it does not do so, until the conclusion of such meeting.

Directors' interests

The directors may authorize, to the fullest extent permitted by law, any matter or situation proposed to them which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with our interests. A director shall not, save as otherwise agreed by him, be accountable to us for any remuneration, profit or other benefit which he derives from any matter authorized by the directors and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such remuneration, profit or other benefit.

Subject to the requirements under sections 175, 177 and 182 of the Companies Act, a director who is any way, whether directly or indirectly, interested in a proposed or existing transaction or arrangement with us shall declare the nature of his interest at a meeting of the directors.

A director shall not vote in respect of any transaction or arrangement with the company in which he has an interest and which may reasonably be regarded as likely to give rise to a conflict of interest. A director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

A director shall be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters:

- the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of our company or any of our subsidiary undertakings;
- the giving of any guarantee, security or indemnity in respect of a debt or obligation of our company or any of our subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

- any proposal concerning an offer of securities of or by our company or any of our subsidiary undertakings in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
- any contract, arrangement or transaction concerning any other body corporate in which he or any person connected with him (within the meaning of sections 252-5 of the Companies Act) is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he and any persons so connected with him do not to his knowledge hold an interest (within the meaning of sections 820 to 825 of the Companies Act) in one per cent. or more of any class of the equity share capital of such body corporate or of the voting rights available to members of the relevant body corporate;
- any contract, arrangement or transaction for the benefit of employees of our company or any of our subsidiary undertakings which does not accord to him any privilege or advantage not generally accorded to the employees to whom the scheme relates;
- any contract, arrangement or transaction concerning any insurance which our company is to purchase and/or maintain for, or for the benefit of, any directors or persons including directors;
- the giving of an indemnity in relation to another director; and
- the provision of funds to any director to meet, or the doing of anything to enable a director to avoid incurring, expenditure of the nature described in section 205(1) or 206 of the Companies Act.

If a question arises at a meeting of the board or of a committee of the board as to the right of a director to vote or be counted in the quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be determined by the chairman and his ruling in relation to any director other than himself shall be final and conclusive except in a case where the nature or extent of the interest of the director concerned has not been fairly disclosed.

Directors' fees and remuneration

Each of the directors shall be paid a fee at such rate as may from time to time be determined by the board (or for the avoidance of doubt any duly authorized committee of the board) provided that the aggregate of all such fees so paid to directors shall not exceed £2,000,000 per annum, or such higher amount as may from time to time be determined by ordinary resolution of shareholders.

Each director may be paid his reasonable traveling, hotel and other expenses of attending and returning from meetings of the board or committees of the board or general meetings or separate meetings of the holders of any class of shares or of debentures and shall be paid all expenses properly incurred by him in the conduct of the Company's business.

Any director who is appointed to any executive office or who serves on any committee or who devotes special attention to the business of our company, or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, may be paid such extra remuneration by way of salary, commission, participation in profits or otherwise as the directors may determine.

Borrowing powers

The board of directors may exercise all the powers to borrow money, which shall not, without the previous sanction of an ordinary resolution of the shareholders, exceed an amount equal to £100,000,000, provide and indemnity or guarantee, and to mortgage or charge our undertaking, property and assets (present or future) and uncalled capital or any part thereof and to issue debentures and other securities and give security, whether outright or as collateral security for any debt, liability or obligation of us or of any third party.

Indemnity

Every director or other officer of our group may be indemnified against all costs, charges, expenses, losses and liabilities incurred by them in connection with that director's or officer's duties or powers in relation to the company or other members of our group. See also "Indemnification of directors and officers" in Part II below.

Exclusive jurisdiction

Our articles of association provide that, unless we consent in writing to the selection of an alternative forum in the United States of America, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Save in respect of any cause of action arising under the Securities Act, by subscribing for or acquiring shares, a shareholder submits all disputes between him or herself and us or our directors to the exclusive jurisdiction of the English courts.

Other English law considerations

Notification of voting rights

A shareholder in a public company incorporated in the United Kingdom whose shares are admitted to trading on AIM is required pursuant to Rule 5 of the Disclosure Guidance and Transparency Rules of the U.K. Financial Conduct Authority to notify us of the percentage of his or her voting rights if the percentage of voting rights which he or she holds as a shareholder or through his or her direct or indirect holding of financial instruments (or a combination of such holdings) reaches, exceeds or falls below 3%, 4%, 5%, and each 1% threshold thereafter up to 100% as a result of an acquisition or disposal of shares or financial instruments.

Mandatory purchases and acquisitions

Pursuant to Sections 979 to 991 of the Companies Act, where a takeover offer has been made for us and the offeror has acquired or unconditionally contracted to acquire not less than 90% in value of the shares to which the offer relates and not less than 90% of the voting rights carried by those shares, the offeror may give notice to the holder of any shares to which the offer relates which the offeror has not acquired or unconditionally contracted to acquire that he wishes to acquire, and is entitled to so acquire, those shares on the same terms as the general offer. The offeror would do so by sending a notice to the outstanding minority shareholders telling them that it will compulsorily acquire their shares.

Such notice must be sent within three months of the last day on which the offer can be accepted in the prescribed manner. The squeeze-out of the minority shareholders can be completed at the end of six weeks from the date the notice has been given, subject to the minority shareholders failing to successfully lodge an application to the court to prevent such squeeze-out any time prior to the end of those six weeks following which the offeror can execute a transfer of the outstanding shares in its favor and pay the consideration to us, which would hold the consideration on trust for the outstanding minority shareholders. The consideration offered to the outstanding minority shareholders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

Sell out

The Companies Act also gives our minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer for all of our shares. The holder of shares to which the offer relates, and who has not otherwise accepted the offer, may require the offeror to acquire his shares if, prior to the expiry of the acceptance period for such offer, (1) the offeror has acquired or unconditionally agreed to acquire not less

than 90% in value of the voting shares, and (2) not less than 90% of the voting rights carried by those shares. The offeror may impose a time limit on the rights of minority shareholders to be bought out that is not less than three months after the end of the acceptance period. If a shareholder exercises his rights to be bought out, the offeror is required to acquire those shares on the terms of this offer or on such other terms as may be agreed.

Disclosure of interest in shares

Pursuant to Part 22 of the Companies Act and our articles of association, we are empowered by notice in writing to any person whom we know or have reasonable cause to believe to be interested in our shares, or at any time during the three years immediately preceding the date on which the notice is issued has been so interested, within a reasonable time to disclose to us particulars of that person's interest and (so far as is within his knowledge) particulars of any other interest that subsists or subsisted in those shares.

Under our articles of association, if a person defaults in supplying us with the required particulars in relation to the shares in question, or default shares, within the prescribed period, the directors may by notice direct that:

- in respect of the default shares, the relevant shareholder shall not be entitled to vote (either in person or by representative or proxy) at any general meeting or to exercise any other right conferred by a shareholding in relation to general meetings; and
- where the default shares represent at least 0.25% in nominal value of the issued shares of their class, (a) any dividend or other money payable in respect of the default shares shall be retained by us without liability to pay interest and/or (b) no transfers by the relevant shareholder of any default shares may be registered (unless the shareholder himself is not in default and the shareholder provides a certificate, in a form satisfactory to the directors, to the effect that after due and careful enquiry the shareholder is satisfied that none of the shares to be transferred are default shares).

Purchase of own shares

Under the laws of England and Wales, a limited company may only purchase its own shares out of the distributable profits of the company or the proceeds of a fresh issue of shares made for the purpose of financing the purchase, provided that they are not restricted from doing so by their articles of association. A limited company may not purchase its own shares if, as a result of the purchase, there would no longer be any issued shares of the company other than redeemable shares or shares held as treasury shares. Shares must be fully paid in order to be repurchased.

Subject to the above, we may purchase our own shares in the manner prescribed below. We may make an "on-market" purchase of our own fully paid shares pursuant to an ordinary resolution of shareholders. The resolution authorizing the purchase must:

- specify the maximum number of shares authorized to be acquired;
- determine the maximum and minimum prices that may be paid for the shares; and
- specify a date, not being later than five years after the passing of the resolution, on which the authority to purchase is to expire.

We may purchase our own fully paid shares in an "off-market" purchase otherwise than on a recognized investment exchange pursuant to a purchase contract authorized by resolution of shareholders before the purchase takes place. Any authority will not be effective if any shareholder from whom we propose to purchase shares votes on the resolution and the resolution would not have been passed if he had not done so. The resolution authorizing the purchase must specify a date, not being later than five years after the passing of the resolution, on which the authority to purchase is to expire.

For these purposes, on-market purchases can only be made on AIM. Any purchase of our ADSs through the Nasdaq Global Market would be an off-market purchase.

Distributions and dividends

Under the Companies Act, before a company can lawfully make a distribution or dividend, it must ensure that it has sufficient distributable reserves (on a non-consolidated basis). The basic rule is that a company's profits available for the purpose of making a distribution are its accumulated, realized profits, so far as not previously utilized by distribution or capitalization, less its accumulated, realized losses, so far as not previously written off in a reduction or reorganization of capital duly made. The requirement to have sufficient distributable reserves before a distribution or dividend can be paid applies to us and to each of our subsidiaries that has been incorporated under the laws of England and Wales.

It is not sufficient that we, as a public company, have made a distributable profit for the purpose of making a distribution. An additional capital maintenance requirement is imposed on us to ensure that the net worth of the company is at least equal to the amount of its capital. A public company can only make a distribution:

- if, at the time that the distribution is made, the amount of its net assets (that is, the total excess of assets over liabilities) is not less than the total of its called up share capital and undistributable reserves; and
- if, and to the extent that, the distribution itself, at the time that it is made, does not reduce the amount of the net assets to less than that total.

City Code on Takeovers and Mergers

As a public company incorporated in England and Wales with our registered office in England and Wales which has shares admitted to AIM, we are subject to the U.K. City Code on Takeovers and Mergers, or the City Code, which is issued and administered by the U.K. Panel on Takeovers and Mergers, or the Panel. The City Code provides a framework within which takeovers of companies subject to it are conducted. In particular, the City Code contains certain rules in respect of mandatory offers. Under Rule 9 of the City Code, if a person:

- acquires an interest in our shares which, when taken together with shares in which he or persons acting in concert with him are interested, carries 30% or more of the voting rights of our shares; or
- who, together with persons acting in concert with him, is interested in shares that in the aggregate carry not less than 30% and not more than 50% of the voting rights of our shares, and such persons, or any person acting in concert with him, acquires additional interests in shares that increase the percentage of shares carrying voting rights in which that person is interested,

the acquirer and depending on the circumstances, its concert parties, would be required (except with the consent of the Panel) to make a cash offer for our outstanding shares at a price not less than the highest price paid for any interests in the shares by the acquirer or its concert parties during the previous twelve months.

Under the City Code, a "concert party" arises where persons acting together pursuant to an agreement or understanding (whether formal or informal and whether or not in writing) cooperate, through the acquisition by them of an interest in shares in a company, to obtain or consolidate control of the company. "Control" means holding, or aggregate holdings, of an interest in shares carrying 30% or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control.

When our ordinary shares were admitted to trading on AIM in November 2018, the Panel confirmed that three distinct concert parties existed and that the three distinct concert parties were not considered to be acting in

concert as between each other. As at , 2020 each concert party had an aggregate shareholding representing less than 29.99% in the share capital of the Company. The concert parties are the EKF Concert Party (consisting of EKF Diagnostics Holdings plc, Christopher Mills, Julian Baines, Richard Evans, Adam Reynolds, Carl Dominic Contadini and Salim Hamir), which as of , 2020 held, in aggregate ordinary shares and options to subscribe for ordinary shares, the Mount Sinai Concert Party (consisting of the Icahn School of Medicine at Mount Sinai, Barbara Murphy, MD, Steven Coca, MD, Girish Nadkarni, MD, and Michael Donovan, MD), which as at , 2020 held, in aggregate ordinary shares, and the Renwick Concert Party (consisting of Renwick Capital LLC, James McCullough and O. James Sterling), which as at , 2020 held, in aggregate ordinary shares.

Exchange controls

There are no governmental laws, decrees, regulations or other legislation in the United Kingdom that may affect the import or export of capital, including the availability of cash, cash equivalents and short-term investments for use by us, or that may affect the remittance of dividends, interest, or other payments by us to non-resident holders of our ordinary shares or ADSs representing our ordinary shares, other than withholding tax requirements. There is no limitation imposed by the laws of England and Wales or in the articles of association on the right of non-residents to hold or vote shares.

Corporate governance code

The AIM Rules for Companies published by the London Stock Exchange require us to include on our website details of a recognized corporate governance code that our board of directors has decided to apply, how we comply with that code and, where we depart from our chosen corporate governance code, an explanation of the reasons for doing so.

The company recognizes the value of good corporate governance in every part of its business. Our board of directors has adopted the principles of the Quoted Companies Alliance's Corporate Governance Code (2018 edition), or the QCA Code. Our board of directors views this as an appropriate corporate governance framework for our company and consideration has been given to each of the ten principles set out in the code. We provide a statement of compliance with the QCA Code on our website which we update annually on the website and in our annual report.

Differences in corporate law

The applicable provisions of the Companies Act differ from laws applicable to U.S. corporations and their shareholders. Set forth below is a summary of certain differences between the provisions of the Companies Act applicable to us and the General Corporation Law of the State of Delaware relating to shareholders' rights and protections. This summary is not intended to be a complete discussion of the respective rights and it is qualified in its entirety by reference to Delaware law and the laws of England and Wales.

	England and Wales	Delaware
Number of Directors	Under the Companies Act, a public limited company must have at least two directors and the number of directors may be fixed by or in the manner provided in a company's articles of association.	Under Delaware law, a corporation must have at least one director and the number of directors shall be fixed by or in the manner provided in the bylaws.
Removal of Directors	Under the Companies Act, shareholders may remove a director without cause by an ordinary resolution (which is passed by a simple majority of those voting in person or by proxy at a general meeting) irrespective of any provisions of any service contract the director has with the company, provided 28 clear days' notice of the resolution has been given to the company and its shareholders. On receipt of notice of an intended resolution to remove a director, the company must forthwith send a copy of the notice to the director concerned. Certain other procedural requirements under the. Companies Act must also be followed such as allowing the director to make representations against his or her removal either at the meeting or in writing.	Under Delaware law, any director or the entire board of directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors, except (a) unless the certificate of incorporation provides otherwise, in the case of a corporation whose board of directors is classified, shareholders may effect such removal only for cause, or (b) in the case of a corporation having cumulative voting, if less than the entire board of directors is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire board of directors, or, if there are classes of directors, at an election of the class of directors of which he is a part.
Vacancies on the Board of Directors	Under the laws of England and Wales, the procedure by which directors, other than a company's initial directors, are appointed is generally set out in a company's articles of association, provided that where two or more persons are appointed as directors of a public limited company by resolution of the shareholders, resolutions appointing each director must be voted on individually.	Under Delaware law, vacancies and newly created directorships may be filled by a majority of the directors then in office (even though less than a quorum) or by a sole remaining director unless (a) otherwise provided in the certificate of incorporation or by-laws of the corporation or (b) the certificate of incorporation directs that a particular class of stock is to elect such director, in which case a majority of the other

	England and Wales	Delaware
		directors elected by such class, or a sole remaining director elected by such class, will fill such vacancy.
Annual General Meeting	Under the Companies Act, a public limited company must hold an annual general meeting in each six-month period following its annual accounting reference date.	Under Delaware law, the annual meeting of stockholders shall be held at such place, on such date and at such time as may be designated from time to time by the board of directors or as provided in the certificate of incorporation or by the bylaws.
General Meeting	Under the Companies Act, a general meeting of the shareholders of a public limited company may be called by the directors. Shareholders holding at least 5% of the paid-up capital of the company carrying voting rights at general meetings (excluding any paid up capital held as treasury shares) can require the directors to call a general meeting and, if the directors fail to do so within a certain period, may themselves convene a general meeting.	Under Delaware law, special meetings of the stockholders may be called by the board of directors or by such person or persons as may be authorized by the certificate of incorporation or by the bylaws.
Notice of General Meetings	Subject to a company's articles of association providing for a longer period, under the Companies Act, 21 clear days' notice must be given for an annual general meeting and any resolutions to be proposed at the meeting. Subject to a company's articles of association providing for a longer period, at least 14 clear days' notice is required for any other general meeting. In addition, certain matters, such as the removal of directors or auditors, require special notice, which is 28 clear days' notice. The shareholders of a company may in all cases consent to a shorter notice period, the proportion of shareholders' consent required being 100% of those entitled to attend and vote in the case of an annual general meeting and, in the case of any other general meeting, a majority in number of the members having a right to	Under Delaware law, unless otherwise provided in the certificate of incorporation or bylaws, written notice of any meeting of the stockholders must be given to each stockholder entitled to vote at the meeting not less than 10 nor more than 60 days before the date of the meeting and shall specify the place, date, hour, and purpose or purposes of the meeting.

	England and Wales	Delaware
	attend and vote at the meeting, being a majority who together hold not less than 95% in nominal value of the shares giving a right to attend and vote at the meeting.	
Proxy	Under the Companies Act, at any meeting of shareholders, a shareholder may designate another person to attend, speak and vote at the meeting on their behalf by proxy.	Under Delaware law, at any meeting of stockholders, a stockholder may designate another person to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A director of a Delaware corporation may not issue a proxy representing the director's voting rights as a director.
Preemptive Rights	Under the Companies Act, "equity securities," being (1) shares in the company other than shares that, with respect to dividends and capital, carry a right to participate only up to a specified amount in a distribution, referred to as "ordinary shares," or (2) rights to subscribe for, or to convert securities into, ordinary shares, proposed to be allotted for cash must be offered first to the existing equity shareholders in the company in proportion to the respective nominal value of their holdings, unless an exception applies or a special resolution to the contrary has been passed by shareholders in a general meeting or the articles of association provide otherwise in each case in accordance with the provisions of the Companies Act.	Under Delaware law, shareholders have no preemptive rights to subscribe to additional issues of stock or to any security convertible into such stock unless, and except to the extent that, such rights are expressly provided for in the certificate of incorporation.
Authority to Allot	Under the Companies Act, the directors of a company must not allot shares or grant of rights to subscribe for or to convert any security into shares unless an exception applies or an ordinary resolution to the contrary has been passed by shareholders in a general meeting or the articles of association provide otherwise in each case in	Under Delaware law, if the corporation's charter or certificate of incorporation so provides, the board of directors has the power to authorize the issuance of stock. It may authorize capital stock to be issued for consideration consisting of cash, any tangible or intangible property or any benefit to the corporation or any combination thereof. It may determine

	England and Wales	Delaware
	accordance with the provisions of the Companies Act.	the amount of such consideration by approving a formula. In the absence of actual fraud in the transaction, the judgment of the directors as to the value of such consideration is conclusive.
Liability of Directors and Officers	Under the Companies Act, any provision, whether contained in a company's articles of association or any contract or otherwise, that purports to exempt a director of a company, to any extent, from any liability that would otherwise attach to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company is void. Any provision by which a company directly or indirectly provides an indemnity, to any extent, for a director of the company or of an associated company against any liability attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company of which he is a director is also void except as permitted by the Companies Act, which provides exceptions for the company to (a) purchase and maintain insurance against such liability; (b) provide a "qualifying third party indemnity" (being an indemnity against liability incurred by the director to a person other than the company or an associated company or criminal proceedings in which he is convicted); and (c) provide a "qualifying pension scheme indemnity" (being an indemnity against liability incurred in connection with our activities as trustee of an occupational pension plan).	Under Delaware law, a corporation's certificate of incorporation may include a provision eliminating or limiting the personal liability of a director to the corporation and its stockholders for damages arising from a breach of fiduciary duty as a director. However, no provision can limit the liability of a director for: • any breach of the director's duty of loyalty to the corporation or its stockholders; • acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; • intentional or negligent payment of unlawful dividends or stock purchases or redemptions; or • any transaction from which the director derives an improper personal benefit.
Voting Rights	Under the laws of England and Wales, unless a poll is demanded by the shareholders of a company or is required by the chairman of the meeting or our articles of association, shareholders	Delaware law provides that, unless otherwise provided in the certificate of incorporation, each stockholder is entitled to one vote for each share of capital stock held by such stockholder.

	England and Wales	Delaware
	shall vote on all resolutions on a show of hands. Under the Companies Act, a poll may be demanded by (a) not fewer than five shareholders having the right to vote on the resolution; (b) any shareholder(s) representing not less than 10% of the total voting rights of all the shareholders having the right to vote on the resolution (excluding any voting rights attaching to treasury shares); or (c) any shareholder(s) holding shares in the company conferring a right to vote on the resolution (excluding any voting rights attaching to treasury shares) being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right. A company's articles of association may provide more extensive rights for shareholders to call a poll. Under the laws of England and Wales, an ordinary resolution is passed on a show of hands if it is approved by a simple majority (more than 50%) of the votes cast by shareholders present (in person or by proxy) and entitled to vote. If a poll is demanded, an ordinary resolution is passed if it is approved by holders representing a simple majority of the total voting rights of shareholders present, in person or by proxy, who, being entitled to vote, vote on the resolution. Special resolutions require the affirmative vote of not less than 75% of the votes cast by shareholders present, in person or by proxy, at the meeting. If a poll is demanded, a special resolution is passed if it is approved by holders representing not less than 75% of the total voting rights of shareholders in person or by proxy who, being entitled to vote, vote on the resolution.	
Shareholder Vote on Certain Transactions	The Companies Act provides for schemes of arrangement, which are arrangements	Generally, under Delaware law, unless the certificate of incorporation provides

	England and Wales	Delaware
	or compromises between a company and any class of shareholders or creditors and used in certain types of reconstructions, amalgamations, capital reorganizations, or takeovers. These arrangements require: • the approval at a shareholders' or creditors' meeting convened by order of the court, of a majority in number of shareholders or creditors representing 75% in value of the capital held by, or debt owed to, the class of shareholders or creditors, or class thereof present and voting, either in person or by proxy; and • the approval of the court.	for the vote of a larger portion of the stock, completion of a merger, consolidation, sale, lease or exchange of all or substantially all of a corporation's assets or dissolution requires: • the approval of the board of directors; and • approval by the vote of the holders of a majority of the outstanding stock or, if the certificate of incorporation provides for more or less than one vote per share, a majority of the votes of the outstanding stock of a corporation entitled to vote on the matter.
Standard of Conduct for Directors	Under the laws of England and Wales, a director owes various statutory and fiduciary duties to the company, including: • to act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole; • to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly conflicts, with the interests of the company; • to act in accordance with our constitution and only exercise his powers for the purposes for which they are conferred; • to exercise independent judgment; • to exercise reasonable care, skill, and diligence; • not to accept benefits from a third party conferred by reason of his being a director or doing, or not doing, anything as a director; and • a duty to declare any interest that he has, whether directly or indirectly, in a	Delaware law does not contain specific provisions setting forth the standard of conduct of a director. The scope of the fiduciary duties of directors is generally determined by the courts of the State of Delaware. In general, directors have a duty to act without self-interest, on a well-informed basis and in a manner they reasonably believe to be in the best interest of the stockholders. Directors of a Delaware corporation owe fiduciary duties of care and loyalty to the corporation and to its shareholders. The duty of care generally requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director act in a manner he reasonably believes to be in the best interests of the corporation. He must not use his corporate position for personal gain or advantage. In general, but subject to certain exceptions, actions of a director are presumed to have been

	England and Wales	Delaware
	proposed or existing transaction or arrangement with the company.	made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Delaware courts have also imposed a heightened standard of conduct upon directors of a Delaware corporation who take any action designed to defeat a threatened change in control of the corporation. In addition, under Delaware law, when the board of directors of a Delaware corporation approves the sale or break-up of a corporation, the board of directors may, in certain circumstances, have a duty to obtain the highest value reasonably available to the shareholders.
Stockholder Suits	Under the laws of England and Wales, generally, the company, rather than its shareholders, is the proper claimant in an action in respect of a wrong done to the company or where there is an irregularity in the company's internal management. Notwithstanding this general position, the Companies Act provides that (1) a court may allow a shareholder to bring a derivative claim (that is, an action in respect of and on behalf of the company) in respect of a cause of action arising from a director's negligence, default, breach of duty or breach of trust and (2) a shareholder may bring a claim for a court order where our affairs have been or are being conducted in a manner that is unfairly prejudicial to some of its shareholders.	Under Delaware law, a stockholder may initiate a derivative action to enforce a right of a corporation if the corporation fails to enforce the right itself. The complaint must: • state that the plaintiff was a stockholder at the time of the transaction of which the plaintiff complains or that the plaintiffs shares thereafter devolved on the plaintiff by operation of law; and • allege with particularity the efforts made by the plaintiff to obtain the action the plaintiff desires from the directors and the reasons for the plaintiff's failure to obtain the action; or • state the reasons for not making the effort. Additionally, the plaintiff must remain a stockholder through the duration of the derivative suit. The action will not be dismissed or compromised without the approval of the Delaware Court of Chancery.

Stock exchange listing

We have applied to list our ADSs on the Nasdaq Global Market under the symbol “RNLX.” Our ordinary shares are currently traded on AIM, a market operated by the London Stock Exchange, under the ticker symbol “RENX.”

Registrar of shares, depositary for ADSs

Our share register is maintained by Link Asset Services Limited. The share register reflects only registered holders of our ordinary shares. Holders of ADSs representing our ordinary shares are not treated as our shareholders and their names will therefore not be entered in our share register. Citibank, N.A., or Citibank, has agreed to act as the depositary for the ADSs representing our ordinary shares and the custodian for ordinary shares represented by ADSs will be Citibank, N.A., London Branch. Holders of ADSs representing our ordinary shares have a right to receive the ordinary shares underlying such ADSs. For discussion on ADSs representing our ordinary shares and rights of ADS holders, see the section entitled “Description of American Depositary Shares” in this prospectus.

Description of American Depositary Shares

Citibank has agreed to act as the depositary for the ADSs representing our ordinary shares. Citibank's depositary offices are located at 388 Greenwich Street, New York, New York 10013. ADSs represent ownership interests in securities that are on deposit with the depositary. ADSs may be represented by certificates that are commonly known as American Depositary Receipts, or ADRs. The depositary typically appoints a custodian to safekeep the securities on deposit. In this case, the custodian is Citibank, N.A., London Branch, located at Citigroup Centre, Canary Wharf, London, E14 5LB, United Kingdom.

We have appointed Citibank as depositary pursuant to a deposit agreement. The form of the deposit agreement is on file with the SEC under cover of a registration statement on Form F-6. You may obtain a copy of the deposit agreement from the SEC's website (*www.sec.gov*). Please refer to registration number 333- when retrieving such copy.

We are providing you with a summary description of the material terms of the ADSs and of your material rights as an owner of ADSs. Please remember that summaries by their nature lack the precision of the information summarized and that the rights and obligations of an owner of ADSs will be determined by reference to the terms of the deposit agreement and not by this summary. We urge you to review the deposit agreement in its entirety.

Each ADS represents the right to receive, and to exercise the beneficial ownership interests in, ordinary shares that are on deposit with the depositary or custodian. An ADS also represents the right to receive, and to exercise the beneficial interests in, any other property received by the depositary or the custodian on behalf of the owner of the ADS but that has not been distributed to the owners of ADSs because of legal restrictions or practical considerations. We and the depositary may agree to change the ADS-to-share ratio by amending the deposit agreement. This amendment may give rise to, or change, the depositary fees payable by ADS owners. The custodian, the depositary and their respective nominees will hold all deposited property for the benefit of the holders and beneficial owners of ADSs. The deposited property does not constitute the proprietary assets of the depositary, the custodian or their nominees. Beneficial ownership in the deposited property will under the terms of the deposit agreement be vested in the beneficial owners of the ADSs. The depositary, the custodian and their respective nominees will be the record holders of the deposited property represented by the ADSs for the benefit of the holders and beneficial owners of the corresponding ADSs. A beneficial owner of ADSs may or may not be the holder of ADSs. Beneficial owners of ADSs will be able to receive, and to exercise beneficial ownership interests in, the deposited property only through the registered holders of the ADSs, the registered holders of the ADSs (on behalf of the applicable ADS owners) only through the depositary, and the depositary (on behalf of the owners of the corresponding ADSs) directly, or indirectly, through the custodian or their respective nominees, in each case upon the terms of the deposit agreement.

If you become an owner of ADSs, you will become a party to the deposit agreement and therefore will be bound to its terms and to the terms of any ADR that represents your ADSs. The deposit agreement and the ADR specify our rights and obligations as well as your rights and obligations as owner of ADSs and those of the depositary. As an ADS holder you appoint the depositary to act on your behalf in certain circumstances. The deposit agreement and the ADRs and ADSs are governed by New York law. However, our obligations to the holders of ordinary shares will continue to be governed by the laws of England and Wales, which may be different from the laws in the United States.

In addition, applicable laws and regulations may require you to satisfy reporting requirements and obtain regulatory approvals in certain circumstances. You are solely responsible for complying with such reporting requirements and obtaining such approvals. None of the depositary, the custodian, us or any of their or our respective agents or affiliates shall be required to take any actions whatsoever on your behalf to satisfy such

reporting requirements or obtain such regulatory approvals under applicable laws and regulations. You agree to comply with information requests from us pursuant to applicable laws, stock exchange rules and our articles of association. We may restrict transfers of ADSs and take other actions necessary to comply with any applicable ownership restrictions.

The manner in which you own the ADSs (*e.g.*, in a brokerage account versus as a registered holder, or as a holder of certificated versus uncertificated ADSs) may affect your rights and obligations, and the manner in which, and extent to which, the depositary's services are made available to you.

As an owner of ADSs, we will not treat you as one of our shareholders and you will not have direct shareholder rights. The depositary will hold on your behalf the shareholder rights attached to the ordinary shares underlying your ADSs. As an owner of ADSs, you will be able to exercise the shareholders rights for the ordinary shares represented by your ADSs through the depositary only to the extent contemplated in the deposit agreement. To exercise any shareholder rights not contemplated in the deposit agreement you will, as an ADS owner, need to arrange for the cancellation of your ADSs and become a direct shareholder.

As an owner of ADSs, you may hold your ADSs either by means of an ADR registered in your name, through a brokerage or safekeeping account, or through an account established by the depositary in your name reflecting the registration of uncertificated ADSs directly on the books of the depositary (commonly referred to as the direct registration system or DRS). The direct registration system reflects the uncertificated (book-entry) registration of ownership of ADSs by the depositary. Under the direct registration system, ownership of ADSs is evidenced by periodic statements issued by the depositary to the holders of the ADSs. The direct registration system includes automated transfers between the depositary and The Depository Trust Company, or DTC, the central book-entry clearing and settlement system for equity securities in the United States. If you decide to hold your ADSs through your brokerage or safekeeping account, you must rely on the procedures of your broker or bank to assert your rights as ADS owner. Banks and brokers typically hold securities such as the ADSs through clearing and settlement systems such as DTC. The procedures of such clearing and settlement systems may limit your ability to exercise your rights as an owner of ADSs. Please consult with your broker or bank if you have any questions concerning these limitations and procedures. All ADSs held through DTC will be registered in the name of a nominee of DTC, which nominee will be the only "holder" of such ADSs for purposes of the deposit agreement and any applicable ADR. This summary description assumes you have opted to own the ADSs directly by means of an ADS registered in your name and, as such, we will refer to you as the "holder." When we refer to "you," we assume the reader owns ADSs and will own ADSs at the relevant time.

The registration of the ordinary shares in the name of the depositary or the custodian shall, to the maximum extent permitted by applicable law, vest in the depositary or the custodian the record ownership in the applicable ordinary shares with the beneficial ownership rights and interests in such ordinary shares being at all times vested with the beneficial owners of the ADSs representing the ordinary shares. The depositary or the custodian shall at all times be entitled to exercise the beneficial ownership rights in all deposited property, in each case only on behalf of the holders and beneficial owners of the ADSs representing the deposited property.

Dividends and other distributions

As a holder of ADSs, you generally have the right to receive the distributions we make on the securities deposited with the custodian. Your receipt of these distributions may be limited, however, by practical considerations and legal limitations. Holders of ADSs will receive such distributions under the terms of the deposit agreement in proportion to the number of ADSs held as of the specified record date, after deduction the applicable fees, taxes and expenses.

Distributions of cash

Whenever we make a cash distribution for the securities on deposit with the custodian, we will deposit the funds with the custodian. Upon receipt of confirmation of the deposit of the requisite funds, the depositary will arrange for the funds received in a currency other than U.S. dollars to be converted into U.S. dollars and for the distribution of the U.S. dollars to the holders, subject to the laws and regulations of England and Wales. The conversion into U.S. dollars will take place only if practicable and if the U.S. dollars are transferable to the United States. The depositary will apply the same method for distributing the proceeds of the sale of any property (such as undistributed rights) held by the custodian in respect of securities on deposit.

The distribution of cash will be made net of the fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. The depositary will hold any cash amounts it is unable to distribute in a non-interest bearing account for the benefit of the applicable holders and beneficial owners of ADSs until the distribution can be effected or the funds that the depositary holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States.

Distributions of shares

Whenever we make a free distribution of ordinary shares for the securities on deposit with the custodian, we will deposit the applicable number of ordinary shares with the custodian. Upon receipt of confirmation of such deposit, the depositary will either distribute to holders new ADSs representing the ordinary shares deposited or modify the ADS-to-ordinary shares ratio, in which case each ADS you hold will represent rights and interests in the additional ordinary shares so deposited. Only whole new ADSs will be distributed. Fractional entitlements will be sold and the proceeds of such sale will be distributed as in the case of a cash distribution.

The distribution of new ADSs or the modification of the ADS-to-ordinary shares ratio upon a distribution of ordinary shares will be made net of the fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. In order to pay such taxes or governmental charges, the depositary may sell all or a portion of the new ordinary shares so distributed.

No such distribution of new ADSs will be made if it would violate a law (*e.g.*, the U.S. securities laws) or if it is not operationally practicable. If the depositary does not distribute new ADSs as described above, it may sell the ordinary shares received upon the terms described in the deposit agreement and will distribute the proceeds of the sale as in the case of a distribution of cash.

Distributions of rights

Whenever we intend to distribute rights to purchase additional ordinary shares, we will give prior notice to the depositary and we will assist the depositary in determining whether it is lawful and reasonably practicable to distribute rights to purchase additional ADSs to holders.

The depositary will establish procedures to distribute rights to purchase additional ADSs to holders and to enable such holders to exercise such rights if it is lawful and reasonably practicable to make the rights available to holders of ADSs, and if we provide all of the documentation contemplated in the deposit agreement (such as opinions to address the lawfulness of the transaction). You may have to pay fees, expenses, taxes and other governmental charges to subscribe for the new ADSs upon the exercise of your rights. The depositary is not obligated to establish procedures to facilitate the distribution and exercise by holders of rights to purchase new ordinary shares other represented by ADSs.

The depositary will *not* distribute the rights to you if:

- we do not timely request that the rights be distributed to you or we request that the rights not be distributed to you; or

- we fail to deliver satisfactory documents to the depositary; or
- it is not reasonably practicable to distribute the rights.

The depositary will sell the rights that are not exercised or not distributed if such sale is lawful and reasonably practicable. The proceeds of such sale will be distributed to holders as in the case of a cash distribution. If the depositary is unable to sell the rights, it will allow the rights to lapse.

Elective distributions

Whenever we intend to distribute a dividend payable at the election of shareholders either in cash or in additional shares, we will give prior notice thereof to the depositary and will indicate whether we wish the elective distribution to be made available to you. In such case, we will assist the depositary in determining whether such distribution is lawful and reasonably practicable.

The depositary will make the election available to you only if it is reasonably practicable and if we have provided all of the documentation contemplated in the deposit agreement. In such case, the depositary will establish procedures to enable you to elect to receive either cash or additional ADSs, in each case as described in the deposit agreement.

If the election is not made available to you, you will receive either cash or additional ADSs, depending on what a shareholder in England and Wales would receive upon failing to make an election, as more fully described in the deposit agreement.

Other distributions

Whenever we intend to distribute property other than cash, ordinary shares or rights to purchase additional ordinary shares, we will notify the depositary in advance and will indicate whether we wish such distribution to be made to you. If so, we will assist the depositary in determining whether such distribution to holders is lawful and reasonably practicable.

If it is reasonably practicable to distribute such property to you and if we provide all of the documentation contemplated in the deposit agreement, the depositary will distribute the property to the holders in a manner it deems practicable.

The distribution will be made net of fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. In order to pay such taxes and governmental charges, the depositary may sell all or a portion of the property received.

The depositary will *not* distribute the property to you and will sell the property if:

- we do not request that the property be distributed to you or if we ask that the property not be distributed to you; or
- we do not deliver satisfactory documents to the depositary; or
- the depositary determines that all or a portion of the distribution to you is not reasonably practicable.

The proceeds of such a sale will be distributed to holders as in the case of a cash distribution.

Redemption

Whenever we decide to redeem any of the securities on deposit with the custodian, we will notify the depositary in advance. If it is practicable and if we provide all of the documentation contemplated in the deposit agreement, the depositary will provide notice of the redemption to the holders.

The custodian will be instructed to surrender the shares being redeemed against payment of the applicable redemption price. The depositary will convert the redemption funds received into U.S. dollars upon the terms of the deposit agreement and will establish procedures to enable holders to receive the net proceeds from the redemption upon surrender of their ADSs to the depositary. You may have to pay fees, expenses, taxes and other governmental charges upon the redemption of your ADSs. If less than all ADSs are being redeemed, the ADSs to be retired will be selected by lot or on a *pro rata* basis, as the depositary may determine.

Changes affecting ordinary shares

The ordinary shares held on deposit for your ADSs may change from time to time. For example, there may be a change in nominal value, sub-division, cancellation, consolidation or any other reclassification of such ordinary shares or a recapitalization, reorganization, merger, consolidation or sale of assets of our company.

If any such change were to occur, your ADSs would, to the extent permitted by law and the deposit agreement, represent the right to receive the property received or exchanged in respect of the ordinary shares held on deposit. The depositary may in such circumstances deliver new ADSs to you, amend the deposit agreement, the ADRs and the applicable registration statement(s) on Form F-6, call for the exchange of your existing ADSs for new ADSs and take any other actions that are appropriate to reflect as to the ADSs the change affecting the ordinary shares. If the depositary may not lawfully distribute such property to you, the depositary may sell such property and distribute the net proceeds to you as in the case of a cash distribution.

Issuance of ADSs upon deposit of ordinary shares

After the completion of the U.S. offering, the ordinary shares being offered pursuant to this prospectus will be deposited by us with the custodian. Upon receipt of confirmation of such deposit, the depositary will issue ADSs to the underwriters named in this prospectus

After the completion of the global offering, the depositary may also create ADSs on your behalf if you or your broker deposit ordinary shares with the custodian. The depositary will deliver these ADSs to the person you indicate only after you pay any applicable issuance fees and any charges and taxes payable for the transfer of the ordinary shares to the custodian and provide such documentation as may be required pursuant to the deposit agreement. Your ability to deposit ordinary shares and receive ADSs may be limited by legal considerations under the laws of the United States and England and Wales applicable at the time of deposit.

The issuance of ADSs may be delayed until the depositary or the custodian receives confirmation that all required approvals have been given and that the ordinary shares have been duly transferred to the custodian. The depositary will only issue ADSs in whole numbers.

When you make a deposit of ordinary shares, you will be responsible for transferring good and valid title to the depositary. As such, you will be deemed to represent and warrant that:

- the ordinary shares are duly authorized, validly allotted and issued, fully paid, not subject to any call for the payment of further capital and legally obtained;
- all preemptive (and similar) rights, if any, with respect to such ordinary shares have been validly waived, disapplied or exercised;
- you are duly authorized to deposit the ordinary shares;
- the ordinary shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, and are not, and the ADSs issuable upon such deposit will not be, “restricted securities” (as defined in the deposit agreement); and
- the ordinary shares presented for deposit have not been stripped of any rights or entitlements.

If any of the representations or warranties are incorrect in any way, we and the depositary may, at your cost and expense, take any and all actions necessary to correct the consequences of the misrepresentations.

Transfer, combination and split up of ADRs

As an ADR holder, you will be entitled to transfer, combine or split up your ADRs and the ADSs evidenced thereby. For transfers of ADRs, you will have to surrender the ADRs to be transferred to the depositary and also must:

- ensure that the surrendered ADR is properly endorsed or otherwise in proper form for transfer;
- provide such proof of identity and genuineness of signatures, and of such other matters contemplated in the deposit agreement, as the depositary deems appropriate;
- comply with applicable laws and regulations, including regulations imposed by us and the depositary consistent with the deposit agreement, the ADR and applicable law;
- provide any transfer stamps required by the State of New York or the United States; and
- pay all applicable fees, charges, expenses, taxes and other government charges payable by ADR holders pursuant to the terms of the deposit agreement, upon the transfer of ADRs.

To have your ADRs either combined or split up, you must surrender the ADRs in question to the depositary with your request to have them combined or split up, and you must pay all applicable fees, charges and expenses payable by ADR holders, pursuant to the terms of the deposit agreement, upon a combination or split up of ADRs.

Withdrawal of ordinary shares upon cancellation of ADSs

As a holder of ADSs, you will be entitled to present your ADSs to the depositary for cancellation and then receive the corresponding number of underlying ordinary shares at the custodian’s offices. Your ability to withdraw the ordinary shares held in respect of the ADSs may be limited by legal considerations under the laws of the United States and England and Wales applicable at the time of withdrawal. In order to withdraw the ordinary shares represented by your ADSs, you will be required to pay to the depositary the fees for cancellation of ADSs and any charges and taxes payable upon the transfer of the ordinary shares. You assume the risk for delivery of all funds and securities upon withdrawal. Once canceled, the ADSs will not have any rights under the deposit agreement.

If you hold ADSs registered in your name, the depositary may ask you to provide proof of identity and genuineness of any signature and such other documents as the depositary may deem appropriate before it will cancel your ADSs. The withdrawal of the ordinary shares represented by your ADSs may be delayed until the depositary receives satisfactory evidence of compliance with all applicable laws and regulations. Please keep in mind that the depositary will only accept ADSs for cancellation that represent a whole number of securities on deposit.

You will have the right to withdraw the securities represented by your ADSs at any time except as a result of:

- temporary delays that may arise because (i) the transfer books for the ordinary shares or ADSs are closed, or (ii) ordinary shares are immobilized on account of a shareholders’ meeting or a payment of dividends;
- obligations to pay fees, taxes and similar charges; or

- restrictions imposed because of laws or regulations applicable to ADSs or the withdrawal of securities on deposit.

The deposit agreement may not be modified to impair your right to withdraw the securities represented by your ADSs except to comply with mandatory provisions of law.

Voting rights

As a holder, you generally have the right under the deposit agreement to instruct the depositary to exercise the voting rights for the ordinary shares represented by your ADSs. The voting rights of holders of ordinary shares are described in the section titled “Description of Share Capital – Articles of Association” in this prospectus.

At our request, the depositary will distribute to you any notice of shareholders’ meeting received from us together with information explaining how to instruct the depositary to exercise the voting rights of the securities represented by ADSs.

If the depositary timely receives voting instructions from a holder of ADSs, it will endeavor to vote the securities (in person or by proxy) represented by the holder’s ADSs as follows:

- *In the event of voting by show of hands*, the depositary will vote (or cause the custodian to vote) all ordinary shares held on deposit at that time in accordance with the voting instructions received from a majority of holders of ADSs who provide timely voting instructions.
- *In the event of voting by poll*, the depositary will vote (or cause the custodian to vote) the ordinary shares held on deposit in accordance with the voting instructions received from the holders of ADSs.

The depositary will not join in demanding a vote by poll.

Note that our articles of association currently provide for all resolutions to be decided on a poll, not a show of hands.

Securities for which no voting instructions have been received will not be voted (except (a) if voting is by show of hands, in which case the depositary will vote all deposited securities in accordance with voting instructions received from a majority of holders who provided voting instructions, and (b) as otherwise contemplated herein). If voting is by poll and the depositary does not receive timely voting instructions from a holder of ADSs, such holder shall be deemed to have instructed the depositary to give a discretionary proxy to a person designated by us to vote the deposited securities represented by such ADSs in any manner such person wishes, which may not be in your best interests; provided, however, that no such discretionary proxy shall be given with respect to any matter to be voted upon as to which we inform the depositary that (a) we do not wish such proxy to be given, (b) substantial opposition exists, or (c) the rights of holders of deposited securities may be adversely affected. Please note that the ability of the depositary to carry out voting instructions may be limited by practical and legal limitations and the terms of the securities on deposit. We cannot assure you that you will receive voting materials in time to enable you to return voting instructions to the depositary in a timely manner.

Fees and charges

As an ADS holder, you will be required to pay the following fees under the terms of the deposit agreement:

Service	Fee
Issuance of ADSs (*e.g.*, an issuance of ADS upon a deposit of ordinary shares or upon a change in the ADS(s)-to-ordinary shares ratio, or for any other reason), excluding ADS issuances as a result of distributions of ordinary shares	Up to $0.05 per ADS issued
Cancellation of ADSs (*e.g.*, a cancellation of ADSs for delivery of deposited property or upon a change in the ADS(s)-to-ordinary shares ratio, or for any other reason)	Up to $0.05 per ADS cancelled
Distribution of cash dividends or other cash distributions (*e.g.*, upon a sale of rights and other entitlements)	Up to $0.05 per ADS held
Distribution of ADSs pursuant to (i) share dividends or other distributions, or (ii) exercise of rights to purchase additional ADSs	Up to $0.05 per ADS held
Distribution of securities other than ADSs or rights to purchase additional ADSs (*e.g.*, upon a spin-off)	Up to $0.05 per ADS held
ADS services	Up to $0.05 per ADS held on the applicable record date(s) established by the depositary
Registration of ADS transfers (*e.g.*, upon a registration of the transfer of registered ownership of ADSs, upon a transfer of ADSs into DTC and *vice versa*, or for any other reason)	Up to $0.05 per ADS
Conversion of ADSs of one series for ADSs of another series (*e.g.*, upon conversion of partial entitlement ADSs for full entitlement ADSs, or upon conversion of restricted ADSs into freely transferable ADSs, and *vice versa*)	Up to $0.05 per ADS converted

As an ADS holder, you will also be responsible to pay certain charges such as:

- taxes (including applicable interest and penalties) and other governmental charges;
- the registration fees as may from time to time be in effect for the registration of ordinary shares on the share register and applicable to transfers of ordinary shares to or from the name of the custodian, the depositary or any nominees upon the making of deposits and withdrawals, respectively;
- certain cable, telex and facsimile transmission and delivery expenses;
- the expenses and charges incurred by the depositary in the conversion of foreign currency;
- the fees and expenses incurred by the depositary in connection with compliance with exchange control regulations and other regulatory requirements applicable to ordinary shares, ADSs and ADRs; and
- the fees and expenses incurred by the depositary, the custodian, or any nominee in connection with the servicing or delivery of deposited property.

ADS fees and charges payable upon (i) the issuance of ADSs, and (ii) the cancellation of ADSs are charged to the person to whom the ADSs are issued (in the case of ADS issuances) and to the person whose ADSs are cancelled (in the case of ADS cancellations). In the case of ADSs issued by the depositary into DTC, the ADS issuance and

cancellation fees and charges may be deducted from distributions made through DTC, and may be charged to the DTC participant(s) receiving the ADSs being issued or the DTC participant(s) holding the ADSs being cancelled, as the case may be, on behalf of the beneficial owner(s) and will be charged by the DTC participant(s) to the account of the applicable beneficial owner(s) in accordance with the procedures and practices of the DTC participants as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are charged to the holders as of the applicable ADS record date. In the case of distributions of cash, the amount of the applicable ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, holders as of the ADS record date will be invoiced for the amount of the ADS fees and charges and such ADS fees and charges may be deducted from distributions made to holders of ADSs. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC, and may be charged to the DTC participants in accordance with the procedures and practices prescribed by DTC and the DTC participants in turn charge the amount of such ADS fees and charges to the beneficial owners for whom they hold ADSs.

In the event of refusal to pay the depositary fees or charges, the depositary may, under the terms of the deposit agreement, refuse the requested service until payment is received or may set off the amount of the depositary fees and charges from any distribution to be made to the ADS holder. Certain depositary fees and charges (such as the ADS services fee) may become payable shortly after the closing of the global offering. Note that the fees and charges you may be required to pay may vary over time and may be changed by us and by the depositary. You will receive prior notice of such changes. The depositary may reimburse us for certain expenses incurred by us in respect of the ADSs, by making available a portion of the ADS fees charged in respect of the ADSs or otherwise, upon such terms and conditions as we and the depositary agree from time to time.

Amendments and termination

We may agree with the depositary to modify the deposit agreement at any time without your consent. We undertake to give holders of ADSs 30 days' prior notice of any modifications that would materially prejudice any of their substantial rights under the deposit agreement. We will not consider to be materially prejudicial to your substantial rights any modifications or supplements that are reasonably necessary for the ADSs to be registered under the Securities Act or to be eligible for book-entry settlement, in each case without imposing or increasing the fees and charges you are required to pay. In addition, we may not be able to provide you with prior notice of any modifications or supplements that are required to accommodate compliance with applicable provisions of law.

You will be bound by the modifications to the deposit agreement if you continue to hold your ADSs after the modifications to the deposit agreement become effective. The deposit agreement cannot be amended to prevent you from withdrawing the ordinary shares represented by your ADSs (except as permitted by law).

We have the right to direct the depositary to terminate the deposit agreement subject to certain conditions. Similarly, the depositary may in certain circumstances on its own initiative terminate the deposit agreement. In either case, the depositary must give notice to the holders at least 30 days before termination. Until termination, your rights under the deposit agreement will be unaffected.

After termination, the depositary will continue to collect distributions received (but will not distribute any such property until you request the cancellation of your ADSs) and may sell the securities held on deposit. After the sale, the depositary will hold the proceeds from such sale and any other funds then held for the holders of ADSs in a non-interest bearing account. At that point, the depositary will have no further obligations to ADS holders other than to account for the funds then held for the holders of ADSs still outstanding (after deduction of applicable fees, taxes and expenses).

In connection with the termination of the deposit agreement, the depositary may, but shall not be obligated to, independently and without the need for any action by us, make available to holders of ADSs a means to withdraw the ordinary shares and other deposited securities represented by their ADSs and to direct the deposit of such ordinary shares and other deposited securities into an unsponsored American Depositary Shares program established by the depositary, upon such terms and conditions as the depositary may deem reasonably appropriate, subject however, in each case, to satisfaction of the applicable registration requirements by the unsponsored American Depositary Shares program under the Securities Act, and to receipt by the depositary of payment of the applicable fees and charges of, and reimbursement of the applicable expenses incurred by, the depositary.

Books of depositary

The depositary maintains ADS holder records at its depositary office. You may inspect such records at such office during regular business hours but solely for the purpose of communicating with other holders in the interest of business matters relating to the ADSs and the deposit agreement.

The depositary maintains in New York facilities to record and process the issuance, cancellation, combination, split-up and transfer of ADSs. These facilities may be closed from time to time, to the extent not prohibited by law.

Transmission of notices, reports and proxy soliciting material

The depositary will make available for your inspection at its office all communications that it receives from us as a holder of deposited securities that we make generally available to holders of deposited securities. Subject to the terms of the deposit agreement, the depositary will send you copies of those communications or otherwise make those communications available to you if we ask it to.

Limitations on obligations and liabilities

The deposit agreement limits our obligations and the depositary's obligations to you. Please note the following:

- We and the depositary are obligated only to take the actions specifically stated in the deposit agreement without negligence or bad faith.
- The depositary disclaims any liability for any failure to carry out voting instructions, for any manner in which a vote is cast or for the effect of any vote, provided it acts in good faith and in accordance with the terms of the deposit agreement.
- The depositary disclaims any liability for any failure to accurately determine the lawfulness or practicality of any action, for the content of any document forwarded to you on our behalf or for the accuracy of any translation of such a document, for the investment risks associated with investing in ordinary shares, for the validity or worth of the ordinary shares, for any tax consequences that result from the ownership of ADSs or other deposited property, for the credit-worthiness of any third party, for allowing any rights to lapse under the terms of the deposit agreement, for the timeliness of any of our notices or for our failure to give notice or for any act or omission of or information provided by DTC or any DTC participant.
- The depositary shall not be liable for acts or omissions of any successor depositary in connection with any matter arising wholly after the resignation or removal of the depositary.
- We and the depositary will not be obligated to perform any act that is inconsistent with the terms of the deposit agreement.

- We and the depositary disclaim any liability if we or the depositary are prevented or forbidden from or subject to any civil or criminal penalty or restraint on account of, or delayed in, doing or performing any act or thing required by the terms of the deposit agreement, by reason of any provision, present or future of any law or regulation, including regulations of any stock exchange or by reason of present or future provisions of our articles of association, or any provision of or governing the securities on deposit, or by reason of any act of God or war or other circumstances beyond our or the depositary's control.
- We and the depositary disclaim any liability by reason of any exercise of, or failure to exercise, any discretion provided for in the deposit agreement or in our articles of association or in any provisions of or governing the securities on deposit.
- We and the depositary further disclaim any liability for any action or inaction in reliance on the advice or information received from legal counsel, accountants, any person presenting ordinary shares for deposit, any holder of ADSs or authorized representatives thereof, or any other person believed by either of us in good faith to be competent to give such advice or information.
- We and the depositary also disclaim liability for the inability by any ADS holder or beneficiary owner to benefit from any distribution, offering, right or other benefit that is made available to holders of ordinary shares but is not, under the terms of the deposit agreement, made available to you.
- We and the depositary may rely without any liability upon any written notice, request or other document believed to be genuine and to have been signed or presented by the proper parties.
- We and the depositary also disclaim liability for any consequential or punitive damages for any breach of the terms of the deposit agreement.
- We and the depositary disclaim liability arising out of losses, liabilities, taxes, charges or expenses resulting from the manner in which a holder or beneficial owner of ADSs holds ADSs, including resulting from holding ADSs through a brokerage account.
- No disclaimer of any Securities Act liability is intended by any provision of the deposit agreement.

Pre-release transactions

Subject to the terms and conditions of the deposit agreement, the depositary may issue to broker / dealers ADSs before receiving a deposit of ordinary shares or release ordinary shares to broker / dealers before receiving ADSs for cancellation. These transactions are commonly referred to as "pre-release transactions," and are entered into between the depositary and the applicable broker/dealer. The deposit agreement limits the aggregate size of pre-release transactions (not to exceed 30% of the ordinary shares on deposit in the aggregate, such limit being subject to change or disregard in the depositary's discretion) and imposes a number of conditions on such transactions (*e.g.*, the need to receive collateral, the type of collateral required, the representations required from brokers, etc.). The depositary may retain the compensation received from the pre-release transactions. The depositary does not intend to authorize pre-release transactions except in extraordinary circumstances.

Taxes

As a Holder or Beneficial Owner of ADSs, you will be responsible for the taxes and other governmental charges payable on the ADSs and the securities represented by the ADSs as provided for in the deposit agreement. We, the depositary and the custodian may deduct from any distribution the taxes and governmental charges

payable by Holders and Beneficial Owners (as defined in the deposit agreement) of ADSs and may sell any and all property on deposit to pay the taxes and governmental charges payable by ADS holders. As a Holder or Beneficial Owner of ADSs, you will be liable for any deficiency if the sale proceeds do not cover the taxes that are due. Notwithstanding the foregoing, we expect to bear the cost of stamp duty or stamp duty reserve tax, if any, payable in respect of the issue of ordinary shares to the depositary in the global offering.

The depositary may refuse to issue ADSs, to deliver, transfer, split and combine ADRs or to release securities on deposit until all taxes and charges are paid by the applicable Holder or Beneficial Owner (as defined in the deposit agreement) of ADSs. The depositary and the custodian may take reasonable administrative actions to obtain tax refunds and reduced tax withholding for any distributions on your behalf. However, you may be required to provide to the depositary and to the custodian proof of taxpayer status and residence and such other information as the depositary and the custodian may require to fulfill legal obligations. You are required to indemnify us, the depositary and the custodian for any claims with respect to taxes based on any tax benefit obtained for you.

Foreign currency conversion

The depositary will arrange for the conversion of all foreign currency received into U.S. dollars if such conversion is practical, and it will distribute the U.S. dollars in accordance with the terms of the deposit agreement. You may have to pay fees and expenses incurred in converting foreign currency, such as fees and expenses incurred in complying with currency exchange controls and other governmental requirements.

If the conversion of foreign currency is not practical or lawful, or if any required approvals are denied or not obtainable at a reasonable cost or within a reasonable period, the depositary may take any of the following actions in its discretion:

- Convert the foreign currency to the extent practical and lawful and distribute the U.S. dollars to the ADS holders for whom the conversion and distribution is lawful and practical.
- Distribute the foreign currency to ADS holders for whom the distribution is lawful and practical.
- Hold the foreign currency (without liability for interest) for the applicable ADS holders.

Governing law / waiver of jury trial

The deposit agreement and the ADRs and ADSs will be interpreted in accordance with the laws of the State of New York. The rights of holders of ordinary shares (including ordinary shares represented by ADSs) are governed by the laws of England and Wales.

AS A PARTY TO THE DEPOSIT AGREEMENT, YOU WAIVE IRREVOCABLY YOUR RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF THE DEPOSIT AGREEMENT OR THE ADSs AGAINST US AND/OR THE DEPOSITARY.

Ordinary shares and ADSs eligible for future sale

Our ordinary shares are admitted to trading on AIM, a market operated by the London Stock Exchange. However, prior to this offering, there has been no public market for our ordinary shares or ADSs on any U.S. national securities exchange.

Future sales of ordinary shares ADSs in the public market after this offering, and the availability of ordinary shares and ADSs for future sale, could adversely affect the market price of the ordinary shares and ADSs prevailing from time to time. As described below, a significant number of currently outstanding ordinary shares will not be available for sale shortly after this offering due to contractual restrictions on transfers. There may be sales of substantial amounts of our ADSs or ordinary shares in the public market after such restrictions lapse. Sales of substantial amounts of ADSs or ordinary shares, or the perception that these sales could occur, could adversely affect prevailing market prices for ordinary shares and ADSs and could impair our ability to raise equity capital in the future.

Based on the number of ordinary shares outstanding as of March 31, 2020, and assuming (1) no exercise of the underwriters' option to purchase additional ordinary shares, including ordinary shares represented by ADSs, and (2) no exercise of any of our outstanding options, we will have outstanding an aggregate of ordinary shares, including ordinary shares represented by ADSs, following the global offering. All of the ADSs to be sold in this offering and any ADSs sold upon exercise of the underwriters' option to purchase additional shares, will be freely tradable in the U.S. public market without restriction or further registration under the Securities Act, unless the ADSs are held by any of our "affiliates" as such term is defined in Rule 144 of the Securities Act, subject, in each case, to the terms of the lock-up agreements referred to below, as applicable. The number of ADSs available for sale immediately after this offering will be the number sold in this offering less any ADSs held by our directors, officers and certain shareholders, which are subject to lock-up agreements described below.

Lock-up Agreements

We expect that all of our directors and executive officers and certain of our existing shareholders will agree, subject to limited exceptions, with the underwriters not to offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise dispose of, directly or indirectly, or enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of our ADSs, ordinary shares or such other securities for a period of 90 days (or 30 days with respect to certain shareholders) after the date of this prospectus, without the prior written consent of JPMorgan Securities LLC and Stifel, Nicolaus & Company, Incorporated. See "Underwriting." Following the lock-up periods set forth in the agreements described above, and assuming that the representatives of the underwriters do not release any parties from these agreements, all of the ADSs and ordinary shares that are held by these parties as of the date of this prospectus will be eligible for sale in the public market in compliance with Rule 144 under the Securities Act.

Rule 144

In general, persons who have beneficially owned restricted ordinary shares for at least six months, and any affiliate of the company who owns either restricted or unrestricted ordinary shares, are entitled to sell their securities without registration with the SEC under an exemption from registration provided by Rule 144 under the Securities Act.

Non-affiliates

Any person who is not deemed to have been one of our affiliates at the time of, or at any time during the three months preceding, a sale may sell an unlimited number of restricted securities under Rule 144 if:

- the restricted securities have been held for at least six months, including the holding period of any prior owner other than one of our affiliates;
- we have been subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale; and
- we are current in our Exchange Act reporting at the time of sale.

Any person who is not deemed to have been an affiliate of ours at the time of, or at any time during the three months preceding, a sale and has held the restricted securities for at least one year, including the holding period of any prior owner other than one of our affiliates, will be entitled to sell an unlimited number of restricted securities without regard to the length of time we have been subject to Exchange Act periodic reporting or whether we are current in our Exchange Act reporting.

Affiliates

Persons seeking to sell restricted securities who are our affiliates at the time of, or any time during the three months preceding, a sale, would be subject to the restrictions described above. They are also subject to additional restrictions, by which such person would be required to comply with the manner of sale and notice provisions of Rule 144 and would be entitled to sell within any three-month period only that number of securities that does not exceed the greater of either of the following:

- 1% of the number of ordinary shares then outstanding, being represented by ADSs or otherwise, which will equal approximately ordinary shares immediately after the closing of this offering based on the number of ordinary shares outstanding as of March 31, 2020; or
- the average weekly trading volume of our ADSs on the Nasdaq Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Additionally, persons who are our affiliates at the time of, or any time during the three months preceding, a sale may sell unrestricted securities under the requirements of Rule 144 described above, without regard to the six-month holding period of Rule 144, which does not apply to sales of unrestricted securities.

Rule 701

Rule 701 under the Securities Act, as in effect on the date of this prospectus, permits resales of shares in reliance upon Rule 144 but without compliance with certain restrictions of Rule 144, including the holding period requirement. Most of our employees, executive officers or directors who purchased shares under a written compensatory plan or contract may be entitled to rely on the resale provisions of Rule 701, but all holders of Rule 701 shares are required to wait until 90 days after the date of this prospectus before selling their shares. However, substantially all Rule 701 shares are subject to lock-up agreements as described below and in the section of this prospectus titled “Underwriting” and will become eligible for sale upon the expiration of the restrictions set forth in those agreements.

Form S-8 registration statements

As soon as practicable after the closing of this offering, we intend to file with the SEC one or more registration statements on Form S-8 under the Securities Act to register the ordinary shares subject to outstanding stock

options or reserved for issuance under our equity incentive plans. These registration statements will become effective immediately upon filing. Shares covered by these registration statements will then be eligible for sale in the open market, subject to vesting restrictions, any applicable lock-up agreements described below and Rule 144 limitations applicable to affiliates.

Regulation S

Regulation S under the Securities Act, or Regulation S, provides that ordinary shares owned by any person may be sold without registration in the United States, provided that the sale is effected in an offshore transaction and no directed selling efforts are made in the United States (as these terms are defined in Regulation S), subject to certain other conditions. In general, this means that our ordinary shares may be sold outside the United States without registration in the United States being required.

In addition, Regulation S provides that any shares sold by us outside the United States pursuant thereto may be freely resold into the United States as long as we were a foreign private issuer at the time of the issuance, subject to limitations on affiliate resales and contractual lock-up agreements.

Registration Rights

In June 2020, we and Mount Sinai entered into a registration rights agreement pursuant to which we have granted Mount Sinai the following registration rights:

- *Demand Registration on Form F-3* – Mount Sinai is entitled to demand registrations on Form F-3, if we are then eligible to register shares on Form F-3, including up to two underwritten offerings in any 12-month period.
- *Demand Registration on Form F-1 or Form S-1* – At any time following one year after the completion of the global offering, if we are not eligible to register shares on Form F-3 or S-3, Mount Sinai is entitled to a maximum of one demand registration on Form F-1 or Form S-1 during any 12-month period, subject to specified exceptions.
- *Piggyback Registration* – Mount Sinai is entitled to certain piggyback registration rights, subject to certain marketing and other limitations in the context of an underwritten offering.
- *Expenses* – We will pay all registration expenses incident to the performance of our obligations under the registration rights agreement.

Mount Sinai's registration rights will terminate at such time as Rule 144, or another similar exception under the Securities Act, is available for the unlimited public sale of all of Mount Sinai's registrable securities without any volume or manner of sale limitations, subject to specified exceptions.

Material income tax considerations

Material U.S. federal income tax considerations for U.S. Holders

The following is a description of the material U.S. federal income tax consequences to the U.S. Holders described below of owning and disposing of our ordinary shares or ADSs. It is not a comprehensive description of all tax considerations that may be relevant to a particular person's decision to acquire securities. This discussion applies only to a U.S. Holder that holds our ordinary shares or ADSs as a capital asset for tax purposes (generally, property held for investment). In addition, it does not describe all of the tax consequences that may be relevant in light of a U.S. Holder's particular circumstances, including state and local tax consequences, estate tax consequences, alternative minimum tax consequences, the potential application of the Medicare contribution tax, and tax consequences applicable to U.S. Holders subject to special rules, such as:

- banks, insurance companies, and certain other financial institutions;
- U.S. expatriates and certain former citizens or long-term residents of the United States;
- dealers or traders in securities who use a mark-to-market method of tax accounting;
- persons holding ordinary shares or ADSs as part of a hedging transaction, "straddle," wash sale, conversion transaction or integrated transaction or persons entering into a constructive sale with respect to ordinary shares or ADSs;
- persons whose "functional currency" for U.S. federal income tax purposes is not the U.S. dollar;
- brokers, dealers or traders in securities, commodities or currencies;
- tax-exempt entities or government organizations;
- S corporations, partnerships, or other entities or arrangements classified as partnerships for U.S. federal income tax purposes (and investors therein);
- regulated investment companies or real estate investment trusts;
- persons who acquired our ordinary shares or ADSs pursuant to the exercise of any employee stock option or otherwise as compensation;
- persons that own or are deemed to own ten percent or more of our shares (by vote or value); and
- persons holding our ordinary shares or ADSs in connection with a trade or business, permanent establishment, or fixed base outside the United States.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds ordinary shares or ADSs, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships holding ordinary shares or ADSs and partners in such partnerships are encouraged to consult their tax advisors as to the particular U.S. federal income tax consequences of holding and disposing of ordinary shares or ADSs.

The discussion is based on the Code, administrative pronouncements, judicial decisions, final, temporary and proposed Treasury Regulations, and the income tax treaty between the United Kingdom and the United States (the "Treaty"), all as of the date hereof, changes to any of which may affect the tax consequences described herein — possibly with retroactive effect.

A “U.S. Holder” is a holder who, for U.S. federal income tax purposes, is a beneficial owner of ordinary shares or ADSs who is eligible for the benefits of the Treaty and is:

(1) a citizen or individual of the United States;

(2) a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state therein or the District of Columbia;

(3) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

(4) a trust if (1) a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have authority to control all substantial decisions of the trust or (2) the trust has a valid election to be treated as a U.S. person under applicable U.S. Treasury Regulations.

U.S. Holders are encouraged to consult their tax advisors concerning the U.S. federal, state, local and non-U.S. tax consequences of owning and disposing of ordinary shares or ADSs in their particular circumstances.

The discussion below assumes that the representations contained in the deposit agreement are true and that the obligations in the deposit agreement and any related agreement will be complied with in accordance with their terms. Generally, a holder of an ADS should be treated for U.S. federal income tax purposes as holding the ordinary shares represented by the ADS. Accordingly, no gain or loss will be recognized upon an exchange of ADSs for ordinary shares.

Passive Foreign Investment Company rules

A non-U.S. corporation will be classified as a PFIC for any taxable year in which, after applying certain look-through rules, either:

- at least 75% of its gross income is passive income (such as interest income); or
- at least 50% of its gross assets (determined on the basis of a quarterly average) is attributable to assets that produce passive income or are held for the production of passive income (including cash).

For purposes of this test, a non-U.S. corporation will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation, the equity of which such non-U.S. corporation owns, directly or indirectly, 25% or more (by value).

We have not yet made a determination of our PFIC status for our taxable year ended June 30, 2020 or our expectations of our PFIC status for our taxable year ended June 30, 2021. A separate determination must be made after the close of each taxable year as to whether we are a PFIC for that year. As a result, our PFIC status may change. In particular, the total value of our assets for purposes of the asset test generally will be calculated using the market price of the ordinary shares or ADSs, which may fluctuate considerably. Fluctuations in the market price of the ordinary shares or ADSs may result in our being a PFIC for any taxable year. Even if we determine that we are not a PFIC for a taxable year, there can be no assurance that the Internal Revenue Service, or IRS, will agree with our conclusion and that the IRS would not successfully challenge our position. Because of the uncertainties involved in establishing our PFIC status, our United States tax counsel expresses no opinion regarding our PFIC status.

If we are classified as a PFIC in any year with respect to which a U.S. Holder owns the ordinary shares or ADSs, we will continue to be treated as a PFIC with respect to such U.S. Holder in all succeeding years during which the U.S. Holder owns the ordinary shares or ADSs, regardless of whether we continue to meet the tests described above unless we cease to be a PFIC and the U.S. Holder has made a “deemed sale” election under the

PFIC rules. If such a deemed sale election is made, a U.S. Holder will be deemed to have sold the ordinary shares or ADSs the U.S. Holder holds at their fair market value and any gain from such deemed sale would be subject to the rules described below. After the deemed sale election, so long as we do not become a PFIC in a subsequent taxable year, the U.S. Holder's ordinary shares or ADSs with respect to which such election was made will not be treated as shares in a PFIC and the U.S. Holder will not be subject to the rules described below with respect to any "excess distribution" the U.S. Holder receives from us or any gain from an actual sale or other disposition of the ordinary shares or ADSs. U.S. Holders should consult their tax advisors as to the possibility and consequences of making a deemed sale election if we cease to be a PFIC and such election becomes available.

For each taxable year we are treated as a PFIC with respect to U.S. Holders, U.S. Holders will be subject to special tax rules with respect to any "excess distribution" such U.S. Holder receives and any gain such U.S. Holder recognizes from a sale or other disposition (including a pledge) of ordinary shares or ADSs, unless (i) such U.S. Holder makes a "qualified electing fund" election, or QEF Election, with respect to all taxable years during such U.S. Holder's holding period in which we are a PFIC, or (ii) our ordinary shares or ADSs constitute "marketable stock" and such U.S. Holder makes a mark-to-market election (as discussed below). Distributions a U.S. Holder receives in a taxable year that are greater than 125% of the average annual distributions a U.S. Holder received during the shorter of the three preceding taxable years or the U.S. Holder's holding period for the ordinary shares or ADSs will be treated as an excess distribution. Under these special tax rules:

- the excess distribution or gain will be allocated ratably over a U.S. Holder's holding period for the ordinary shares or ADSs;
- the amount allocated to the current taxable year, and any taxable year prior to the first taxable year in which we became a PFIC, will be treated as ordinary income; and
- the amount allocated to each other year will be subject to the highest tax rate in effect for that year and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

The tax liability for amounts allocated to years prior to the year of disposition or "excess distribution" cannot be offset by any net operating losses for such years, and gains (but not losses) realized on the sale of the ordinary shares or ADSs cannot be treated as capital, even if a U.S. Holder holds the ordinary shares or ADSs as capital assets.

If we are a PFIC, a U.S. Holder will generally be subject to similar rules with respect to distributions we receive from, and our dispositions of the stock of, any of our direct or indirect subsidiaries that also are PFICs, as if such distributions were indirectly received by, and/or dispositions were indirectly carried out by, such U.S. Holder. U.S. Holders should consult their tax advisors regarding the application of the PFIC rules to our subsidiaries.

If a U.S. Holder makes an effective QEF Election, the U.S. Holder will be required to include in gross income each year, whether or not we make distributions, as capital gains, such U.S. Holder's pro rata share of our net capital gains and, as ordinary income, such U.S. Holder's pro rata share of our earnings in excess of our net capital gains. However, a U.S. Holder can only make a QEF election with respect to ordinary shares or ADSs in a PFIC if such company agrees to furnish such U.S. Holder with certain tax information annually.

U.S. Holders can avoid the interest charge on excess distributions or gain relating to the ordinary shares or ADSs by making a mark-to-market election with respect to the ordinary shares or ADSs, provided that the ordinary shares or ADSs are "marketable stock." Ordinary shares or ADSs will be marketable stock if they are "regularly traded" on certain U.S. stock exchanges or on a non-U.S. stock exchange that meets certain conditions. For these purposes, the ordinary shares or ADSs will be considered regularly traded during any

calendar year during which they are traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. Any trades that have as their principal purpose meeting this requirement will be disregarded. Our ADSs will be listed on the Nasdaq, which is a qualified exchange for these purposes. Consequently, if our ADSs remain listed on the Nasdaq and are regularly traded, and you are a holder of ADSs, we expect the mark-to-market election would be available to U.S. Holders if we are a PFIC. Each U.S. Holder should consult its tax advisor as to the whether a mark-to-market election is available or advisable with respect to the ordinary shares or ADSs.

A U.S. Holder that makes a mark-to-market election must include in ordinary income for each year an amount equal to the excess, if any, of the fair market value of the ordinary shares or ADSs at the close of the taxable year over the U.S. Holder's adjusted tax basis in the ordinary shares or ADSs. An electing holder may also claim an ordinary loss deduction for the excess, if any, of the U.S. Holder's adjusted basis in the ordinary shares or ADSs over the fair market value of the ordinary shares or ADSs at the close of the taxable year, but this deduction is allowable only to the extent of any net mark-to-market gains for prior years. Gains from an actual sale or other disposition of the ordinary shares or ADSs will be treated as ordinary income, and any losses incurred on a sale or other disposition of the shares will be treated as an ordinary loss to the extent of any net mark-to-market gains for prior years. Once made, the election cannot be revoked without the consent of the IRS unless the ordinary shares or ADSs cease to be marketable stock.

However, a mark-to-market election generally cannot be made for equity interests in any lower-tier PFICs that we own, unless shares of such lower-tier PFIC are themselves "marketable stock." As a result, even if a U.S. Holder validly makes a mark-to-market election with respect to our ordinary shares or ADSs, the U.S. Holder may continue to be subject to the PFIC rules (described above) with respect to its indirect interest in any of our investments that are treated as an equity interest in a PFIC for U.S. federal income tax purposes. U.S. Holders should consult their tax advisors as to the availability and desirability of a mark-to-market election, as well as the impact of such election on interests in any lower-tier PFICs.

Unless otherwise provided by the U.S. Treasury, each U.S. shareholder of a PFIC is required to file an annual report containing such information as the U.S. Treasury may require. A U.S. Holder's failure to file the annual report will cause the statute of limitations for such U.S. Holder's U.S. federal income tax return to remain open with regard to the items required to be included in such report until three years after the U.S. Holder files the annual report, and, unless such failure is due to reasonable cause and not willful neglect, the statute of limitations for the U.S. Holder's entire U.S. federal income tax return will remain open during such period. U.S. Holders should consult their tax advisors regarding the requirements of filing such information returns under these rules.

Taxation of distributions

Subject to the discussion above under "Passive Foreign Investment Company Rules," distributions paid on ordinary shares or ADSs, other than certain *pro rata* distributions of ordinary shares or ADSs, will generally be treated as dividends to the extent paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because we may not calculate our earnings and profits under U.S. federal income tax principles, we expect that distributions generally will be reported to U.S. Holders as dividends. Subject to applicable limitations, dividends paid to certain non-corporate U.S. Holders may be taxable at preferential rates applicable to "qualified dividend income." However, the qualified dividend income treatment may not apply if we are treated as a PFIC with respect to the U.S. Holder. The amount of the dividend will be treated as foreign-source dividend income to U.S. Holders and will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Code. Dividends will generally be included in a U.S. Holder's income on the date of the U.S. Holder's receipt of the dividend. The amount of any dividend

income paid in foreign currency will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of actual or constructive receipt, regardless of whether the payment is in fact converted into U.S. dollars. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt. Such gain or loss would generally be treated as U.S.-source ordinary income or loss. The amount of any distribution of property other than cash (and other than certain pro rata distributions of ordinary shares or ADSs or rights to acquire ordinary shares or ADSs) will be the fair market value of such property on the date of distribution. For foreign tax credit purposes, our dividends will generally be treated as passive category income.

Sale or other taxable disposition of ordinary shares and ADSs

Subject to the discussion above under “Passive Foreign Investment Company Rules,” gain or loss realized on the sale or other taxable disposition of ordinary shares or ADSs will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the ordinary shares or ADSs for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder’s tax basis in the ordinary shares or ADSs disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. This gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. The deductibility of capital losses is subject to limitations.

If the consideration received by a U.S. Holder is not paid in U.S. dollars, the amount realized will be the U.S. dollar value of the payment received determined by reference to the spot rate of exchange on the date of the sale or other disposition. However, if the ordinary shares or ADSs are treated as traded on an “established securities market” and you are either a cash basis taxpayer or an accrual basis taxpayer that has made a special election (which must be applied consistently from year to year and cannot be changed without the consent of the IRS), you will determine the U.S. dollar value of the amount realized in a non-U.S. dollar currency by translating the amount received at the spot rate of exchange on the settlement date of the sale. If you are an accrual basis taxpayer that is not eligible to or does not elect to determine the amount realized using the spot rate on the settlement date, you will recognize foreign currency gain or loss to the extent of any difference between the U.S. dollar amount realized on the date of sale or disposition and the U.S. dollar value of the currency received at the spot rate on the settlement date.

WE STRONGLY URGE YOU TO CONSULT YOUR TAX ADVISOR REGARDING THE IMPACT OF OUR PFIC STATUS ON YOUR INVESTMENT IN THE ORDINARY SHARES OR ADSs AS WELL AS THE APPLICATION OF THE PFIC RULES TO YOUR INVESTMENT IN THE ORDINARY SHARES OR ADSs.

Information reporting and backup withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the holder’s U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the IRS.

Information with respect to foreign financial assets

Certain U.S. Holders who are individuals (and, under proposed regulations, certain entities) may be required to report information relating to the ordinary shares or ADSs, subject to certain exceptions (including an exception for ordinary shares or ADSs held in accounts maintained by certain U.S. financial institutions). U.S. Holders should consult their tax advisors regarding their reporting obligations with respect to their ownership and disposition of the ordinary shares or ADSs.

United Kingdom taxation

The following is intended as a general guide to current U.K. tax law and HM Revenue & Customs, or HMRC, published practice applying as at the date of this prospectus (both of which are subject to change at any time, possibly with retrospective effect) relating to the holding of ADSs. It does not constitute legal or tax advice and does not purport to be a complete analysis of all U.K. tax considerations relating to the holding of ADSs, or all of the circumstances in which holders of ADSs may benefit from an exemption or relief from U.K. taxation. It is written on the basis that the company does not (and will not) directly or indirectly derive 75% or more of its qualifying asset value from U.K. land, and that the company is and remains solely resident in the U.K. for tax purposes and will therefore be subject to the U.K. tax regime and not the U.S. tax regime save as set out in the above under “Material U.S. Federal Income Tax Considerations for U.S. Holders”.

Except to the extent that the position of non-U.K. resident persons is expressly referred to, this guide relates only to persons who are resident (and, in the case of individuals, domiciled or deemed domiciled) for tax purposes solely in the United Kingdom and do not have a permanent establishment or fixed base in any other jurisdiction with which the holding of the ADSs is connected, or U.K. Holders, who are absolute beneficial owners of the ADSs (where the ADSs are not held through an Individual Savings Account or a Self-Invested Personal Pension) and who hold the ADSs as investments.

This guide may not relate to certain classes of U.K. Holders, such as (but not limited to):

- persons who are connected with the company;
- financial institutions;
- insurance companies;
- charities or tax-exempt organizations;
- collective investment schemes;
- pension schemes;
- market makers, intermediaries, brokers or dealers in securities;
- persons who have (or are deemed to have) acquired their ADSs by virtue of an office or employment or who are or have been officers or employees of the company or any of its affiliates; and
- individuals who are subject to U.K. taxation on a remittance basis.

The decision of the First-tier Tribunal (Tax Chamber) in HSBC Holdings PLC and The Bank of New York Mellon Corporation v HMRC (2012) cast some doubt on whether a holder of a depositary receipt is the beneficial owner of the underlying shares. However, based on published HMRC guidance we would expect that HMRC will regard a holder of ADSs as holding the beneficial interest in the underlying shares and therefore these paragraphs assume that a holder of ADSs is the beneficial owner of the underlying ordinary shares and any dividends paid in respect of the underlying ordinary shares (where the dividends are regarded for U.K. purposes as that person’s own income) for U.K. direct tax purposes.

THESE PARAGRAPHS ARE A SUMMARY OF CERTAIN U.K. TAX CONSIDERATIONS AND ARE INTENDED AS A GENERAL GUIDE ONLY. IT IS RECOMMENDED THAT ALL HOLDERS OF ADSs OBTAIN ADVICE AS TO THE CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSAL OF THE ADSs IN THEIR OWN SPECIFIC CIRCUMSTANCES FROM THEIR TAX ADVISORS. IN PARTICULAR, NON-U.K. RESIDENT OR DOMICILED PERSONS ARE ADVISED TO CONSIDER THE POTENTIAL IMPACT OF ANY RELEVANT DOUBLE TAXATION AGREEMENTS.

U.K. taxation of dividends

Withholding tax

Dividends paid by the company will not be subject to any withholding or deduction for or on account of U.K. tax.

Income tax

An individual U.K. Holder may, depending on his or her particular circumstances, be subject to U.K. income tax on dividends received from the company. An individual holder of ADSs who is not resident for tax purposes in the United Kingdom should not be chargeable to U.K. income tax on dividends received from the company unless he or she carries on (whether solely or in partnership) a trade, profession or vocation in the United Kingdom through a branch or agency to which the ADSs are attributable. There are certain exceptions for trading in the United Kingdom through independent agents, such as some brokers and investment managers.

All dividends received by an individual U.K. Holder from us or from other sources will form part of that U.K. Holder's total income for income tax purposes and will constitute the top slice of that income. For the tax year 2020/2021, a nil rate of income tax will apply to the first £2,000 of taxable dividend income received by the individual U.K. Holder. Income within the nil rate band will be taken into account in determining whether income in excess of the £2,000 tax-free allowance falls within the basic rate, higher rate or additional rate tax bands. Dividend income in excess of the tax-free allowance will (subject to the availability of any income tax personal allowance) be taxed at 7.5% to the extent that the excess amount falls within the basic rate tax band, 32.5% to the extent that the excess amount falls within the higher rate tax band and 38.1% to the extent that the excess amount falls within the additional rate tax band.

Corporation tax

A corporate holder of ADSs that is not resident for tax purposes in the United Kingdom should not be chargeable to U.K. corporation tax on dividends received from the company unless it carries on (whether solely or in partnership) a trade in the United Kingdom through a permanent establishment to which the ADSs are attributable.

Corporate U.K. Holders should not be subject to U.K. corporation tax on any dividend received from the company so long as the dividend qualifies for an exemption, which should be the case, although certain conditions must be met. It should be noted that the exemptions, while of wide application, are not comprehensive and are subject to anti-avoidance rules in relation to a dividend. If the conditions for the exemption are not satisfied or anti-avoidance provisions apply, or such U.K. Holder elects for an otherwise exempt dividend to be taxable, U.K. corporation tax will be chargeable on the amount of any dividends (at the rate of 19% for the tax year 2020/2021).

U.K. taxation of disposals

A disposal or deemed disposal of ADSs by a U.K. Holder may, depending on the U.K. Holder's circumstances and subject to any available exemptions or reliefs (such as the annual exemption), give rise to a chargeable gain or an allowable loss for the purposes of U.K. capital gains tax and corporation tax on chargeable gains.

If an individual U.K. Holder who is subject to U.K. income tax at either the higher or the additional rate is liable to U.K. capital gains tax on the disposal of ADSs, the applicable rate will be 20% (for the tax year 2020/2021). For an individual U.K. Holder who is subject to U.K. income tax at the basic rate and liable to U.K. capital gains tax on such disposal, the applicable rate would be 10% (for the tax year 2020/2021), save to the extent that any capital gains when aggregated with the U.K. Holder's other taxable income and gains in the relevant tax year exceed the unused basic rate tax band. In that case, the rate applicable to the excess would be 20% (for the tax year 2020/2021). In each case above, the amount of capital gains tax payable will be subject to the availability of any exemptions, reliefs and/or allowable losses to such U.K. holder.

If a corporate U.K. Holder becomes liable to U.K. corporation tax on the disposal (or deemed disposal) of ADSs, the main rate of U.K. corporation tax (at the rate of 19% for the tax year 2020/2021) would apply, subject to any exemptions, reliefs and/or allowable losses.

A holder of ADSs which is not resident for tax purposes in the United Kingdom should not normally be liable to U.K. capital gains tax or corporation tax on chargeable gains on a disposal (or deemed disposal) of ADSs unless the person is carrying on (whether solely or in partnership) a trade, profession or vocation in the United Kingdom through a branch or agency (or, in the case of a corporate holder of ADSs, through a permanent establishment) to which the ADSs are attributable. However, an individual holder of ADSs who has ceased to be resident for tax purposes in the United Kingdom or is treated as resident outside the United Kingdom for the purposes of a double taxation treaty for a period of less than five years and who disposes of ADSs during that period of temporary non-residence may be liable on his or her return to the United Kingdom (or upon ceasing to be regarded as resident outside the United Kingdom for the purpose of double taxation relief) to U.K. tax on any capital gain realized (subject to any available exemption or relief).

U.K. stamp duty and stamp duty reserve tax

The discussion below relates to the holders of our ordinary shares or ADSs wherever resident, however it should be noted that special rules may apply to certain persons such as market makers, brokers, dealers or intermediaries.

Issue of ordinary shares

No U.K. stamp duty or stamp duty reserve tax, or SDRT, is payable on the issue of the underlying ordinary shares in the company.

Transfers of ordinary shares

Neither U.K. stamp duty nor SDRT should arise on transfers of the underlying ordinary shares (including instruments transferring ordinary shares and agreements to transfer ordinary shares on the basis that the ordinary shares are admitted to trading on AIM, provided the following requirements are (and continue to be) met:

- the ordinary shares are admitted to trading on AIM, but are not listed on any recognized stock exchange (with the term "listed" being construed in accordance with section 99A of the Finance Act 1986), and this has been certified to Euroclear; and
- AIM continues to be accepted as a "recognised growth market" (as construed in accordance with section 99A of the Finance Act 1986).

In the event that either of the above requirements is not met, stamp duty or SDRT will generally apply to transfers of, or agreements to transfer, ordinary shares. Where applicable, the purchaser normally pays the stamp duty or SDRT.

For the avoidance of doubt, listing of our ADSs on the Nasdaq Global Market should not preclude the above exemption from applying.

Issue or transfers of ADSs

No U.K. stamp duty or SDRT should be payable on the issue or transfer of (including an agreement to transfer) ADSs in the Company.

Underwriting

We are offering the ADSs and ordinary shares described in this prospectus through a number of underwriters. J.P. Morgan Securities LLC and Stifel, Nicolaus & Company, Incorporated are acting as joint global coordinators and joint book-running managers of the global offering and as representatives of the underwriters. J.P. Morgan Securities LLC is located at 1155 Long Island Avenue, Edgewood, New York 11717 and Stifel, Nicolaus & Company, Incorporated is located at 787 7th Avenue, 11th Floor, New York, New York 10019. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each of the underwriters has severally agreed to purchase, at the initial public offering price per ADS and the offering price per ordinary share less the underwriting discounts and commission set forth on the cover page of this prospectus, the respective number of ADSs and ordinary shares listed next to its name in the following table:

Name	Number of ADSs	Number of ordinary shares
J.P. Morgan Securities LLC		
Stifel, Nicolaus & Company, Incorporated		
Total		

The underwriters are committed to purchase all of the ADSs and ordinary shares offered by us if they purchase any ADSs or ordinary shares. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of the non-defaulting underwriters may also be increased or the global offering may be terminated.

The underwriters propose to offer the ADSs in the U.S. offering and the ordinary shares in the European private placement at the initial public offering price per ADS and the offering price per ordinary share set forth on the cover page of this prospectus and to certain dealers at that price less a concession not in excess of $ per ADS or £ per ordinary share. Any such dealers may resell shares to certain brokers or dealers at a discount of up to $ per ADS or £ per ordinary share from the offering price. After the initial offering of the ADSs in the U.S. offering and ordinary shares in the European private placement, if all of the ADSs and ordinary shares are not sold at the initial public offering price per ADS and the offering price per ordinary share, the underwriters may change the offering price and the other selling terms. Sales of any ordinary shares in the European private placement may be made by affiliates of the underwriters.

The underwriters have an option to buy up to additional ADSs in the U.S. offering and additional ordinary shares in the European private placement from us to cover sales of shares by the underwriters which exceed the number of ADSs and ordinary shares specified in the table above. The underwriters have 30 days from the date of this prospectus to exercise this option to purchase additional ADSs and ordinary shares. If any ADSs and ordinary shares are purchased pursuant to this option to purchase additional ADSs and ordinary shares, the underwriters will purchase ADSs and ordinary shares in approximately the same proportion as shown in the table above. If any additional ADSs and ordinary shares are purchased, the underwriters will offer the additional ADSs and ordinary shares on the same terms as those on which the ADSs and ordinary shares are being offered.

The underwriting fee in the U.S. offering is equal to the initial public offering price per ADS less the amount paid by the underwriters to us per ADS. The underwriting fee in the European private placement is equal to the offering price per ordinary share less the amount paid by the underwriters to us per ordinary share. The following table shows the offering price and the underwriting discounts and commissions to be paid to the

underwriters assuming both no exercise and full exercise of the underwriters' option to purchase additional ADSs and ordinary shares.

	Per ADS		Per ordinary share		Total	
	Without option to purchase additional ADSs	With option to purchase additional ADSs	Without option to purchase additional ordinary shares	With option to purchase additional ordinary shares	Without option to purchase additional ADSs and ordinary shares	With option to purchase additional ADSs and ordinary shares
Offering price	$	$	£	£	$	$
Underwriting discounts and commissions paid by us	$	$	£	£	$	$

We estimate that the total expenses payable by us in connection with the global offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be approximately $.

A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in the global offering. The underwriters may agree to allocate a number of ADSs or ordinary shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

We have agreed that we will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the SEC a registration statement under the Securities Act relating to, any ordinary shares or ADSs or securities convertible into or exercisable or exchangeable for ordinary shares or ADSs, or publicly disclose the intention to make any offer, sale, pledge, loan, disposition or filing, or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the ordinary shares or ADSs or any such other securities (regardless of whether any of these transactions are to be settled by the delivery of shares or such other securities, in cash or otherwise), in each case without the prior written consent of J.P. Morgan Securities LLC and Stifel, Nicolaus & Company, Incorporated for a period of 90 days after the date of this prospectus, other than the ordinary shares or ADSs to be sold in the global offering.

The restrictions on our actions, as described above, do not apply to certain transactions, including (i) the issuance of ADSs or ordinary shares or securities convertible into or exercisable for ordinary shares or ADSs pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of options (including net exercise), in each case outstanding on the date of the underwriting agreement and described in this prospectus; (ii) grants of share options, share awards or other equity awards and the issuance of ordinary shares or securities convertible into or exercisable or exchangeable for ordinary shares (whether upon the exercise of share options or otherwise) to our employees, officers, directors, advisors, or consultants pursuant to the terms of equity incentive plans in effect as of the closing of this global offering and described in this prospectus, provided that such recipients enter into a lock-up agreement with the underwriters; (iii) the issuance of up to 5% of the total number of our issued and outstanding ordinary shares (including ordinary shares represented by ADSs), or securities convertible into, exercisable for, or which are otherwise exchangeable for, our ordinary shares, immediately following the closing of this global offering, in acquisitions or other similar strategic transactions, provided that such recipients enter into a lock-up agreement with the

underwriters; or (iv) our filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to any plan in effect on the date of the underwriting agreement and described in this prospectus or any assumed benefit plan pursuant to an acquisition or similar strategic transaction.

Our directors and executive officers, and certain of our shareholders each holding over 5% of the outstanding ordinary shares (such persons, the "lock-up parties") have entered into lock-up agreements with the underwriters prior to the commencement of the global offering pursuant to which each lock-up party for a period of 90 days (or 30 days with respect to certain shareholders) after the date of this prospectus (such period, the "restricted period"), may not (and may not cause any of their direct or indirect affiliates to), without the prior written consent of J.P. Morgan Securities LLC and Stifel, Nicolaus & Company, Incorporated (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, ADSs, ordinary shares or any securities convertible into or exercisable or exchangeable for ADSs or ordinary shares (including, without limitation, ADSs or ordinary shares or such other securities which may be deemed to be beneficially owned by such lock-up parties in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of an option or warrant (collectively with the ADSs and ordinary shares, the "lock-up securities")), (2) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the lock-up securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of lock-up securities, in cash or otherwise, (3) make any demand for, or exercise any right with respect to, the registration of any lock-up securities, or (4) publicly disclose the intention to do any of the foregoing. Such persons or entities have further acknowledged that these undertakings preclude them from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (by the lock-up party or any other person) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any lock-up securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of lock-up securities, in cash or otherwise.

The restrictions described in the immediately preceding paragraph and contained in the lock-up agreements between the underwriters and the lock-up parties do not apply, subject in certain cases to various conditions, to certain transactions, including (a) transfers of lock-up securities: (i) as a bona fide gift or gifts, or to a charitable organization or educational institution in a transaction not involving a disposition for value, or for bona fide estate planning purposes, (ii) by will or intestacy, (iii) to any trust for the direct or indirect benefit of the lock-up party or the immediate family of the lock-up party, or if the lock-up party is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust, (iv) to a partnership, limited liability company or other entity of which the lock-up party and the immediate family of the lock-up party are the legal and beneficial owner of all of the outstanding equity securities or similar interests, (v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv), (vi) if the lock-up party is a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate of the lock-up party, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the lock-up party or affiliates of the lock-up party or (B) as part of a distribution to stockholders, shareholders, members, limited partners, general partners or subsidiaries of the lock-up party; (vii) by operation of law, such as pursuant to a qualified domestic order, divorce settlement, divorce decree or separation agreement, (viii) to us from an employee upon death, disability or termination of employment of such employee, (ix) to us in connection with the vesting, settlement or exercise of options, warrants or other rights to purchase ordinary shares or ADSs (including, in each case, by way of "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments due as a result of the vesting,

settlement or exercise of such options, warrants or rights, provided that any ordinary shares or ADSs received upon such exercise, vesting or settlement shall be subject to the terms of the lock-up agreement and are held by the lock-up party pursuant to an agreement or equity awards granted under any equity incentive or other benefit plan described in this prospectus, or (x) pursuant to a bona fide third-party tender offer, merger, consolidation scheme of arrangement or other similar transaction approved by our board of directors and made to all shareholders involving a change in control, provided that if such transaction is not completed, all such lock-up securities would remain subject to the restrictions in the immediately preceding paragraph; (b) exercise of the options, settlement of equity awards, or the exercise of warrants granted pursuant to plans described in this prospectus, provided that any lock-up securities received upon such exercise, vesting or settlement would be subject to restrictions similar to those in the immediately preceding paragraph and that any public announcement or filing under the Exchange Act (or applicable rules and regulations of AIM) made by any person during the restricted period shall clearly indicate therein that the underlying shares continue to be subject to the restrictions on transfer set forth in the lock-up agreement; (c) the establishment by lock-up parties of trading plans under Rule 10b5-1 under the Exchange Act, provided that such plan does not provide for the transfer of lock-up securities during the restricted period and any public announcement or filing under the Exchange Act (or applicable rules and regulations of AIM) made by any person during the lock-up period regarding the establishment of such plan shall include a statement that the lock-up party is not permitted to transfer, sell or otherwise dispose of securities under such plan during the lock-up period; (d) deposit ordinary shares with the Depositary, in exchange for the issuance of ADSs or the cancellation of ADSs in exchange for the issuance of ordinary shares, provided that such ADSs or ordinary shares held by the lock-up party shall remain subject to the terms of the lock-up agreement; (e) sell securities acquired in the global offering (other than any issuer-directed securities purchased in the global offering by any of our officers or directors) or ordinary shares or ADSs acquired in open market transactions after the closing of the global offering provided that no filing by any party under the Exchange Act (or applicable rules and regulations of AIM) or other public announcement shall be required or made voluntarily in connection with such sale during the lock-up period; and (f) sell the securities to be sold by the lock-up party pursuant to the terms of the underwriting agreement.

J.P. Morgan Securities LLC and Stifel, Nicolaus & Company, Incorporated, in their sole discretion, may release the securities subject to any of the lock-up agreements with the underwriters described above, in whole or in part at any time, and have agreed with an existing shareholder that in the event that a release is granted to a lock-up party, the same percentage of the securities held by such existing shareholder shall be immediately and fully released on the same terms from the lock-up restrictions described above.

Record holders of our securities are typically the parties to the lock-up agreements with the underwriters and the market standoff agreements with us referred to above, while holders of beneficial interests in our shares who are not also record holders in respect of such shares are not typically subject to any such agreements or other similar restrictions. Accordingly, we believe that certain holders of beneficial interests who are not record holders and are not bound by market standoff or lock-up agreements could enter into transactions with respect to those beneficial interests that negatively impact our share price. In addition, a shareholder who is neither subject to a market standoff agreement with us nor a lock-up agreement with the underwriters may be able to sell, short sell, transfer, hedge, pledge, lend or otherwise dispose of or attempt to sell short sell, transfer, hedge, pledge, lend or otherwise dispose of, their equity interests at any time after the closing of the global offering.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

Our ordinary shares trade on AIM, a market operated by the London Stock Exchange, under the symbol “RENX.” We have applied to list our ADSs on the Nasdaq Global Market under the symbol “RNLX.”

Prior to the U.S. offering, there has been no public market for our ADSs. The initial public offering price for our ADSs will be determined by negotiations between us and the representatives of the underwriters. In determining the initial public offering price, we and the representatives of the underwriters expect to consider a number of factors, including:

- the information set forth in this prospectus and otherwise available to the representatives;
- our prospectus and the history and prospects for the industry in which we compete;
- the trading price of our ordinary shares on AIM;
- an assessment of our management;
- our prospects for future earnings;
- the general condition of the securities markets at the time of the global offering;
- the recent market prices of, and demand for, publicly-traded securities of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

Neither we nor our underwriters can assure investors that an active trading market will develop for our ADSs in the United States, or that the ADSs will trade in the public market at or above the initial public offering price after the U.S. offering.

If you purchase ADSs or ordinary shares offered in this prospectus, you may be required to pay stamp taxes and other charges under the laws and practices of the country of purchase, in addition to the offering price listed on the cover page of this prospectus.

In connection with the global offering, the underwriters may engage in stabilizing transactions, which involves making bids for, purchasing and selling ADSs or ordinary shares in the open market for the purpose of preventing or retarding a decline in the market price of the ADSs or ordinary shares while the global offering is in progress. These stabilizing transactions may include making short sales of ADSs and ordinary shares, which involves the sale by the underwriters of a greater number of ADSs and ordinary shares than they are required to purchase in the global offering, and purchasing ADSs and ordinary shares on the open market to cover positions created by short sales. Short sales may be "covered" shorts, which are short positions in an amount not greater than the underwriters' option to purchase additional ADSs and ordinary shares referred to above, or may be "naked" shorts, which are short positions in excess of that amount. The underwriters may close out any covered short position either by exercising their option to purchase additional ADSs and ordinary shares, in whole or in part, or by purchasing ADSs and ordinary shares in the open market. In making this determination, the underwriters will consider, among other things, the price of ADSs and ordinary shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the option to purchase ADSs and ordinary shares. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the ADSs and ordinary shares in the open market that could adversely affect investors who purchase in the global offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the ADSs and ordinary shares, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase ADSs and ordinary shares in the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those ADSs and ordinary shares as part of the global offering to repay the underwriting discount received by them. Furthermore, stabilization transactions will also need to comply with U.K. and European laws, in particular the Market Abuse Regulation (Regulation (EU) 596/2014).

These activities may have the effect of raising or maintaining the market price of the ADSs and ordinary shares or preventing or retarding a decline in the market price of the ADSs and ordinary shares, and, as a result, the price of the ADSs and ordinary shares may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on Nasdaq, in the over-the-counter market or otherwise.

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required.

The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

European Economic Area and United Kingdom

In relation to each Member State of the European Economic Area and the United Kingdom (each a “Relevant State”), no ADSs or ordinary shares have been offered or will be offered pursuant to the global offering to the public in that Relevant State prior to the publication of a prospectus in relation to the ADSs or ordinary shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of ADSs or ordinary shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the underwriters; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of ADSs or ordinary shares shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person who initially acquires any ADSs or ordinary shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with each of the underwriters and the Company that it is a “qualified investor” within the meaning of Article 2(e) of the Prospectus Regulation. In the case of any ADSs or ordinary shares being offered to a financial intermediary as that term is used in the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the ADSs or ordinary shares acquired by it in the global offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any ADSs or ordinary shares to the public other than their offer or resale in a Relevant State to qualified investors as so defined or in circumstances in which the prior consent of the underwriters have been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an “offer to the public” in relation to ADSs or ordinary shares in any Relevant State means the communication in any form and by any means of sufficient information on the

terms of the offer and any ADSs or ordinary shares to be offered so as to enable an investor to decide to purchase or subscribe for any ADSs or ordinary shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

United Kingdom

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are “qualified investors” (as defined in the Prospectus Regulation) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”) and in circumstances which have not resulted and will not result in an offer to the public of the ADSs or ordinary shares in the United Kingdom within the meaning of the Financial Services and Markets Act 2000.

Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this document relates to may be made or taken exclusively by relevant persons.

Switzerland

The ADSs and ordinary shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX, or on any other stock exchange or regulated trading facility in Switzerland. This document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the ADSs or ordinary shares or the global offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the ADSs or ordinary shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of ADSs or ordinary shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of the ADSs or ordinary shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of ADSs or ordinary shares.

Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority, or DFSA. This document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this document. The securities to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

Australia

This prospectus:

- does not constitute a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth), or the Corporations Act;
- has not been, and will not be, lodged with the Australian Securities and Investments Commission, or ASIC, as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document for the purposes of the Corporations Act; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, available under section 708 of the Corporations Act (“Exempt Investors”).

The ADSs or ordinary shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the ADSs or ordinary shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any ADSs or ordinary shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the ADSs or ordinary shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of ADSs or ordinary shares under this document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the ADSs or ordinary shares you undertake to us that you will not, for a period of 12 months from the date of issue of the ADSs or ordinary shares, offer, transfer, assign or otherwise alienate those ADSs or ordinary shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Hong Kong

The ADSs and ordinary shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), or the SFO, of Hong Kong and any rules made thereunder; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong), or the CO, or which do not constitute an offer to the public within the meaning of the CO. No advertisement, invitation or document relating to the ADSs or ordinary shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the ADSs or ordinary shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made thereunder.

Japan

The ADSs and ordinary shares have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the ADSs or ordinary shares nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any "resident" of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Singapore

Each Representative has acknowledged that this prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Representative has represented and agreed that it has not offered or sold any ADSs or ordinary shares or caused the ADSs or ordinary shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any ADSs or ordinary shares or cause the ADSs or ordinary shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the ADSs or ordinary shares, whether directly or indirectly, to any person in Singapore other than:

(a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA;

(b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or

(c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the ADSs or ordinary shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the ADSs or ordinary shares pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Canada

The ADSs and ordinary shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the ADSs or ordinary shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with the global offering.

Other activities and relationships

Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

Expenses of this offering

Set forth below is an itemization of the total expenses, excluding the underwriting discounts and commissions, which are expected to be incurred in connection with the sale of ADSs in this offering. With the exception of the registration fee payable to the SEC, the Nasdaq listing fee and the filing fee payable to Financial Industry Regulatory Authority, Inc., or FINRA, all amounts are estimates.

Expense	Amount
SEC registration fee	$ 11,196
Nasdaq initial listing fee	$ 150,000
FINRA filing fee	$ 12,788
Printing expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Miscellaneous fees and expenses	*
Total	*

* To be completed by amendment.

Legal matters

The validity of the ADSs being offered by this prospectus and certain other matters of English law will be passed upon for us by Cooley (UK) LLP and certain other matters of U.S. federal law will be passed upon for us by Cooley LLP. Certain legal matters related to this offering will be passed upon for the underwriters by Goodwin Procter LLP, with respect to U.S. federal law, and Goodwin Procter (UK) LLP, with respect to English law.

Experts

The financial statements as of June 30, 2019 and June 30, 2018 and for the year ended June 30, 2019 and for the period March 15, 2018 (inception) through June 30, 2018, included in this Prospectus, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein. Such financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The offices of Deloitte & Touche LLP are located at 100 Kimball Drive, Parsippany NJ 07054.

Service of process and enforcement of liabilities

We are incorporated and currently existing under the laws of England and Wales. In addition, certain of our directors and officers reside outside of the United States and most of the assets of our non-U.S. subsidiaries are located outside of the United States. As a result, it may be difficult for investors to effect service of process on us or those persons in the United States or to enforce in the United States judgments obtained in U.S. courts against us or those persons based on the civil liability or other provisions of the U.S. securities laws or other laws.

In addition, uncertainty exists as to whether the courts of England and Wales would:

- recognize or enforce judgments of U.S. courts obtained against us or our directors or officers predicated upon the civil liabilities provisions of the securities laws of the United States or any state in the United States; or
- entertain original actions brought in England and Wales against us or our directors or officers predicated upon the securities laws of the United States or any state in the United States.

We have been advised by Cooley (UK) LLP and Cooley LLP that there is currently no treaty between (i) the United States and (ii) England and Wales providing for reciprocal recognition and enforcement of judgments of U.S. courts in civil and commercial matters (although the United States and the United Kingdom are both parties to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards) and that a final judgment for the payment of money rendered by any general or state court in the United States based on civil liability, whether or not predicated solely upon the United States securities laws, would not be automatically enforceable in England and Wales. We have also been advised by Cooley (UK) LLP and Cooley LLP that any final and conclusive monetary judgment for a definite sum obtained against us in United States courts would be treated by the courts of England and Wales as a cause of action in itself and sued upon as a debt at common law so that no retrial of the issues would be necessary, provided that:

- the relevant U.S. court had jurisdiction over the original proceedings according to English conflicts of laws principles at the time when proceedings were initiated;
- England and Wales courts had jurisdiction over the matter on enforcement and we either submitted to such jurisdiction or were resident or carrying on business within such jurisdiction and were duly served with process;
- the U.S. judgment was final and conclusive on the merits in the sense of being final and unalterable in the court that pronounced it and being for a definite sum of money;
- the judgment given by the courts was not in respect of penalties, taxes, fines or similar fiscal or revenue obligations (or otherwise based on a U.S. law that an English court considers to relate to a penal, revenue or other public law);
- the judgment was not procured by fraud;
- the judgment was not obtained following a breach of a jurisdictional or arbitrational clause, unless with the agreement of the defendant or the defendant’s subsequent submission to the jurisdiction of the court;
- recognition or enforcement of the judgment in England and Wales would not be contrary to public policy or the Human Rights Act 1998;
- the proceedings pursuant to which judgment was obtained were not contrary to natural justice;

- the U.S. judgment was not arrived at by doubling, trebling or otherwise multiplying a sum assessed as compensation for the loss or damages sustained and not being otherwise in breach of Section 5 of the U.K. Protection of Trading Interests Act 1980, or is a judgment based on measures designated by the Secretary of State under Section 1 of that Act;
- there is not a prior decision of an English court or the court of another jurisdiction on the issues in question between the same parties; and
- the English enforcement proceedings were commenced within the limitation period.

Whether these requirements are met in respect of a judgment based upon the civil liability provisions of the United States securities laws, including whether the award of monetary damages under such laws would constitute a penalty, is an issue for the court making such decision.

Subject to the foregoing, investors may be able to enforce in England and Wales judgments in civil and commercial matters that have been obtained from U.S. federal or state courts. Nevertheless, we cannot assure you that those judgments will be recognized or enforceable in England and Wales.

If an English court gives judgment for the sum payable under a U.S. judgment, the English judgment will be enforceable by methods generally available for this purpose. These methods generally permit the English court discretion to prescribe the manner of enforcement. In addition, it may not be possible to obtain an English judgment or to enforce that judgment if the judgment debtor is or becomes subject to any insolvency or similar proceedings, or if the judgment debtor has any set-off or counterclaim against the judgment creditor. Also note that, in any enforcement proceedings, the judgment debtor may raise any counterclaim that could have been brought if the action had been originally brought in England unless the subject of the counterclaim was in issue and denied in the U.S. proceedings.

Where you can find additional information

We have filed with the SEC a registration statement (including amendments and exhibits to the registration statement) on Form F-1 under the Securities Act with respect to the ADSs offered in this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules filed therewith. For further information with respect to Renalytix AI and the ADSs offered hereby, reference is made to the registration statement and the exhibits and schedules filed therewith. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and each such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement. The SEC maintains a website that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The address is www.sec.gov. We currently make available to the public our annual and interim reports, as well as certain information regarding our corporate governance and other matters, on the Investors page of our website, www.renalytixai.com. The reference to our website address does not constitute incorporation by reference of the information contained on or available through our website, and you should not consider it to be a part of this prospectus.

After this offering, we will be subject to the reporting requirements of the Exchange Act applicable to foreign private issuers. Because we are a foreign private issuer, the SEC's rules do not require us to deliver proxy statements or to file quarterly reports on Form 10-Q, among other things. However, we plan to produce quarterly financial reports and furnish them to the SEC after the end of each of the first three quarters of our fiscal year and to file our annual report on Form 20-F within four months after the end of our fiscal year. Our annual consolidated financial statements will be prepared in accordance with U.S. GAAP and certified by an independent public accounting firm.

We will send the depositary a copy of all notices of shareholders meetings and other reports, communications and information that are made generally available to shareholders. The depositary will, if we so request, mail to all registered holders of ADSs a notice containing the information (or a summary of the information) contained in any notice of a meeting of our shareholders received by the depositary from us or will make available to all registered holders of ADSs such notices and all such other reports and communications received by the depositary from us.

Index to consolidated financial statements

Audited consolidated financial statements

Unaudited interim consolidated financial statements

Report of independent registered public accounting firm

To the Shareholders and the Board of Directors of Renalytix AI plc

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Renalytix AI plc and subsidiaries (the “Company”) as of June 30, 2019 and 2018, the related consolidated statements of operations and comprehensive loss, shareholders’ (deficit) equity, and cash flows, for the year ended June 30, 2019 and for the period March 15, 2018 (inception) to June 30, 2018, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2019 and 2018, and the results of its operations and its cash flows for the year ended June 30, 2019 and for the period March 15, 2018 (inception) to June 30, 2018, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

Parsippany, New Jersey
May 15, 2020

We have served as the Company’s auditor since 2020.

Renalytix AI plc
Consolidated balance sheets

(in thousands, except share and per share data)	June 30, 2018	June 30, 2019
Assets		
Current assets:		
Cash and cash equivalents	$ 82	$ 8,201
Short-term investments	—	994
Prepaid expenses and other current assets	33	227
Total current assets	115	9,422
Property and equipment, net	—	278
Total assets	$ 115	$ 9,700
Liabilities and Shareholders' (Deficit) Equity		
Current liabilities:		
Notes payable to related-party	$ 438	$ —
Accounts payable	10	317
Accrued expenses and other current liabilities	169	832
Total current liabilities	617	1,149
Commitments and contingencies (Note 6)		
Shareholders' (deficit) equity:		
Ordinary shares, £0.0025 par value per share: 56,011,831 shares authorized; 20,000,000 and 53,816,134 shares issued and outstanding at June 30, 2018 and 2019, respectively	66	162
Additional paid-in capital	—	52,084
Accumulated other comprehensive income (loss)	4	(822)
Accumulated deficit	(572)	(42,873)
Total shareholders' (deficit) equity	(502)	8,551
Total liabilities and shareholders' (deficit) equity	$ 115	$ 9,700

The accompanying notes are an integral part of these consolidated financial statements.

Renalytix AI plc
Consolidated statements of operations and comprehensive loss

(in thousands, except share data)	From March 15, 2018 (inception) through June 30, 2018	Year ended June 30, 2019
Operating expenses:		
Acquired in-process research and development	$ —	$ 35,286
Research and development	193	4,316
General and administrative	374	2,737
Total operating expenses and loss from operations	(567)	(42,339)
Other income (expense), net	(5)	38
Net loss	(572)	(42,301)
Other comprehensive income (loss):		
Foreign exchange translation adjustment	4	(826)
Total comprehensive loss	$ (568)	$ (43,127)
Net loss per ordinary share—basic and diluted	$ (0.03)	$ (0.99)
Weighted average ordinary shares—basic and diluted	20,000,000	42,561,600

The accompanying notes are an integral part of these consolidated financial statements.

Renalytix AI plc
Consolidated statements of shareholders' (deficit) equity

(in thousands, except share and per share data)	Ordinary shares		Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated deficit	Total shareholders' (deficit) equity
	Shares	Amount				
Balance at March 15, 2018 (inception)	—	$ —	$ —	$ —	$ —	$ —
Issuance of ordinary shares upon formation	20,000,000	66	—	—	—	66
Currency translation adjustments	—	—	—	4	—	4
Net loss	—	—	—	—	(572)	(572)
Balance at June 30, 2018	20,000,000	66	—	4	(572)	(502)
Ordinary shares issued to acquire Joslin license	15,427,704	49	24,237	—	—	24,286
Sale of ordinary shares in initial public offering, net of offering costs of $1,742	18,388,430	47	27,322	—	—	27,369
Share-based compensation expense	—	—	525	—	—	525
Currency translation adjustments	—	—	—	(826)	—	(826)
Net loss	—	—	—	—	(42,301)	(42,301)
Balance at June 30, 2019	53,816,134	$ 162	$ 52,084	$ (822)	$ (42,873)	$ 8,551

The accompanying notes are an integral part of these consolidated financial statements.

Renalytix AI plc
Consolidated statements of cash flows

(in thousands)	From March 15, 2018 (inception) through June 30, 2018	Year ended June 30, 2019
Cash flows from operating activities:		
Net loss	$ (572)	$ (42,301)
Adjustments to reconcile net loss to net cash used in operating activities		
Non-cash in-process research and development charge	—	35,286
Depreciation	—	31
Share-based compensation	—	525
Realized gain on short-term investments	—	(24)
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(35)	(197)
Accounts payable	10	303
Accrued expenses and other current liabilities	170	221
Net cash used in operating activities	(427)	(6,156)
Cash flows from investing activities:		
Purchases of property and equipment	—	(309)
Purchase of short-term investments	—	(4,970)
Proceeds from short-term investments	—	4,000
Acquired in-process research and development	—	(11,021)
Net cash used in investing activities	—	(12,300)
Cash flows from financing activities:		
Gross proceeds from the issuance of ordinary shares	66	29,111
Offering costs associated with the issuance of ordinary shares	—	(1,292)
Proceeds from related-party notes	442	633
Repayment of related-party notes	—	(1,069)
Net cash provided by financing activities	508	27,383
Effect of exchange rate changes on cash	1	(808)
Net increase in cash and cash equivalents	82	8,119
Cash and cash equivalents, beginning of period	—	82
Cash and cash equivalents, end of period	$ 82	$ 8,201
Supplemental disclosure of cashflow information:		
Cash paid for interest	$ —	$ 21
Cash received for interest income	$ —	$ 34
Supplemental noncash financing activities:		
Ordinary shares issued to acquire Joslin license	$ —	$ 24,286
Offering costs within accrued expenses	$ —	$ 450

The accompanying notes are an integral part of these consolidated financial statements.

Renalytix AI plc
Notes to consolidated financial statements

1. Business and risks

Renalytix AI plc and its wholly-owned subsidiary, Renalytix AI, Inc. (collectively, RenalytixAI, or the Company) is an artificial intelligence-enabled *in vitro* diagnostics company, focused on optimizing clinical management of kidney disease to drive improved patient outcomes and significantly lower healthcare costs. KidneyIntelX, the Company's first-in-class diagnostic platform, employs a proprietary artificial intelligence-enabled algorithm that combines diverse data inputs, including validated blood-based biomarkers, inherited genetics and personalized patient data from EHR systems, to generate a unique patient risk score. KidneyIntelX has already been granted a Current Procedural Terminology, or CPT, code, national Medicare pricing and a positive coverage determination from a regional, private physician-led health insurance payor. Further, it has been granted breakthrough device designation from the Food and Drug Administration, or FDA.

Since inception in March 2018, the Company has focused primarily on organizing and staffing the Company, raising capital, developing the KidneyIntelX platform, conducting clinical validation studies for KidneyIntelX, establishing and protecting its intellectual property portfolio and commercial laboratory operations, pursuing regulatory clearance and developing a reimbursement strategy. To date, the Company has not generated any revenue from the sales of KidneyIntelX tests. The Company has funded its operations primarily through equity financings.

In November 2018, the Company sold 18.4 million of its ordinary shares in its initial public offering, or IPO, and its ordinary shares were admitted to AIM, a market operated by the London Stock Exchange, resulting in aggregate net proceeds of approximately $27.4 million. In July 2019, the Company sold an additional 5.6 million of its ordinary shares in a secondary offering for aggregate net proceeds of $16.6 million. Prior to the IPO, EKF Diagnostics Holdings ("EKF"), a related party, provided debt financing. All borrowings with EKF were repaid in their entirety upon completion of the equity offering in November 2018. The Company has no current debt obligations as of June 30, 2019.

The Company is subject to risks and uncertainties common to early-stage companies in the diagnostics industry, including, but not limited to, ability to secure additional capital to fund operations, compliance with governmental regulations, development by competitors of new technological innovations, dependence on key personnel and protection of proprietary technology. To achieve widespread usage, KidneyIntelX and additional diagnostic products currently under development will require extensive clinical testing and validation prior to regulatory approval and commercialization. These efforts require significant amounts of additional capital, adequate personnel, and infrastructure and extensive compliance-reporting capabilities.

2. Liquidity

On November 6, 2018, the Company sold 18.4 million ordinary shares in an IPO at $1.57 per share resulting in net proceeds of approximately $27.4 million and its ordinary shares were admitted to trading on the AIM. At June 30, 2019, the Company had cash, cash equivalents and short-term investments of $9.2 million. The Company has incurred recurring losses and negative cash flows from operations since inception and had an accumulated deficit of $42.9 million as of June 30, 2019. In July 2019, the Company sold 5.6 million of its ordinary shares to several new and existing investors in exchange for $16.6 million of net cash proceeds. The Company anticipates incurring additional losses until such time, if ever, that it can generate significant sales of KidneyIntelX or any future products currently in development. Management believes its cash, cash equivalents and short-term investments as of June 30, 2019, and the proceeds from the sale of its ordinary shares in July

Renalytix AI plc

Notes to consolidated financial statements — (continued)

2019, are sufficient to fund the projected operations for at least the next twelve months from the issuance date of these financial statements. Substantial additional capital will be needed by the Company to fund its operations, expand its commercial activities and develop other potential diagnostic related products.

The Company plans to seek additional funding through public or private equity offerings, debt financings, other collaborations, strategic alliances and licensing arrangements. The Company may not be able to obtain financing on acceptable terms, or at all, and the Company may not be able to enter into strategic alliances or other arrangements on favorable terms, or at all. The terms of any financing may adversely affect the holdings or the rights of the Company's shareholders. If the Company is unable to obtain funding, the Company could be required to delay, curtail or discontinue research and development programs, product portfolio expansion or future commercialization efforts, which could adversely affect its business prospects.

3. Basis of presentation and summary of significant accounting policies

The accompanying consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States (U.S. GAAP). Any reference in these notes to applicable guidance is meant to refer to U.S. GAAP as found in the Accounting Standards Codification (ASC) and Accounting Standards Updates (ASU) of the Financial Accounting Standards Board (FASB).

Principles of consolidation

The consolidated financial statements include the accounts of Renalytix AI plc and its wholly-owned subsidiary, Renalytix AI, Inc. All inter-company balances and transactions have been eliminated in consolidation.

Use of estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual results could differ from those estimates. Due to the uncertainty of factors surrounding the estimates or judgments used in the preparation of the consolidated financial statements, actual results may materially vary from these estimates.

Estimates and assumptions are periodically reviewed and the effects of revisions are reflected in the consolidated financial statements in the period they are determined to be necessary. Significant areas that require management's estimate include the assumptions used in determining the fair value of share-based awards, the value of consideration for the acquired in-process research and development and in recording the prepaid/accrual, and associated expense, for research and development activities performed for the Company by third parties.

Segment information

The Company manages its operations as a single operating segment for the purposes of assessing performance and making operating decisions. The Company's singular focus is to make significant improvements in kidney disease diagnosis and prognosis, clinical care, patient stratification for drug clinical trials, and drug target discovery.

Renalytix AI plc

Notes to consolidated financial statements — (continued)

Foreign currency translation

The Company's consolidated financial statements are presented in U.S. dollars, the reporting currency of the Company. The functional currency of Renalytix AI plc and Renalytix AI, Inc. is GB pounds and U.S. dollar, respectively. Assets and liabilities of Renaltyix AI plc are translated at the rate of exchange at year-end, while the statements of operations are translated at the weighted average exchange rates in effect during the reporting period. The net effect of these translation adjustments is shown as a component of accumulated other comprehensive income (loss).

Concentrations of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. Periodically, the Company maintains deposits in accredited financial institutions in excess of federally insured limits. The Company deposits its cash in financial institutions that it believes have high credit quality and are not exposed to any unusual credit risk beyond the normal credit risk associated with commercial banking relationships, and has not experienced any losses on such accounts. At June 30, 2018 and 2019, all of the Company's cash was held at two accredited financial institutions.

Fair value of financial instruments

At June 30, 2018 and 2019, the Company's financial instruments included prepaid expenses and other current assets, accounts payable and other current liabilities. The carrying amounts of these assets and liabilities approximates fair value due to their short-term nature.

Cash and cash equivalents

The Company considers all highly liquid investments purchased with an original maturity of 90 days or less to be cash equivalents. As of June 30, 2019, the Company had a cash balance of $7.2 million and cash equivalents consisting of $1.0 million held in U.S. Treasury Bills.

Short-term investments

Short-term investments consist of debt securities with a maturity date greater than three months when acquired. The Company classifies its short-term investments at the time of purchase as available-for-sale securities. Available-for-sale securities are carried at fair value. Unrealized gains or losses on available-for-sale securities are reported in accumulated other comprehensive income (loss), a component of the shareholders' (deficit) equity, until realized. Short-term investments at June 30, 2019 consisted of U.S. Treasury Bills with a fair value of $1.0 million. Unrealized gains (losses) were de minimis as their maturity date was 91 days from original purchase.

Deferred offering costs

The Company capitalizes certain legal, professional, accounting and other third-party fees that are directly associated with in-process common equity financings as deferred offering costs until such financings are consummated. After consummation of the equity financing, these costs are recorded as a reduction of

Renalytix AI plc

Notes to consolidated financial statements — (continued)

additional paid-in capital generated as a result of such offering. Should an in-process equity financing be abandoned, the deferred offering costs will be expensed immediately as a charge to operating expenses in the consolidated statements of operations and comprehensive loss. The Company had no deferred offering costs as of June 30, 2018 and 2019.

Property and equipment

Property and equipment are recorded at cost and consist of lab equipment. Depreciation and amortization is determined using the straight-line method over the estimated useful lives ranging from three to ten years. Expenditures for maintenance and repairs are expensed as incurred while renewals and betterments are capitalized. When property and equipment are sold or otherwise disposed of, the cost and related accumulated depreciation are eliminated from the accounts and any resulting gain or loss is reflected in operations. During the year ended June 30, 2019, the Company acquired lab equipment at a cost of $0.3 million and depreciation expense of $31,000 was recorded on these assets during this period.

Impairment of long-lived assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated. Impairment charges are recognized at the amount by which the carrying amount of an asset exceeds the fair value of the asset. The Company has not recognized any impairment of long-lived assets for the period from May 15, 2018 (inception) through June 30, 2018 and for the year ended June 30, 2019.

Acquired in-process research and development expenses

Acquired in-process research and development (IPR&D) expense consists of the initial up-front payments incurred in connection with the acquisition or licensing of products or technologies that do not meet the definition of a business under FASB ASC Topic 805, *Business Combinations*. The Company's acquired IPR&D expense of $35.3 million, which reflects the fair value of consideration ascribed to the licenses acquired from Mount Sinai (see Note 7) and the license transfer from EKF (see Note 7).

Research and development expenses

Research and development costs consist primarily of costs incurred in connection with the development of KidneyIntelX and other studies for KidneyIntelX to determine clinical value and performance in different chronic kidney disease populations. Research and development costs are expensed as incurred.

At the end of the reporting period, the Company compares payments made to third-party service providers to the estimated progress toward completion of the research or development objectives. Such estimates are subject to change as additional information becomes available. Depending on the timing of payments to the service providers and the progress that the Company estimates has been made as a result of the service provided, the Company may record a prepaid expense or accrued liability relating to these costs. Upfront milestone payments made to third parties who perform research and development services on the Company's behalf are expensed as services are rendered. Contingent development or regulatory milestone payments are recognized upon the related resolution of such contingencies.

Renalytix AI plc

Notes to consolidated financial statements — (continued)

Share-based compensation

The Company measures equity classified share-based awards granted to employees and nonemployees based on the estimated fair value on the date of grant and recognizes compensation expense of those awards over the requisite service period, which is the vesting period of the respective award. The Company accounts for forfeitures as they occur. For share-based awards with service-based vesting conditions, the Company recognizes compensation expense on a straight-line basis over the service period. The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option-pricing model, which requires inputs based on certain subjective assumptions, including the expected stock price volatility, the expected term of the option, the risk-free interest rate for a period that approximates the expected term of the option, and the Company's expected dividend yield. The Company was a privately-held organization prior to November 2018 and has been a publicly-traded company for a limited period of time and therefore lacks company-specific historical and implied volatility information for its shares. Therefore, it estimates its expected share price volatility based on the historical volatility of publicly-traded peer companies and expects to continue to do so until such time as it has adequate historical data regarding the volatility of its own traded share price. The expected term of the Company's stock options has been determined utilizing the "simplified" method for awards that qualify as "plain-vanilla" options. The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for time periods approximately equal to the expected term of the award. Expected dividend yield is none based on the fact that the Company has never paid cash dividends on ordinary shares and does not expect to pay any cash dividends in the foreseeable future.

The Company classifies share-based compensation expense in its consolidated statement of operations and comprehensive loss in the same manner in which the award recipient's payroll costs are classified or in which the award recipient's service payments are classified.

Income taxes

Income taxes are accounted for under the asset and liability method as required by FASB ASC Topic 740, *Income Taxes (ASC 740)*. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A reduction in the carrying value of the deferred tax assets is required when it is not more likely than not that such deferred tax assets are realizable.

FASB ASC Subtopic 740-10, *Accounting for Uncertainty of Income Taxes (ASC 740-10)*, defines the criterion an individual tax position must meet for any part of the benefit of the tax position to be recognized in financial statements prepared in conformity with U.S. GAAP. The Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not such tax position will be sustained on examination by the taxing authorities, based solely on the technical merits of the respective tax position. The tax benefits recognized in the financial statements from such a tax position should be measured based on the largest benefit having a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority. In accordance with disclosure requirements of ASC 740-10, the Company's policy on income statement

Renalytix AI plc

Notes to consolidated financial statements — (continued)

classification of interest and penalties related to income tax obligations is to include such items as part of income tax expense.

Comprehensive loss

Comprehensive loss includes net loss as well as other changes in shareholders' (deficit) equity that result from transactions and economic events other than those with shareholders.

Net loss per ordinary share

Basic net loss per ordinary share is computed by dividing net loss by the weighted average number of ordinary shares outstanding during each period. Diluted net loss per ordinary share includes the effect, if any, from the potential exercise or conversion of securities, such as options which would result in the issuance of incremental ordinary shares. In computing basic and diluted net loss per share, the weighted average number of shares is the same for both calculations due to the fact that a net loss existed for the period from March 15, 2018 (inception) through June 30, 2018 and the year ended June 30, 2019.

Potentially dilutive securities outstanding as of June 30, 2019 have been excluded from the computation of diluted weighted average shares outstanding, as they would be anti-dilutive. As of June 30, 2019, there were 2,195,697 shares issuable upon exercise of outstanding options that were anti-dilutive and excluded from diluted loss per share for the year ended June 30, 2019. There were no potentially dilutive securities outstanding at June 30, 2018.

Emerging growth company

The Company is an emerging growth company as defined in the Jumpstart Our Business Startups Act of 2012, as amended (the "JOBS Act"). Under the JOBS Act, companies have extended transition periods available for complying with new or revised accounting standards. The Company has elected to avail itself of this exemption and, therefore, while the Company is an emerging growth company it will not be subject to new or revised accounting standards at the same time that they become applicable to other public emerging growth companies that have not elected to avail themselves of this exemption.

Recently adopted accounting pronouncements

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606) ("ASU 2014-09")*, which supersedes existing revenue recognition guidance under U.S. GAAP. This standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled to in exchange for those goods or services. The standard defines a five-step process to achieve this principle and will require companies to use more judgment and make more estimates than under the current guidance. The Company expects that these judgments and estimates will include identifying performance obligations in the customer contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. ASU 2014-09 also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, which delayed the effective date of ASU 2014-09 such that the standard is effective for

Renalytix AI plc

Notes to consolidated financial statements — (continued)

non-public entities for annual periods beginning after December 15, 2018 and for interim periods beginning after December 15, 2019. The FASB subsequently issued amendments to ASU 2014-09 that have the same effective date and transition date. The Company early adopted ASU 2014-09 as of January 1, 2018, and the adoption had no impact on the Company's financial position, results of operations or cash flows as the Company does not currently have any revenue-generating arrangements.

In March 2016, the FASB issued ASU 2016-09, *Compensation-Stock Compensation: Improvements to Employee Share-Based Payment Accounting*. This standard will require entities to recognize all excess tax benefits and tax deficiencies in the statement of operations as a discrete item in the reporting period in which they occur. The standard also allows an employer to withhold up to the maximum statutory tax rate and still qualify for equity classification. Classification of excess tax benefits on the statement of cash flows should be classified as an operating activity, and employee taxes paid when an employer withholds shares for tax-withholding purposes should be classified as a financing activity. The provisions that affect the statement of operations will be effective prospectively in the year of adoption and the provisions that affect the statement of cash flows will be effective retrospectively. This Company adopted this standard at its inception and it had no impact on the Company's consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurements*, which changes the fair value measurement disclosure requirements of ASC 820. The goal of the ASU is to improve the effectiveness of ASC 820's disclosure requirements. The standard is applicable to the Company for fiscal years beginning July 1, 2020, and interim periods within those years. The Company adopted this guidance on July 1, 2018, and it did not have a material impact on its consolidated financial statements.

Recently issued accounting pronouncements

In August 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*. ASU No. 2016-15 addresses eight specific cash flow issues with the objective of reducing diversity in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The new standard is effective for fiscal years beginning July 1, 2019, and interim periods within those years. The adoption of this guidance will not have a material impact to its consolidated statement of cash flows.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, in order to increase transparency and comparability among organizations by, among other provisions, recognizing lease assets and lease liabilities on the balance sheet for those leases classified as operating leases under previous U.S. GAAP. For public companies, ASU 2016-02 is effective for fiscal years beginning after December 15, 2018 (including interim periods within those periods) using a modified retrospective approach and early adoption is permitted. In transition, entities may also elect a package of practical expedients that must be applied in its entirety to all leases commencing before the adoption date, unless the lease is modified, and permits entities to not reassess (a) the existence of a lease, (b) the lease classification or (c) the determination of initial direct costs, as of the adoption date, which effectively allows entities to carryforward accounting conclusions under previous U.S. GAAP. In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, which provides entities an optional transition method to apply the guidance under Topic 842 as of the adoption date, rather than as of the earliest period presented. The new standard is effective for fiscal years beginning July 1, 2021,

Renalytix AI plc

Notes to consolidated financial statements — (continued)

and interim periods within those years. The Company is currently evaluating the impact of adopting this guidance to its consolidated financial statements.

4. Fair value

Assets and liabilities recorded at fair value on a recurring basis in the consolidated balance sheets are categorized based upon the level of judgment associated with the inputs used to measure their fair values. Fair value is defined as the exchange price that would be received for an asset or an exit price that would be paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The authoritative guidance on fair value measurements establishes a three-tier fair value hierarchy for disclosure of fair value measurements as follows:

- Level 1 - Quoted prices (unadjusted in active markets for identical assets or liabilities)
- Level 2 - Inputs other than quoted prices in active markets that are observable either directly or indirectly
- Level 3 - Unobservable inputs in which there is little or no market data, which require the Company to develop its own assumptions

This hierarchy requires the use of observable market data when available and to minimize the use of unobservable inputs when determining fair value. The Company has classified cash equivalents and short-term investments at June 30, 2019, which were comprised of U.S. Treasury Bills and measured at fair value on a recurring basis, as Level 1.

5. Accrued expenses

Accrued expenses consisted of (in thousands):

	June 30,	
	2018	**2019**
Consulting and professional fees	$160	$719
Payroll and related benefits	—	28
Other	9	85
	$169	$832

6. Commitments and contingencies

Leases

In June 2018, the Company entered into an office lease and, in February 2019, the Company entered into a lease for laboratory testing facilities and offices. Each lease is located in New York City and are month-to-month leasing arrangements. Additionally, in February 2019, the Company entered into a lease for an apartment used by executives for traveling requirements. The apartment was located in New York and expired in October 2019. Rent expense for all leases was $9,000 for the period from March 15, 2018 (inception) through June 30, 2018 and $0.2 million for the year ended June 30, 2019. Future rent commitments are $0.1 million at June 30, 2019, and will be paid in less than one year.

Renalytix AI plc

Notes to consolidated financial statements — (continued)

Employment agreements

The Company has entered into employment agreements with certain key executives providing for compensation and severance in certain circumstances, as set forth the agreements.

Retirement plans

The Company maintains a defined contribution 401(k) retirement plan which covers all U.S. employees. Employees are eligible after three months of service. Under the 401(k) plan, participating employees may make contributions in an amount up to the limit set by the Internal Revenue Service on an annual basis. The Company has a safe harbor plan and makes contributions to employee accounts of 5% of compensation (as defined by the plan). The Company paid $14,000 in contributions for the year ended June 30, 2019. The Company did not make contributions to the plan for the period from March 15, 2018 (inception) through June 30, 2018.

Legal proceedings

The Company is not a party to any litigation and does not have contingency reserves established for any litigation liabilities. At each reporting date, the Company evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under the provisions of the authoritative guidance that addresses accounting for contingencies.

7. License agreements

Mount Sinai license and sponsored research agreements

On May 30, 2018, the Company entered into an exclusive license agreement (the ISMMS License Agreement) and, on March 7, 2019, a sponsored research agreement (the ISMMS SRA) with the Icahn School of Medicine at Mount Sinai (ISMMS or Mount Sinai). Under the terms of the ISMMS License Agreement, ISMMS granted the Company (i) an exclusive, sublicensable license to use certain patent rights covering specific inventions concerning the utilization of biomarkers guided artificial intelligence techniques for detecting kidney functional decline (the ISMMS Technology), (ii) a non-exclusive license under unregistered licensed copyrights and licensed know-how and (iii) an exclusive option to obtain licensed technology conceived after May 30, 2018. A license issuance fee of $10.0 million was contingent upon the Company's completion of an IPO and upon payment, was recorded as acquired in-process research and development expense during the year ended June 30, 2019 on the Company's consolidated statements of operations and comprehensive loss. The Company accounted for this transaction as an asset acquisition as substantially all of the value acquired by the Company consisted of a single asset with no alternative future use. The Company is obligated to pay Mount Sinai $1.5 million and $7.5 million in commercial milestone payments upon achieving worldwide net sales of KidneyIntelX of $50.0 million and $300.0 million, respectively. The Company is also obligated to pay Mount Sinai a 4% to 5% royalty on net sales of KidneyIntelX, subject to customary reductions. Royalties are payable on a product-by-product basis from first commercial sale of such product until the later of (1) expiration of the last valid claim of a licensed patent covering such product or (2) on a country-by-country basis, 12 years from first commercial sale of such product in such country. Moreover, the Company is obligated to pay Mount Sinai between 15% and 25% of any consideration received from a sublicensee.

As part of the ISMMS SRA, the Company has agreed to fund several research projects to further develop the ISMMS Technology. The Company incurred approximately $0.2 million in research and development expenses under the ISMMS SRA for the year ended June 30, 2019.

Renalytix AI plc

Notes to consolidated financial statements — (continued)

Mount Sinai license agreement for FractalDx

On December 21, 2018, the Company entered into an exclusive license agreement (the ISMMS FractalDx License Agreement) with ISMMS. Under the terms of the ISMMS FractalDx License Agreement, ISMMS granted the Company (i) an exclusive license, with sub-license rights, to use certain patent rights covering specific inventions concerning the utilization of biomarkers guided artificial intelligence techniques for detecting kidney functional decline (the ISMMS Technology), (ii) a non-exclusive license under unregistered licensed copyrights and licensed know-how and (iii) an exclusive option to obtain licensed technology conceived after May 30, 2018. An up-front license fee of $1.0 million was paid and recorded as acquired in-process research and development expense during the year ended June 30, 2019 on the Company's consolidated statements of operations and comprehensive loss. The Company accounted for this transaction as an asset acquisition as substantially all of the value acquired by the Company consisted of a single asset with no alternative future use. The patent reimbursement fees of approximately $0.3 million were also paid and expensed as general and administrative expenses during the year ended June 30, 2019. The Company is obligated to pay Mount Sinai $0.3 million upon receipt of certain regulatory clearance and approval, $0.3 million upon receipt of U.S. CMS reimbursement code or PAMA reimbursement approval. In addition, the Company is obligated to pay Mount Sinai $1.0 million and $4.0 million in commercial milestone payments upon achieving worldwide net sales of FractalDx of $50.0 million and $250.0 million, respectively. The Company is also obligated to pay Mount Sinai a 6% to 8% royalty on net sales of FractalDx, subject to customary reductions. Moreover, the Company is obligated to pay Mount Sinai between 15% and 70% of any consideration received from a sublicensee.

Royalties are payable on a product-by-product basis from first commercial sale of such product until the later of (1) expiration of the last valid claim of a licensed patent covering such product or (2) on a country-by-country basis, 12 years from first commercial sale of such product in such country. The Company is also subject to an annual license maintenance fee of $25,000 in calendar year 2020 and 2021, $50,000 in calendar year 2022 and 2023, $0.1 million in calendar years 2024 through 2027, and $0.2 million for calendar year 2028 and beyond.

Joslin diabetes center agreement

In October 2018, the Company purchased a worldwide exclusive license agreement with Joslin (the Joslin Agreement) that was previously entered into with EKF, a related party, in July 2017. The license agreement provides the Company with the right to develop and commercialize licensed products covering a novel methodology of diagnosing and predicting kidney disease using certain biomarkers (the Joslin Diabetes Technology). The Company issued 15,427,704 ordinary shares as consideration for total noncash consideration of $24.3 million. Given the timing of the assignment of license to the Company's IPO on AIM, the estimated fair value of the ordinary shares issued was $1.57 per share. The noncash consideration was expensed as acquired in-process research and development expense during the year ended June 30, 2019 on the Company's consolidated statements of operations and comprehensive loss. The Company accounted for this transaction as an asset acquisition as substantially all of the value acquired by the Company consisted of a single asset with no alternative future use.

Under the terms of the Joslin Agreement, the Company is obligated to pay Joslin aggregate commercial milestone payments of $0.3 million and $1.0 million in commercial milestone payments upon achieving worldwide net sales of licensed products and processes of $2.0 million and $10.0 million, respectively. The Company is also obligated to pay Joslin a 5% royalty on net sales of any licensed products or licensed processes, subject to customary reductions. Moreover, the Company is obligated to pay Joslin 25% of any consideration received from a sublicensee.

Renalytix AI plc

Notes to consolidated financial statements — (continued)

The Joslin Agreement initially expires on July 31, 2025 and is subject to an automatic five-year extension unless either party notifies the other party of its intent not to extend the agreement at least 180 days prior to initial expiration. Either party may terminate the Joslin Agreement earlier upon an uncured material breach of the agreement by the other party, the insolvency of the other party, or in the event the other party is unable to perform its obligations under the agreement for a specified period. Additionally, Joslin may terminate the agreement in the event that the Company ceases developing or commercializing licensed products or processes, if the Company fails to maintain certain required insurance policies, and if the Company fails to pay patent expenses related to the licensed patents.

8. Shareholders' (deficit) equity

Ordinary shares

As of June 30, 2019, the Company had 56,011,831 ordinary shares authorized on a fully diluted basis. Each share entitles the holder to one vote on all matters submitted to a vote of the Company's shareholders. Ordinary shareholders are entitled to receive dividends as may be declared by the board of directors. From inception through June 30, 2019, no cash dividends have been declared or paid.

9. Share-based compensation

In November 2018, Company established the Renalytix AI plc Share Option Plan (the Plan) and a U.S. Sub-Plan and Non-Employee Sub-Plan. The Plan provides for the Company to grant options, restricted share awards and other share-based awards to employees, directors and consultants of the Company. As of June 30, 2019, there were 5,601,183 shares available for future issuance under the Plan.

The Plan is administered by the board of directors. The exercise prices, vesting and other restrictions are determined at their discretion, except that all options granted have exercise prices equal to the fair value of the underlying ordinary shares on the date of the grant and the term of stock option may not be greater than ten years from the grant date.

The options granted as of June 30, 2019 vest equally over twelve quarters following the grant date, with the exception of 80,724 options which vested immediately when granted. If options remain unexercised after the date one day before the tenth anniversary of grant, the options expire. On termination of employment, any options that remain unexercised are either forfeited immediately or after a delayed expiration period, depending on the circumstances of termination. Upon the exercise of awards, new ordinary shares are issued by the Company.

The Company recorded share-based compensation expense in the following expense categories in the consolidated statements of operations for the year ended June 30, 2019 (in thousands):

Research and development	$322
General and administrative	203
	$525

The fair value of options is estimated using the Black-Scholes option pricing model, which takes into account inputs such as the exercise price, the value of the underlying ordinary shares at the grant date, expected term,

Renalytix AI plc

Notes to consolidated financial statements — (continued)

expected volatility, risk-free interest rate and dividend yield. The fair value of each grant of options during the year ended June 30, 2019 was determined using the methods and assumptions discussed below.

- The expected term of employee options is determined using the "simplified" method, as prescribed in SEC's Staff Accounting Bulletin (SAB) No. 107, whereby the expected life equals the arithmetic average of the vesting term and the original contractual term of the option due to the Company's lack of sufficient historical data.
- The expected volatility is based on historical volatility of the publicly-traded common stock of a peer group of companies.
- The risk-free interest rate is based on the interest rate payable on U.S. Treasury securities in effect at the time of grant for a period that is commensurate with the assumed expected term.
- The expected dividend yield is none because the Company has not historically paid and does not expect for the foreseeable future to pay a dividend on its ordinary shares.

For the year ended June 30, 2019, the grant date fair value of all option grants was estimated at the time of grant using the Black-Scholes option-pricing model using the following weighted average assumptions:

Expected term (in years)	5.8
Expected volatility	66.9%
Risk-free rate	3.1%
Dividend yield	—

The weighted average fair value of the options granted during the year ended June 30, 2019 was $0.97 per share.

The following table summarizes the stock option granted to employees and nonemployees for the year ended June 30, 2019:

	Number of shares under option plan		Weighted-average exercise price per option	Weighted-average remaining contractual life (in years)
Outstanding at June 30, 2018	—	$	—	
Granted	2,195,697	$	1.57	
Outstanding at June 30, 2019	2,195,697	$	1.57	9.4
Exercisable at June 30, 2019	433,420	$	1.57	
Vested and expected to vest at June 30, 2019	2,195,697	$	1.57	9.4

As of June 30, 2019, there was $1.6 million in unrecognized compensation cost related to unvested options that will be recognized as expense over a weighted average period of 1.71 years. The aggregate intrinsic value of options outstanding and options exercisable at June 30, 2019 was $3.4 million and $0.7 million, respectively.

Renalytix AI plc

Notes to consolidated financial statements — (continued)

10. Income taxes

Loss from operations before income taxes was comprised of the following (in thousands):

	From March 15, 2018 (inception) through June 30, 2018	Year ended June 30, 2019
United Kingdom	$ (118)	$ (37,803)
United States	(454)	(4,498)
	(572)	(42,301)

Due to the pretax losses reported in both the United Kingdom and United States for all periods since inception there is no income tax expense or benefit.

A reconciliation of income tax benefit from continuing operations as reflected in the financial statements is as follows:

	From March 15, 2018 (inception) through June 30, 2018	Year ended June 30, 2019
U.K. tax benefit at statutory rate	(19.0)%	(19.0)%
State taxes, net of federal benefit	(9.1)	(1.2)
Permanent differences	0.1	8.0
Research and development	0.0	0.0
Change in valuation allowance	29.2	11.4
Other	(1.2)	0.7
Effective tax rate	0.0%	0.0%

The principal components of the Company's deferred tax assets and liabilities were as follows (in thousands):

	June 30,	
	2018	2019
Deferred tax assets:		
Net operating losses	$ 163	$ 1,832
Research and development licenses	—	2,831
Development costs	—	301
Share-based compensation	—	88
Other	3	6
Valuation allowances	(166)	(5,000)
Total deferred tax assets	—	58
Deferred tax liabilities:		
Depreciation	—	(58)
Total deferred tax liabilities	—	(58)
Net deferred tax	$ —	$ —

Renalytix AI plc

Notes to consolidated financial statements — (continued)

The Company does not have unrecognized tax benefits as of June 30, 2018 or 2019. The Company recognizes interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense.

The Company's net operating loss carryforwards ("NOL") for U.K., U.S. federal and U.S. state income tax purposes consisted of the following (in thousands):

	June 30,	
	2018	2019
United Kingdom	$ 97	$1,667
U.S. Federal	452	4,770
U.S. State and Local	905	9,540

The U.K. and U.S. federal net operating loss carryforwards have no expiration. The Company recorded a valuation allowance on the deferred tax assets as of June 30, 2018 and June 30, 2019 because of the uncertainty of their realization. The valuation allowance increased by $0.2 million for the period from March 15, 2018 (inception) through June 30, 2018, and by $4.8 million for the year ended June 30, 2019.

Utilization of the net operating losses and general business tax credits carryforwards may be subject to a substantial limitation under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, if changes in ownership of the company have occurred previously or may occur in the future. Ownership changes may limit the amount of net operating losses and general business tax credits carryforwards that can be utilized annually to offset future taxable income and tax, respectively. In general, an ownership change, as defined by Section 382, results from transactions increasing the ownership of five percent (5%) or greater shareholders in the stock of a corporation by more than 50 percentage points over a three-year period. If the Company experiences a Section 382 ownership change, the tax benefits related to the U.S. federal NOL carry forwards may be further limited or lost.

The Company files income tax returns in the United Kingdom, the U.S. federal jurisdiction and various U.S. state jurisdictions. The Company's 2018 and 2019 tax returns remain subject to examination.

11. Related-party transactions

As discussed in Note 7, in October 2018, the Company purchased a worldwide exclusive license agreement with Joslin, that was previously entered into with EKF in July 2017, in exchange for the issuance of 15,427,704 of the Company's ordinary shares.

EKF provided short-term loans to the Company in the form of notes payable. During the period from March 15, 2018 (inception) through June 30, 2018 and for the year ended June 30, 2019, the Company borrowed $0.4 million and $0.6 million, respectively. The notes bore interest at an annual rate of 5%. All outstanding principal and accrued interest of $1.0 million and $21,000, respectively, was repaid in November 2018 upon consummation of the Company's IPO. Interest expense during the period from March 15, 2018 (inception) through June 30, 2018 was $5,000. The Company recognized interest expense of $16,000 during the year ended June 30, 2019.

In May 2018, the Company secured its cornerstone license agreement with ISMMS for research and clinical study work and intended commercialization by the Company (see Note 7). As part of the collaboration, ISMMS became a shareholder in the Company and has subsequently made equity investments both in the Company's IPO in November 2018 and the subsequent sale of ordinary shares in July 2019. Additionally, in December 2018, the Company executed its option with ISMMS for the FractalDx license, which grants rights to technology and

Renalytix AI plc

Notes to consolidated financial statements — (continued)

patents relating to a series of potential diagnostics and prognostics in the field of kidney transplant and rejection.

Prior to the Company's IPO on AIM in November 2018, the Company's Chief Executive Officer and Chief Financial Officer provided their respective services through a consulting agreement between the Company and Renwick Capital, LLC. During the period from March 15, 2018 (inception) through June 30, 2018 and for the year ended June 30, 2019, the Company incurred consulting services of $0.1 million and $0.2 million, respectively. As of June 30, 2019, there was $0 within accounts payable due to Renwick Capital, LLC. Upon consummation of the Company's IPO, the Chief Executive Officer and Chief Financial Officer became employee of the Company and the consulting agreement with Renwick Capital, LLC as terminated.

12. Subsequent events

The Company has evaluated subsequent events from the balance sheet date through May 15, 2020, the date at which the consolidated financial statements were available to be issued, and determined there are no other items requiring disclosure beyond those disclosed below.

Equity share offering

In July 2019, the Company sold 5,600,000 of its ordinary shares on AIM to several new and existing shareholders at a price of $3.11 per share and received $16.6 million in net proceeds.

Laboratory facility

On October 31, 2019, the Company entered into a lease agreement that established a commercial laboratory operation in Salt Lake City, Utah. The lease has a term of five years and is the first long-term lease entered into by the Company. The future minimum payments under this lease are as follows (in thousands):

2020	$ 55
2021	83
2022	83
2023	83
2024	83
2025	28
	$415

Coronavirus pandemic

On March 11, 2020, the World Health Organization characterized the novel COVID-19 virus as a global pandemic. The extent of the impact of the COVID-19 pandemic to the Company's business, operations and regulatory and commercialization timelines will depend on certain developments, including the duration and spread of the outbreak and its impact on the Company's partners, laboratory sites, and other third parties with whom the Company conducts business, as well as its impact on regulatory authorities and the Company's key scientific and management personnel. To the extent possible, the Company is conducting business as usual, with necessary or advisable modifications to employee travel and employee work locations. The Company continues

Renalytix AI plc

Notes to consolidated financial statements — (continued)

to actively monitor the rapidly evolving situation related to COVID-19 and may take further actions that alter its business operations, including those that may be required by federal, state or local authorities, or that the Company determines are in the best interests of its employees, partners and shareholders. At this point, the extent to which the COVID-19 pandemic may impact the Company's business, operations and regulatory and commercialization timelines remains uncertain.

Paycheck Protection Program

On April 29, 2020, the Company, entered into an original loan agreement with Fortis Private Bank as the lender ("Lender") for a loan in an aggregate principal amount of $0.3 million (the "Loan") pursuant to the Paycheck Protection Program (the "PPP") under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and implemented by the U.S. Small Business Administration. The Loan matures in two years and bears interest at a rate of 1% per annum, with all payments deferred through the six-month anniversary of the date of the Loan. Principal and interest are payable monthly commencing on October 29, 2020 and may be prepaid by the Company at any time prior to maturity without penalty. The Company may apply for forgiveness of amounts due under the Loan, with the amount of potential loan forgiveness to be calculated in accordance with the requirements of the PPP based on payroll costs, any mortgage interest payments, any covered rent payments and any covered utilities payments during the 8-week period after the origination date of the Loan. The Company intends to use proceeds of the Loan for payroll and other qualifying expenses, but there can be no assurances that any portion of the Loan will be forgiven.

Renalytix AI plc
Consolidated balance sheets
(Unaudited)

(in thousands, except share and per share data)	June 30, 2019	March 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	$ 8,201	$ 9,874
Short-term investments	994	7,952
Prepaid expenses and other current assets	227	571
Total current assets	9,422	18,397
Property and equipment, net	278	1,072
Deferred offering costs	—	457
Total assets	$ 9,700	$ 19,926
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 317	$ 585
Accrued expenses and other current liabilities	832	718
Total current liabilities	1,149	1,303
Commitments and contingencies (Note 6)		
Shareholders' equity:		
Ordinary shares, £0.0025 par value per share: 56,011,831 and 62,444,992 shares authorized at June 30, 2019 and March 31, 2020, respectively; 53,816,134 and 59,416,134 shares issued and outstanding at June 30, 2019 and March 31, 2020, respectively	162	179
Additional paid-in capital	52,084	69,349
Accumulated other comprehensive loss	(822)	(1,165)
Accumulated deficit	(42,873)	(49,740)
Total shareholders' equity	8,551	18,623
Total liabilities and shareholders' equity	$ 9,700	$ 19,926

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

Renalytix AI plc
Consolidated statements of operations and comprehensive loss (Unaudited)

(in thousands, except share data)	Nine months ended March 31, 2019	2020
Operating expenses:		
Acquired in-process research and development	$ 35,286	$ —
Research and development	3,081	3,659
General and administrative	1,904	3,770
Total operating expenses and loss from operations	(40,271)	(7,429)
Other income, net	117	562
Net loss	(40,154)	(6,867)
Other comprehensive loss:		
Foreign exchange translation adjustment	(538)	(343)
Total comprehensive loss	$ (40,692)	$ (7,210)
Net loss per ordinary share—basic and diluted	$ (1.04)	$ (0.12)
Weighted average ordinary shares—basic and diluted	38,750,787	58,968,134

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

Renalytix AI plc
Consolidated statements of shareholders' (deficit) equity
(Unaudited)

(in thousands, except share and per share data)	Ordinary shares		Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated deficit	Total shareholders' (deficit) equity
	Shares	Amount				
Balance at July 1, 2018	20,000,000	$ 66	$ —	$ 4	$ (572)	$ (502)
Ordinary shares issued to acquire Joslin license	15,427,704	49	24,237	—	—	24,286
Sale of ordinary shares in initial public offering, net of offering costs of $1,742	18,388,430	47	27,322	—	—	27,369
Share-based compensation expense	—	—	356	—	—	356
Currency translation adjustments	—	—	—	(538)	—	(538)
Net loss	—	—	—	—	(40,154)	(40,154)
Balance at March 31, 2019	53,816,134	$ 162	$ 51,915	$ (534)	$ (40,726)	$ 10,817

(in thousands, except share and per share data)	Ordinary shares		Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated deficit	Total shareholders' (deficit) equity
	Shares	Amount				
Balance at July 1, 2019	53,816,134	$ 162	$ 52,084	$ (822)	$ (42,873)	$ 8,551
Sale of ordinary shares in secondary offering, net of offering costs of $842	5,600,000	17	16,416	—	—	16,433
Share-based compensation expense	—	—	849	—	—	849
Currency translation adjustments	—	—	—	(343)	—	(343)
Net loss	—	—	—	—	6,867	(6,867)
Balance at March 31, 2020	59,416,134	$ 179	$ 69,349	$ (1,165)	$ (49,740)	$ 18,623

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

Renalytix AI plc
Consolidated statements of cash flows
(Unaudited)

(in thousands)	Nine months ended March 31, 2019	2020
Cash flows from operating activities:		
Net loss	$ (40,154)	$ (6,867)
Adjustments to reconcile net loss to net cash used in operating activities		
Non-cash in-process research and development charge	35,286	—
Depreciation	15	40
Share-based compensation	356	849
Realized gain on short-term investments	—	(98)
Unrealized foreign exchange gain	(149)	(321)
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(76)	(343)
Accounts payable	595	(52)
Accrued expenses and other current liabilities	348	(343)
Net cash used in operating activities	(3,779)	(7,135)
Cash flows from investing activities:		
Purchases of property and equipment	(305)	(599)
Software development costs	—	(92)
Purchase of short-term investments	(3,976)	(21,260)
Proceeds from short-term investments	—	14,400
Acquired in-process research and development	(11,000)	—
Net cash used in investing activities	(15,281)	(7,551)
Cash flows from financing activities:		
Gross proceeds from the issuance of ordinary shares	29,111	17,276
Offering costs associated with the issuance of ordinary shares	(1,292)	(892)
Proceeds from related-party notes	634	—
Repayment of related-party notes	(1,071)	—
Net cash provided by financing activities	27,382	16,384
Effect of exchange rate changes on cash	(686)	(25)
Net increase in cash and cash equivalents	7,636	1,673
Cash and cash equivalents, beginning of period	82	8,201
Cash and cash equivalents, end of period	$ 7,718	$ 9,874
Supplemental disclosure of cashflow information:		
Cash paid for interest	$ 21	$ —
Cash received for interest income	$ —	$ 117
Supplemental noncash financing activities:		
Ordinary shares issued to acquire Joslin license	$ 24,286	$ —
Offering costs within accrued expenses	$ 450	$ 408
Software development costs in accounts payable	$ —	$ 150

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

Renalytix AI plc
Notes to unaudited interim consolidated financial statements

1. Business and risks

Renalytix AI plc and its wholly-owned subsidiary, Renalytix AI, Inc. (collectively, RenalytixAI, or the Company) is an artificial intelligence-enabled *in vitro* diagnostics company, focused on optimizing clinical management of kidney disease to drive improved patient outcomes and significantly lower healthcare costs. KidneyIntelX, the Company's first-in-class diagnostic platform, employs a proprietary artificial intelligence-enabled algorithm that combines diverse data inputs, including validated blood-based biomarkers, inherited genetics and personalized patient data from EHR systems, to generate a unique patient risk score. KidneyIntelX has already been granted a Current Procedural Terminology, or CPT, code, national Medicare pricing and a positive coverage determination from a regional, private physician-led health insurance payor. Further, it has been granted breakthrough device designation from the Food and Drug Administration, or FDA.

Since inception in March 2018, the Company has focused primarily on organizing and staffing the Company, raising capital, developing the KidneyIntelX platform, conducting clinical validation studies for KidneyIntelX, establishing and protecting its intellectual property portfolio and commercial laboratory operations, pursuing regulatory clearance and developing a reimbursement strategy. To date, the Company has not generated any revenue from the sales of KidneyIntelX tests. The Company has funded its operations primarily through equity financings.

In November 2018, the Company sold 18.4 million of its ordinary shares in its initial public offering, or IPO, and its ordinary shares were admitted to AIM, a market operated by the London Stock Exchange, resulting in aggregate net proceeds of approximately $27.4 million. In July 2019, the Company sold an additional 5.6 million of its ordinary shares in a secondary offering for aggregate net proceeds of $16.4 million. Prior to the IPO, EKF Diagnostics Holdings ("EKF"), a related party, provided debt financing. All borrowings with EKF were repaid in their entirety upon completion of the equity offering in November 2018. The Company has no current debt obligations as of March 31, 2020.

The Company is subject to risks and uncertainties common to early-stage companies in the diagnostics industry, including, but not limited to, ability to secure additional capital to fund operations, compliance with governmental regulations, development by competitors of new technological innovations, dependence on key personnel and protection of proprietary technology. To achieve widespread usage, KidneyIntelX and additional diagnostic products currently under development will require extensive clinical testing and validation prior to regulatory approval and commercialization. These efforts require significant amounts of additional capital, adequate personnel, and infrastructure and extensive compliance-reporting capabilities.

Coronavirus pandemic

On March 11, 2020, the World Health Organization characterized the novel COVID-19 virus as a global pandemic. The extent of the impact of the COVID-19 pandemic to the Company's business, operations and regulatory and commercialization timelines will depend on certain developments, including the duration and spread of the outbreak and its impact on the Company's partners, laboratory sites, and other third parties with whom the Company conducts business, as well as its impact on regulatory authorities and the Company's key scientific and management personnel. To the extent possible, the Company is conducting business as usual, with necessary or advisable modifications to employee travel and employee work locations. The Company continues to actively monitor the rapidly evolving situation related to COVID-19 and may take further actions that alter its business operations, including those that may be required by federal, state or local authorities, or that the

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

Company determines are in the best interests of its employees, partners and shareholders. At this point, the extent to which the COVID-19 pandemic may impact the Company's business, operations and regulatory and commercialization timelines remains uncertain.

2. Liquidity

On November 6, 2018, the Company sold 18.4 million ordinary shares in an IPO at $1.57 per share resulting in net proceeds of approximately $27.4 million and its ordinary shares were admitted to trading on the AIM. In July 2019, the Company sold 5.6 million of its ordinary shares to several new and existing investors in exchange for $16.4 million of net cash proceeds. At March 31, 2020, the Company had cash, cash equivalents and short-term investments of $17.8 million. The Company has incurred recurring losses and negative cash flows from operations since inception and had an accumulated deficit of $49.7 million as of March 31, 2020. The Company anticipates incurring additional losses until such time, if ever, that it can generate significant sales of KidneyIntelX or any future products currently in development. Management believes its cash, cash equivalents and short-term investments as of March 31, 2020 are sufficient to fund the projected operations for at least the next twelve months from the issuance date of these financial statements. Substantial additional capital will be needed by the Company to fund its operations, expand its commercial activities and develop other potential diagnostic related products.

The Company plans to seek additional funding through public or private equity offerings, debt financings, other collaborations, strategic alliances and licensing arrangements. The Company may not be able to obtain financing on acceptable terms, or at all, and the Company may not be able to enter into strategic alliances or other arrangements on favorable terms, or at all. The terms of any financing may adversely affect the holdings or the rights of the Company's shareholders. If the Company is unable to obtain funding, the Company could be required to delay, curtail or discontinue research and development programs, product portfolio expansion or future commercialization efforts, which could adversely affect its business prospects.

3. Basis of presentation and summary of significant accounting policies

The accompanying unaudited interim consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States (U.S. GAAP). Any reference in these notes to applicable guidance is meant to refer to U.S. GAAP as found in the Accounting Standards Codification (ASC) and Accounting Standards Updates (ASU) of the Financial Accounting Standards Board (FASB).

In the opinion of management, the accompanying unaudited interim consolidated financial statements include all normal and recurring adjustments (which consist primarily of accruals and estimates that impact the financial statements) considered necessary to present fairly the Company's financial position as of March 31, 2020 and its results of operations and cash flows for the nine months ended March 31, 2019 and 2020. Operating results for the nine months ended March 31, 2020 are not necessarily indicative of the results that may be expected for the year ending June 30, 2020. The unaudited interim financial statements, presented herein, do not contain the required disclosures under U.S. GAAP for annual financial statements. The accompanying unaudited interim consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements and related notes as of and for the year ended June 30, 2019.

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

Principles of consolidation

The consolidated financial statements include the accounts of Renalytix AI plc and its wholly-owned subsidiary, Renalytix AI, Inc. All inter-company balances and transactions have been eliminated in consolidation.

Use of estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual results could differ from those estimates. Due to the uncertainty of factors surrounding the estimates or judgments used in the preparation of the consolidated financial statements, actual results may materially vary from these estimates.

Estimates and assumptions are periodically reviewed and the effects of revisions are reflected in the consolidated financial statements in the period they are determined to be necessary. Significant areas that require management's estimate include the assumptions used in determining the fair value of share-based awards, the value of consideration for the acquired in-process research and development and in recording the prepaid/accrual, and associated expense, for research and development activities performed for the Company by third parties.

Segment information

The Company manages its operations as a single operating segment for the purposes of assessing performance and making operating decisions. The Company's singular focus is to make significant improvements in kidney disease diagnosis and prognosis, clinical care, patient stratification for drug clinical trials, and drug target discovery.

Foreign currency translation

The Company's consolidated financial statements are presented in U.S. dollars, the reporting currency of the Company. The functional currency of Renalytix AI plc and Renalytix AI, Inc. is GB pounds and U.S. dollar, respectively. Assets and liabilities of Renaltyix AI plc are translated at the rate of exchange at year-end, while the statements of operations are translated at the weighted average exchange rates in effect during the reporting period. The net effect of these translation adjustments is shown as a component of accumulated other comprehensive income (loss). For the nine months ended March 31, 2019 net transaction losses of $17,000 was included in other income. For the nine months ended March 31, 2020, net transaction gains of $0.3 million was included in other income.

Concentrations of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. Periodically, the Company maintains deposits in accredited financial institutions in excess of federally insured limits. The Company deposits its cash in financial institutions that it believes have high credit quality and are not exposed to any unusual credit risk beyond the normal credit risk associated with commercial banking relationships, and has not experienced any losses on such accounts. At June 30, 2019 and March 31, 2020, all of the Company's cash was held at two accredited financial institutions.

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

Fair value of financial instruments

At June 30, 2019 and March 31, 2020, the Company's financial instruments included prepaid expenses and other current assets, accounts payable and other current liabilities. The carrying amounts of these assets and liabilities approximates fair value due to their short-term nature.

Cash and cash equivalents

The Company considers all highly liquid investments purchased with an original maturity of 90 days or less to be cash equivalents. As of March 31, 2020, the Company had a cash balance of $9.6 million and cash equivalents consisting of $0.3 million held in a money market account.

Short-term investments

Short-term investments consist of debt securities with a maturity date greater than three months when acquired. The Company classifies its short-term investments at the time of purchase as available-for-sale securities. Available-for-sale securities are carried at fair value. Unrealized gains or losses on available-for-sale securities are reported in accumulated other comprehensive income (loss), a component of the shareholders' (deficit) equity, until realized. Short-term investments at March 31, 2020 consisted of U.S. Treasury Bills with a fair value of $8.0 million. Unrealized gains (losses) were de minimis as their maturity date was 91 days from original purchase.

Deferred offering costs

The Company capitalizes certain legal, professional, accounting and other third-party fees that are directly associated with in-process common equity financings as deferred offering costs until such financings are consummated. After consummation of the equity financing, these costs are recorded as a reduction of additional paid-in capital generated as a result of such offering. Should an in-process equity financing be abandoned, the deferred offering costs will be expensed immediately as a charge to operating expenses in the consolidated statements of operations and comprehensive loss. The Company had deferred offering costs of $0.5 million related to the filing of the registration statement on Form F-1 as of March 31, 2020.

Property and equipment

Property and equipment are recorded at cost and consist of lab and office equipment. Depreciation and amortization is determined using the straight-line method over the estimated useful lives ranging from three to ten years. Expenditures for maintenance and repairs are expensed as incurred while renewals and betterments are capitalized. When property and equipment are sold or otherwise disposed of, the cost and related accumulated depreciation are eliminated from the accounts and any resulting gain or loss is reflected in operations. During the nine months ended March 31, 2019 and 2020, the Company acquired lab and office equipment at a cost of $0.3 million and $0.6 million and depreciation expense of $15,000 and $39,000 was recorded on these assets during the nine months ended March 31, 2019 and 2020, respectively.

Impairment of long-lived assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated. Impairment charges are recognized at the amount by which the carrying amount of an asset exceeds the fair value of the asset. The Company has not recognized any impairment of long-lived assets for the nine months ended March 31, 2019 and 2020.

Software development costs

The Company follows the provisions of ASC 985, *Software,* which requires software development costs for software to marketed externally to be expensed as incurred until the establishment of technological feasibility, at which time those costs are capitalized until the software is available for general release and amortized over its estimated useful life. Technological feasibility is established upon the completion of a working model that has been validated. As of June 30, 2019, there were no software development costs capitalized as technological feasibility had not been established. As of March 31, 2020, there was $0.2 million of capitalized software development costs which will begin to amortize once development is completed.

Acquired in-process research and development expenses

Acquired in-process research and development (IPR&D) expense consists of the initial up-front payments incurred in connection with the acquisition or licensing of products or technologies that do not meet the definition of a business under FASB ASC Topic 805, *Business Combinations*. The Company's acquired IPR&D expense of $35.3 million for the nine months ended March 31, 2019, which reflects the fair value of consideration ascribed to the licenses acquired from Mount Sinai (see Note 7) and the license transfer from EKF (see Note 7).

Research and development expenses

Research and development costs consist primarily of costs incurred in connection with the development of KidneyIntelX and other studies for KidneyIntelX to determine clinical value and performance in different chronic kidney disease populations. Research and development costs are expensed as incurred.

At the end of the reporting period, the Company compares payments made to third-party service providers to the estimated progress toward completion of the research or development objectives. Such estimates are subject to change as additional information becomes available. Depending on the timing of payments to the service providers and the progress that the Company estimates has been made as a result of the service provided, the Company may record a prepaid expense or accrued liability relating to these costs. Upfront milestone payments made to third parties who perform research and development services on the Company's behalf are expensed as services are rendered. Contingent development or regulatory milestone payments are recognized upon the related resolution of such contingencies.

Share-based compensation

The Company measures equity classified share-based awards granted to employees and nonemployees based on the estimated fair value on the date of grant and recognizes compensation expense of those awards over the requisite service period, which is the vesting period of the respective award. The Company accounts for forfeitures as they occur. For share-based awards with service-based vesting conditions, the Company recognizes compensation expense on a straight-line basis over the service period. The fair value of each stock

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

option grant is estimated on the date of grant using the Black-Scholes option-pricing model, which requires inputs based on certain subjective assumptions, including the expected stock price volatility, the expected term of the option, the risk-free interest rate for a period that approximates the expected term of the option, and the Company's expected dividend yield. The Company was a privately-held organization prior to November 2018 and has been a publicly-traded company for a limited period of time and therefore lacks company-specific historical and implied volatility information for its shares. Therefore, it estimates its expected share price volatility based on the historical volatility of publicly-traded peer companies and expects to continue to do so until such time as it has adequate historical data regarding the volatility of its own traded share price. The expected term of the Company's stock options has been determined utilizing the "simplified" method for awards that qualify as "plain-vanilla" options. The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for time periods approximately equal to the expected term of the award. Expected dividend yield is none based on the fact that the Company has never paid cash dividends on ordinary shares and does not expect to pay any cash dividends in the foreseeable future.

The Company classifies share-based compensation expense in its consolidated statement of operations and comprehensive loss in the same manner in which the award recipient's payroll costs are classified or in which the award recipient's service payments are classified.

Comprehensive loss

Comprehensive loss includes net loss as well as other changes in shareholders' (deficit) equity that result from transactions and economic events other than those with shareholders.

Net loss per ordinary share

Basic net loss per ordinary share is computed by dividing net loss by the weighted average number of ordinary shares outstanding during each period. Diluted net loss per ordinary share includes the effect, if any, from the potential exercise or conversion of securities, such as options which would result in the issuance of incremental ordinary shares. In computing basic and diluted net loss per share, the weighted average number of shares is the same for both calculations due to the fact that a net loss existed for the period nine months ended March 31, 2019 and 2020, respectively.

Potentially dilutive securities outstanding as of March 31, 2020 have been excluded from the computation of diluted weighted average shares outstanding, as they would be anti-dilutive. As of March 31, 2019, and 2020, respectively, there were 2,195,697 and 3,028,858 shares issuable upon exercise of outstanding options that were anti-dilutive and excluded from diluted loss per share. There were no potentially dilutive securities outstanding at March 31, 2020.

Emerging growth company

The Company is an emerging growth company as defined in the Jumpstart Our Business Startups Act of 2012, as amended (the "JOBS Act"). Under the JOBS Act, companies have extended transition periods available for complying with new or revised accounting standards. The Company has elected to avail itself of this exemption and, therefore, while the Company is an emerging growth company it will not be subject to new or revised accounting standards at the same time that they become applicable to other public emerging growth companies that have not elected to avail themselves of this exemption.

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

Recently adopted accounting pronouncements

In March 2016, the FASB issued ASU 2016-09, *Compensation-Stock Compensation: Improvements to Employee Share-Based Payment Accounting*. This standard will require entities to recognize all excess tax benefits and tax deficiencies in the statement of operations as a discrete item in the reporting period in which they occur. The standard also allows an employer to withhold up to the maximum statutory tax rate and still qualify for equity classification. Classification of excess tax benefits on the statement of cash flows should be classified as an operating activity, and employee taxes paid when an employer withholds shares for tax-withholding purposes should be classified as a financing activity. The provisions that affect the statement of operations will be effective prospectively in the year of adoption and the provisions that affect the statement of cash flows will be effective retrospectively. The Company adopted this standard at its inception and it had no impact on the Company's consolidated financial statements.

In August 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*. ASU No. 2016-15 addresses eight specific cash flow issues with the objective of reducing diversity in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The new standard is effective for fiscal years beginning July 1, 2019, and interim periods within those years. The Company adopted this guidance on July 1, 2019, and it did not have a material impact to its consolidated statement of cash flows.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurements*, which changes the fair value measurement disclosure requirements of ASC 820. The goal of the ASU is to improve the effectiveness of ASC 820's disclosure requirements. The standard is applicable to the Company for fiscal years beginning July 1, 2020, and interim periods within those years. The Company adopted this guidance on July 1, 2018, and it did not have a material impact on its consolidated financial statements.

Recently issued accounting pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, in order to increase transparency and comparability among organizations by, among other provisions, recognizing lease assets and lease liabilities on the balance sheet for those leases classified as operating leases under previous U.S. GAAP. For public companies, ASU 2016-02 is effective for fiscal years beginning after December 15, 2018 (including interim periods within those periods) using a modified retrospective approach and early adoption is permitted. In transition, entities may also elect a package of practical expedients that must be applied in its entirety to all leases commencing before the adoption date, unless the lease is modified, and permits entities to not reassess (a) the existence of a lease, (b) the lease classification or (c) the determination of initial direct costs, as of the adoption date, which effectively allows entities to carryforward accounting conclusions under previous U.S. GAAP. In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, which provides entities an optional transition method to apply the guidance under Topic 842 as of the adoption date, rather than as of the earliest period presented. In June 2020, the FASB issued ASU No 2020-05 that further delayed the effective date of Topic 842 to fiscal years beginning July 1, 2022, and interim periods within those years. The Company is currently evaluating the impact of adopting this guidance to its consolidated financial statements.

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

4. Fair value

Assets and liabilities recorded at fair value on a recurring basis in the consolidated balance sheets are categorized based upon the level of judgment associated with the inputs used to measure their fair values. Fair value is defined as the exchange price that would be received for an asset or an exit price that would be paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The authoritative guidance on fair value measurements establishes a three-tier fair value hierarchy for disclosure of fair value measurements as follows:

- Level 1—Quoted prices (unadjusted in active markets for identical assets or liabilities)
- Level 2—Inputs other than quoted prices in active markets that are observable either directly or indirectly
- Level 3—Unobservable inputs in which there is little or no market data, which require the Company to develop its own assumptions

This hierarchy requires the use of observable market data when available and to minimize the use of unobservable inputs when determining fair value. The Company has classified cash equivalents and short-term investments at June 30, 2019 and March 31, 2020, which were comprised of U.S. Treasury Bills and measured at fair value on a recurring basis, as Level 1.

5. Accrued expenses

Accrued expenses consisted of (in thousands):

	June 30, 2019	March 31, 2020
Consulting and professional fees	$ 719	$ 623
Payroll and related benefits	28	46
Other	85	49
	$ 832	$ 718

6. Commitments and contingencies

Leases

In June 2018, the Company entered into an office lease and, in February 2019, the Company entered into a lease for laboratory testing facilities and offices. Each lease is located in New York City and are month-to-month leasing arrangements. Additionally, in February 2019, the Company entered into a lease for an apartment used by executives for traveling requirements. The apartment was located in New York and expired in October 2019. On October 31, 2019, the Company entered into a lease agreement that established a commercial laboratory operation in Salt Lake City, Utah. The lease has a term of five years and is the first long-term lease entered into by the Company. Rent expense for all leases was $0.1 million and $0.4 million for the nine months ended March 31, 2019 and 2020, respectively.

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

The future minimum payments are as follows (in thousands):

2020	$ 21
2021	83
2022	83
2023	83
2024	83
2025	28
	$381

Employment agreements

The Company has entered into employment agreements with certain key executives providing for compensation and severance in certain circumstances, as set forth the agreements.

Retirement plans

The Company maintains a defined contribution 401(k) retirement plan which covers all U.S. employees. Employees are eligible after three months of service. Under the 401(k) plan, participating employees may make contributions in an amount up to the limit set by the Internal Revenue Service on an annual basis. The Company has a safe harbor plan and makes contributions to employee accounts of 5% of compensation (as defined by the plan).

Legal proceedings

The Company is not a party to any litigation and does not have contingency reserves established for any litigation liabilities. At each reporting date, the Company evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under the provisions of the authoritative guidance that addresses accounting for contingencies.

7. License agreements

Mount Sinai license and sponsored research agreements

On May 30, 2018, the Company entered into an exclusive license agreement (the ISMMS License Agreement) and, on March 7, 2019, a sponsored research agreement (the ISMMS SRA) with the Icahn School of Medicine at Mount Sinai (ISMMS or Mount Sinai). Under the terms of the ISMMS License Agreement, ISMMS granted the Company (i) an exclusive, sublicensable license to use certain patent rights covering specific inventions concerning the utilization of biomarkers guided artificial intelligence techniques for detecting kidney functional decline (the ISMMS Technology), (ii) a non-exclusive license under unregistered licensed copyrights and licensed know-how and (iii) an exclusive option to obtain licensed technology conceived after May 30, 2018. A license issuance fee of $10.0 million was contingent upon the Company's completion of an IPO and upon payment, was recorded as acquired in-process research and development expense during the nine months ended March 31, 2019 on the Company's consolidated statements of operations and comprehensive loss. The Company accounted for this transaction as an asset acquisition as substantially all of the value acquired by the Company

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

consisted of a single asset with no alternative future use. The Company is obligated to pay Mount Sinai $1.5 million and $7.5 million in commercial milestone payments upon achieving worldwide net sales of KidneyIntelX of $50.0 million and $300.0 million, respectively. The Company is also obligated to pay Mount Sinai a 4% to 5% royalty on net sales of KidneyIntelX, subject to customary reductions. Royalties are payable on a product-by-product basis from first commercial sale of such product until the later of (1) expiration of the last valid claim of a licensed patent covering such product or (2) on a country-by-country basis, 12 years from first commercial sale of such product in such country. Moreover, the Company is obligated to pay Mount Sinai between 15% and 25% of any consideration received from a sublicensee.

As part of the ISMMS SRA, the Company has agreed to fund several research projects to further develop the ISMMS Technology. The Company incurred approximately $0.2 million in research and development expenses under the ISMMS SRA for the nine months ended March 31, 2020.

Mount Sinai license agreement for FractalDx

On December 21, 2018, the Company entered into an exclusive license agreement (the ISMMS FractalDx License Agreement) with ISMMS. Under the terms of the ISMMS FractalDx License Agreement, ISMMS granted the Company (i) an exclusive license, with sub-license rights, to use certain patent rights covering specific inventions concerning the utilization of biomarkers guided artificial intelligence techniques for detecting kidney functional decline (the ISMMS Technology), (ii) a non-exclusive license under unregistered licensed copyrights and licensed know-how and (iii) an exclusive option to obtain licensed technology conceived after May 30, 2018. An up-front license fee of $1.0 million was paid and recorded as acquired in-process research and development expense during the nine months ended March 31, 2019 on the Company's consolidated statements of operations and comprehensive loss. The Company accounted for this transaction as an asset acquisition as substantially all of the value acquired by the Company consisted of a single asset with no alternative future use. The patent reimbursement fees of approximately $0.3 million were also paid and expensed as general and administrative expenses during the nine months ended March 31, 2019.

The Company is obligated to pay Mount Sinai $0.3 million upon receipt of certain regulatory clearance and approval, $0.3 million upon receipt of U.S. CMS reimbursement code or PAMA reimbursement approval. In addition, the Company is obligated to pay Mount Sinai $1.0 million and $4.0 million in commercial milestone payments upon achieving worldwide net sales of FractalDx of $50.0 million and $250.0 million, respectively. The Company is also obligated to pay Mount Sinai a 6% to 8% royalty on net sales of FractalDx, subject to customary reductions. Moreover, the Company is obligated to pay Mount Sinai between 15% and 70% of any consideration received from a sublicensee.

Royalties are payable on a product-by-product basis from first commercial sale of such product until the later of (1) expiration of the last valid claim of a licensed patent covering such product or (2) on a country-by-country basis, 12 years from first commercial sale of such product in such country. The Company is also subject to an annual license maintenance fee of $25,000 in calendar year 2020 and 2021, $50,000 in calendar year 2022 and 2023, $0.1 million in calendar years 2024 through 2027, and $0.2 million for calendar year 2028 and beyond.

Joslin diabetes center agreement

In October 2018, the Company purchased a worldwide exclusive license agreement with Joslin (the Joslin Agreement) that was previously entered into with EKF, a related party, in July 2017. The license agreement provides the Company with the right to develop and commercialize licensed products covering a novel

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

methodology of diagnosing and predicting kidney disease using certain biomarkers (the Joslin Diabetes Technology). The Company issued 15,427,704 ordinary shares as consideration for total noncash consideration of $24.3 million. Given the timing of the assignment of license to the Company's IPO on AIM, the estimated fair value of the ordinary shares issued was $1.57 per share. The noncash consideration was expensed as acquired in-process research and development expense during the nine months ended March 31, 2019 on the Company's consolidated statements of operations and comprehensive loss. The Company accounted for this transaction as an asset acquisition as substantially all of the value acquired by the Company consisted of a single asset with no alternative future use.

Under the terms of the Joslin Agreement, the Company is obligated to pay Joslin aggregate commercial milestone payments of $0.3 million and $1.0 million in commercial milestone payments upon achieving worldwide net sales of licensed products and processes of $2.0 million and $10.0 million, respectively. The Company is also obligated to pay Joslin a 5% royalty on net sales of any licensed products or licensed processes, subject to customary reductions. Moreover, the Company is obligated to pay Joslin 25% of any consideration received from a sublicensee.

The Joslin Agreement initially expires on July 31, 2025 and is subject to an automatic five-year extension unless either party notifies the other party of its intent not to extend the agreement at least 180 days prior to initial expiration. Either party may terminate the Joslin Agreement earlier upon an uncured material breach of the agreement by the other party, the insolvency of the other party, or in the event the other party is unable to perform its obligations under the agreement for a specified period. Additionally, Joslin may terminate the agreement in the event that the Company ceases developing or commercializing licensed products or processes, if the Company fails to maintain certain required insurance policies, and if the Company fails to pay patent expenses related to the licensed patents.

8. Shareholders' equity

Ordinary shares

As of March 31, 2020, the Company had 62,444,992 ordinary shares authorized on a fully diluted basis. Each share entitles the holder to one vote on all matters submitted to a vote of the Company's shareholders. Ordinary shareholders are entitled to receive dividends as may be declared by the board of directors. From inception through March 31, 2020, no cash dividends have been declared or paid.

9. Share-based compensation

In November 2018, Company established the Renalytix AI plc Share Option Plan (the Plan) and a U.S. Sub-Plan and Non-Employee Sub-Plan. The Plan provides for the Company to grant options, restricted share awards and other share-based awards to employees, directors and consultants of the Company. As of March 31, 2020, there were 2,352,755 shares available for future issuance under the Plan.

The Plan is administered by the board of directors. The exercise prices, vesting and other restrictions are determined at their discretion, except that all options granted have exercise prices equal to the fair value of the underlying ordinary shares on the date of the grant and the term of stock option may not be greater than ten years from the grant date.

The options granted as of March 31, 2020 vest equally over twelve quarters following the grant date, with the exception of 80,724 options which vested immediately when granted and 145,000 options which vest 25% on

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

the one year anniversary and equally over twelve quarters following the one year anniversary. If options remain unexercised after the date one day before the tenth anniversary of grant, the options expire. On termination of employment, any options that remain unexercised are either forfeited immediately or after a delayed expiration period, depending on the circumstances of termination. Upon the exercise of awards, new ordinary shares are issued by the Company.

The Company recorded share-based compensation expense in the following expense categories in the consolidated statements of operations for the nine months ended March 31, 2019 and 2020 (in thousands):

	Nine Months ended March 31,	
	2019	2020
Research and development	$ 202	$ 419
General and administrative	154	430
	$ 356	$ 849

The fair value of options is estimated using the Black-Scholes option pricing model, which takes into account inputs such as the exercise price, the value of the underlying ordinary shares at the grant date, expected term, expected volatility, risk-free interest rate and dividend yield. The fair value of each grant of options during the nine months ended March 31, 2019 and 2020, respectively, was determined using the methods and assumptions discussed below.

- The expected term of employee options is determined using the “simplified” method, as prescribed in SEC’s Staff Accounting Bulletin (SAB) No. 107, whereby the expected life equals the arithmetic average of the vesting term and the original contractual term of the option due to the Company’s lack of sufficient historical data.
- The expected volatility is based on historical volatility of the publicly-traded common stock of a peer group of companies.
- The risk-free interest rate is based on the interest rate payable on U.S. Treasury securities in effect at the time of grant for a period that is commensurate with the assumed expected term.
- The expected dividend yield is none because the Company has not historically paid and does not expect for the foreseeable future to pay a dividend on its ordinary shares.

For the nine months ended March 31, 2019 and 2020, the grant date fair value of all option grants was estimated at the time of grant using the Black-Scholes option-pricing model using the following weighted average assumptions:

	Nine months ended March 31	
	2019	2020
Expected term (in years)	5.8	5.7
Expected volatility	66.9%	63.7%
Risk-free rate	3.1%	1.7%
Dividend yield	—%	—%

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

The weighted average fair value of the options granted during the nine months ended March 31, 2019 and 2020 was $0.97 and $2.09 per share, respectively.

The following table summarizes the stock option granted to employees and nonemployees for the nine months ended March 31, 2020:

	Number of shares under option plan		Weighted-average exercise price per option	Weighted-average remaining contractual life (in years)
Outstanding at June 30, 2019	2,195,697	$	1.57	9.4
Granted	833,161	$	2.95	
Outstanding at March 31, 2020	3,028,858	$	1.95	8.8
Exercisable at March 31, 2020	1,134,003	$	1.74	
Vested and expected to vest at March 31, 2020	3,028,858	$	1.95	8.8

As of March 31, 2020, there was $2.4 million in unrecognized compensation cost related to unvested options that will be recognized as expense over a weighted average period of 1.62 years. The aggregate intrinsic value of options outstanding and options exercisable at March 31, 2020 was $1.4 million and $0.6 million, respectively.

10. Related-party transactions

As discussed in Note 7, in October 2018, the Company purchased a worldwide exclusive license agreement with Joslin, that was previously entered into with EKF in July 2017, in exchange for the issuance of 15,427,704 of the Company's ordinary shares.

EKF provided short-term loans to the Company in the form of notes payable. The Company borrowed $1.0 million from EKF since inception. The notes bore interest at an annual rate of 5%. All outstanding principal and accrued interest of $1.0 million and $21,000, respectively, was repaid in November 2018 upon consummation of the Company's IPO. The Company recognized interest expense of $16,000 during the nine months ended March 31, 2019.

In May 2018, the Company secured its cornerstone license agreement with ISMMS for research and clinical study work and intended commercialization by the Company (see Note 7). As part of the collaboration, ISMMS became a shareholder in the Company and has subsequently made equity investments both in the Company's IPO in November 2018 and the subsequent sale of ordinary shares in July 2019. Additionally, in December 2018, the Company executed its option with ISMMS for the FractalDx license, which grants rights to technology and patents relating to a series of potential diagnostics and prognostics in the field of kidney transplant and rejection.

Prior to the Company's IPO on AIM in November 2018, the Company's Chief Executive Officer and Chief Financial Officer provided their respective services through a consulting agreement between the Company and Renwick Capital, LLC. During the nine months ended March 31, 2019, the Company incurred consulting services of $0.2 million. Upon consummation of the Company's IPO, the Chief Executive Officer and Chief Financial Officer became employee of the Company and the consulting agreement with Renwick Capital, LLC as terminated.

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

11. Subsequent events

The Company has evaluated subsequent events from the balance sheet date through June 24, 2020, the date at which the consolidated financial statements were available to be issued, and determined there are no other items requiring disclosure beyond those disclosed below.

Paycheck Protection Program

On April 29, 2020, the Company, entered into an original loan agreement with Fortis Private Bank as the lender ("Lender") for a loan in an aggregate principal amount of $0.3 million (the "Loan") pursuant to the Paycheck Protection Program (the "PPP") under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and implemented by the U.S. Small Business Administration. The Loan matures in two years and bears interest at a rate of 1% per annum, with all payments deferred through the six-month anniversary of the date of the Loan. Principal and interest are payable monthly commencing on October 29, 2020 and may be prepaid by the Company at any time prior to maturity without penalty. The Company may apply for forgiveness of amounts due under the Loan, with the amount of potential loan forgiveness to be calculated in accordance with the requirements of the PPP based on payroll costs, any mortgage interest payments, any covered rent payments and any covered utilities payments during the 8-week period after the origination date of the Loan. The Company intends to use proceeds of the Loan for payroll and other qualifying expenses, but there can be no assurances that any portion of the Loan will be forgiven.

Kantaro Biosciences LLC

In May 2020, the Company and Mount Sinai entered into an operating agreement ("Kantaro Operating Agreement") to form a joint venture, Kantaro Biosciences LLC ("Kantaro"), for the purpose of developing and commercializing laboratory tests for the detection of antibodies against SARS-CoV-2 originally developed by Mount Sinai. Kantaro has partnered with Bio-Techne Corporation to develop and launch the new test which are designed for use in any authorized clinical testing laboratory without the need for proprietary equipment. In connection with the formation of Kantaro, the Company entered into a five-year Advisory Services Agreement ("Advisory Agreement") pursuant to which the Company has agreed to provide certain advisory services to Kantaro.

Pursuant to the Kantaro Operating Agreement, Kantaro issued 750 Class A Units to Mount Sinai in exchange for Mount Sinai granting licenses to Kantaro under certain intellectual property rights of Mount Sinai and 250 Class A Units to the Company as the sole consideration for the services to be rendered by the Company under the Advisory Agreement. A portion of the Company's units are subject to forfeiture if, prior to December 31, 2020, Kantaro terminates the Advisory Agreement as a result of an uncured material breach of the Advisory Agreement or in the event the Company is acquired by a hospital or health system that serves all or any portion of the service areas served by Mount Sinai.

In addition to the equity granted at formation, the Company and Mount Sinai each committed to making a loan to Kantaro. Mount Sinai committed to lend an initial amount of $0.3 million and an additional $0.5 million thereafter. The Company committed to lend an initial amount of $83,333 and an additional $0.2 million thereafter. Each loan bears interest at a per annum rate equal to 0.25%, compounded monthly, until repaid, and is repayable from the first amounts that would otherwise constitute cash available for distribution to the members of Kantaro (provided that each loan repayment will be made, 75% to Mount Sinai and 25% to the Company).

Renalytix AI plc

Notes to unaudited interim consolidated financial statements — (continued)

Verici Dx Limited

In April 2020, the Company created a wholly-owned subsidiary, Verici Dx Limited ("Verici Dx"), after evaluating its plans for its FractalDx technology, in-licensed from Mount Sinai in late 2018. In May 2020, the Company transferred the in-licensed FractalDx technology and associated assets to Verici Dx in exchange for $2.0 million, which was satisfied by the issuance of convertible loan notes of Verici Dx to the Company, which notes will be either repaid or converted into equity upon Verici Dx completing an offering and admission of its shares to trading on AIM, a market operated by the London Stock Exchange (or another recognized stock exchange). The reduction of capital necessary to implement this transaction was approved by the Company's shareholders at a general meeting held on May 15, 2020 and confirmed by the High Court in England and Wales on June 9, 2020. Prior to completion of a possible admission to AIM or an equivalent financing transaction, and the establishment of an independent Verici board of directors and independent management team, the Company will retain control of Verici Dx. As a result of its level of control, the Company anticipates Verici DX will continue to be included in its consolidated financial statements and notes thereto.

Table of Contents

Through and including , 2020, (the 25th day after the date of this prospectus), all dealers effecting transactions in the ordinary shares or ADSs, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

Ordinary shares
(Including ordinary shares represented by American Depositary Shares)

Preliminary prospectus

J.P. Morgan **Stifel**

, 2020

Part II

Information not required in prospectus

Item 6. Indemnification of directors and officers.

Members of the registrant's board of directors and its officers have the benefit of the following indemnification provisions in the registrant's articles of association:

Current and former members of the registrant's board of directors or officers shall be indemnified for all costs, charges, losses, expenses and liabilities sustained or incurred in connection with the director's or officer's duties or powers in relation to the registrant or any member of its group, and in relation to the registrant's or any member of its group's activities as a trustee of an occupational pension scheme, including any liability incurred in defending any criminal or civil proceedings in which judgement is given is his favor or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his behalf or in connection with any application in which the court grants him relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's or its group's affairs.

In the case of current or former members of the registrant's board of directors, in compliance with the Companies Act, there shall be no entitlement to indemnification as referred to above for (i) any liability incurred to the registrant or any associated company, (ii) the payment of a fine imposed in any criminal proceeding or a penalty imposed by a regulatory authority for non-compliance with any requirement of a regulatory nature, (iii) the defense of any criminal proceeding if the member of the registrant's board of directors is convicted, (iv) the defense of any civil proceeding brought by the registrant or an associated company in which judgment is given against the director, and (v) any application for relief under the Companies Act in which the court refuses to grant relief to the director.

The company may provide any current or former director or officer with funds to meet expenditure incurred or to be incurred by them in connection with any proceedings or application referred to above and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure. Members of the registrant's board of directors and its officers who have received payment from the registrant under the relevant indemnification provisions must repay the amount they received in accordance with the Companies Act or in any other circumstances that the registrant may prescribe or where the registrant has reserved the right to require repayment.

The underwriting agreement the registrant will enter into in connection with the global offering of ADSs being registered hereby provides that the underwriters will indemnify, under certain conditions, the registrant's board of directors and its officers against certain liabilities arising in connection with this offering.

Item 7. Recent sales of unregistered securities.

Set forth below is information regarding share capital issued by us since January 1, 2017. Some of the transactions described below involved directors, officers and 5% shareholders and are more fully described under the section titled "Related Party Transactions." The information below has been adjusted to reflect a 4-for-1 forward share split effected on October 23, 2018, and a 100-for-1 forward share split effected on May 4, 2018.

- In March 2018, we issued an aggregate of 20,000,000 ordinary shares to EKF at an issue price of £0.0025 per share.
- In October 2018, we issued an aggregate of 15,427,704 ordinary shares to EKF as consideration for the acquisition of certain of its assets.
- In November 2018, in connection with our initial public offering in the United Kingdom, we issued an aggregate of 18,338,430 ordinary shares at an issue price of £1.21 per share.

- In July 2019, we issued an aggregate of 5,600,000 ordinary shares in connection with a private placement at an issue price of £2.50. We also issued 834,440 ordinary shares to Mount Sinai at an issue price of £2.50 pursuant to a subscription agreement.
- We have granted, under our Share Option Plan, options to purchase an aggregate of 5,224,555 ordinary shares to our employees, directors and Mount Sinai, having exercise prices ranging from £1.21 to £3.20 per share.

The offers, sales and issuances of the securities described in the preceding paragraph were exempt from registration either (1) under Section 4(a)(2) of the Securities Act in that the transactions were between an issuer and members of its senior executive management and did not involve any public offering within the meaning of Section 4(a)(2), (2) under Rule 701 promulgated under the Securities Act in that the transactions were under compensatory benefit plans and contracts relating to compensation or (3) under Regulation S promulgated under the Securities Act in that offers, sales and issuances were not made to persons in the United States and no directed selling efforts were made in the United States.

Item 8. Exhibits and financial statement schedules

Exhibits

Exhibit number	Description of exhibit
1.1*	Form of Underwriting Agreement.
3.1	Articles of Association as currently in effect.
4.1*	Form of Deposit Agreement.
4.2*	Form of American Depositary Receipt (included in exhibit 4.1).
5.1*	Opinion of Cooley (UK) LLP.
10.1	Renalytix AI plc Share Option Plan for Employees with Non-Employee Sub-Plan and U.S. Sub-Plan.
10.2†#	Exclusive License and Collaboration Agreement, by and between the registrant and Icahn School of Medicine at Mount Sinai, dated as of May 30, 2018, as amended to date.
10.3†#	License Agreement, by and between the registrant and Joslin Diabetes Center, Inc., as assigned to the registrant on October 23, 2018, as amended to date.
10.4#	Kantaro Biosciences LLC Operating Agreement, by and between registrant and Icahn School of Medicine at Mount Sinai, dated as of May 4, 2020.
10.5†#	Advisory Services Agreement, by and between the registrant and Kantaro Biosciences LLC, dated as of May 4, 2020.
10.6	2020 Equity Incentive Plan with Non-Employee Sub-Plan and forms of grant notices and agreements thereunder.
10.7	2020 Employee Share Purchase Plan.
10.8	Form of Amended Deed of Indemnity between registrant and each of its directors.
10.9	Form of Deed of Indemnity between registrant and each of its executive officers.
10.10	Registration Rights Agreement between registrant and Icahn School of Medicine at Mount Sinai, dated June 24, 2020.
21.1	Subsidiaries of the registrant.
23.1	Consent of Deloitte & Touche LLP, the registrant's independent registered public accounting firm.
23.2*	Consent of Cooley (UK) LLP (included in Exhibit 5.1).
24.1	Power of Attorney (included on signature page to this registration statement).

† Certain portions of this exhibit will be omitted because they are not material and would likely cause competitive harm to the registrant if disclosed.

Certain exhibits and schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant hereby undertakes to furnish supplementally a copy of any omitted exhibit or schedule upon request by the Securities and Exchange Commission.

* To be filed by amendment.

Financial statement schedules

None. All schedules have been omitted because the information required to be set forth therein is not applicable or has been included in the consolidated financial statements and notes thereto.

Item 9. Undertakings.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer, or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the global offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Signatures

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-1 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in New York City, New York, on June 24, 2020.

RENALYTIX AI PLC

By: /s/ James McCullough
Name: James McCullough
Title: Chief Executive Officer

KNOW ALL BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints James McCullough and O. James Sterling, and each of them, his or her true and lawful agent, proxy and attorney-in-fact, with full power of substitution and resubstitution, for and in his or her name, place and stead, in any and all capacities, to (1) act on, sign and file with the Securities and Exchange Commission any and all amendments (including post-effective amendments) to this Registration Statement together with all schedules and exhibits thereto and any subsequent registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, together with all schedules and exhibits thereto, (2) act on, sign and file such certificates, instruments, agreements and other documents as may be necessary or appropriate in connection therewith, (3) act on and file any supplement to any prospectus included in this Registration Statement or any such amendment or any subsequent registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and (4) take any and all actions which may be necessary or appropriate to be done, as fully for all intents and purposes as he or she might or could do in person, hereby approving, ratifying and confirming all that such agent, proxy and attorney-in-fact or any of his or her substitutes may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ James McCullough James McCullough	Chief Executive Officer and Director (Principal Executive Officer)	June 24, 2020
/s/ O. James Sterling O. James Sterling	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	June 24, 2020
/s/ Julian Baines Julian Baines	Chairman of the Board of Directors	June 24, 2020
/s/ Richard Evans Richard Evans	Non-Executive Director	June 24, 2020
/s/ Christopher Mills Christopher Mills	Non-Executive Director	June 24, 2020
/s/ Barbara Murphy, M.D. Barbara Murphy, M.D.	Non-Executive Director	June 24, 2020
/s/ Erik Lium, Ph.D. Erik Lium, Ph.D.	Non-Executive Director	June 24, 2020
/s/ Chirag R. Parikh, Ph.D., M.D. Chirag R. Parikh, Ph.D., M.D.	Non-Executive Director	June 24, 2020
/s/ Fergus Fleming Fergus Fleming	Chief Technical Officer and Director	June 24, 2020

Table of Contents

Signature of authorized U.S. representative of the registrant

Pursuant to the Securities Act of 1933, the undersigned, the duly authorized representative in the United States of Renalytix AI plc has signed this registration statement or amendment thereto on June 24, 2020.

Renalytix AI, Inc.

By: /s/ O. James Sterling
Name: O. James Sterling
Title: Authorized Signatory

Exhibit 3.1

RENALYTIX AI PLC

ARTICLES OF ASSOCIATION

ADOPTED ON 23 OCTOBER 2018

CONTENTS

CLAUSE

THE COMPANIES ACT 2006

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

RENALYTIX AI PLC

ADOPTED ON 23 OCTOBER 2018

1. Exclusion of model articles (and any other prescribed regulations)

No regulations or articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies (including the regulations in the Companies (Model Articles) Regulations 2008 (SI 2008/3229)) shall apply as the articles of the Company. The following shall be the articles of association of the Company.

2. Interpretation

2.1 In these articles, unless the context otherwise requires:

Act: Companies Act 2006;

address: includes any number or address used for the purposes of sending or receiving documents or information by electronic means;

Affiliates: in relation to a person any other person directly or indirectly controlling, controlled by or under common control with such person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a person whether through the ownership of voting securities, contract or otherwise, provided that Affiliates shall not include any portfolio companies of a person;

Articles: these articles of association as altered from time to time and "Article" shall be construed accordingly;

Board: the board of Directors for the time being of the Company or the Directors present or deemed to be present at a duly convened quorate meeting of the Directors;

certificated shares: a share which is not an uncertificated share and references in these Articles to a share being held in certificated form shall be construed accordingly;

class meeting: shall have the meaning given to it in Article 11;

clear days: in relation to a period of notice means that period excluding the day when the notice is served or deemed to be served and the day for which it is given or on which it is to take effect;

Companies Acts: the Act, the Companies Act 1985 and, where the context requires, every other statute from time to time in force concerning companies and affecting the Company;

Company: Renalytix AI plc;

Director: a Director for the time being of the Company;

DTC: The Depository Trust Company and any Affiliate or nominee therefore, including Cede & Co, and any successors thereto;

electronic form: has the meaning given to it in section 1168 of the Act;

electronic means: has the meaning given to it in section 1168 of the Act;

hard copy form: has the meaning given to it in section 1168 of the Act;

Listing: listing of the Company's Ordinary Shares (including the form of American Depositary Shares) on any regulated market, stock exchange or trading platform;

member: a member of the Company, or where the context requires, a member of the Board or of any committee;

Office: the registered office from time to time of the Company;

Operator: the Operator of a relevant system (as defined in the uncertificated securities rules) or the transfer agent of the Company (as applicable);

Ordinary Shares: means the Company's ordinary shares of £0.0025 each as sub-divided or consolidated from time to time;

paid up: paid up or credited as paid up;

participating class: a class of shares title to which is permitted by the Operator to be transferred by means of a relevant system;

Register: the register of members of the Company to be maintained under the Act or as the case may be any overseas branch register maintained under Article 107;

relevant system: a computer-based system which allows units of securities without written instruments to be transferred and endorsed pursuant to the uncertificated securities rules or other applicable regulations;

SEC: the United States Securities and Exchange Commission;

Secretary: the secretary of Company for the time being;

share: an Ordinary Share;

Share Warrant: a warrant to bearer issued by the Company in respect of its shares;

Seal: the common seal of the Company or, where the context allows, any official seal kept by the Company under section 50 of the Act;

uncertificated securities rules: any provision of the Companies Acts relating to the holding, evidencing of title to, or transfer of uncertificated shares and any legislation, rules or other arrangements made under or by virtue of such provision;

uncertificated share: a share of a class which is at the relevant time a participating class, title to which is recorded on the Register as being held in uncertificated form and references in these Articles to a share being held in uncertificated form shall be construed accordingly; and

Voting Control: with respect to a share the exclusive power (whether directly or indirectly) to vote or direct the voting of such share by proxy, voting agreement, or otherwise.

2.2 Headings are used for convenience only and shall not affect the construction or interpretation of these Articles.

2.3 A **person** includes a corporate and an unincorporated body (whether or not having separate legal personality).

2.4 Words in the singular shall include the plural and vice versa.

2.5 A reference to one gender shall include a reference to the other gender.

2.6 A reference to a statute or statutory provision is a reference to it as it is in force for the time being, taking account of any amendment, extension, or re-enactment and includes any subordinate legislation for the time being in force made under it.

2.7 Any words or expressions defined in the Companies Acts in force when these Articles or any part of these Articles are adopted shall (if not inconsistent with the subject or context in which they appear) have the same meaning in these Articles or that part, save that the word “company” shall include any body corporate.

2.8 A reference to a document **being signed** or to **signature** includes references to its being executed under hand or under seal or by any other method and, in the case of a communication in electronic form, such references are to its being authenticated as specified by the Companies Acts.

2.9 A reference to **writing** or **written** includes references to any method of representing or reproducing words in a legible and non-transitory form whether sent or supplied in electronic form or otherwise.

2.10 A reference to documents or information **being sent or supplied by or to** a company (including the Company) shall be construed in accordance with section 1148(3) of the Act.

2.11 A reference to a **meeting** shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.

3. Form of resolution

Subject to the Companies Acts, where anything can be done by passing an ordinary resolution, this can also be done by passing a special resolution.

4. Limited liability

The liability of the members of the Company is limited to the amount, if any, unpaid on the shares in the Company held by them.

5. Change of name

The Company may change its name by resolution of the Board.

6. Shareholder rights

6.1 The Ordinary Shares shall rank pari passu as a single class.

6.2 In the event of the liquidation, dissolution or winding up of the Company, the assets of the Company available for distribution to members shall be distributed amongst all holders of the Ordinary Shares in proportion to the number of shares held irrespective of the amount paid or credited as paid on any share.

6.3 Any:

(a) consolidation or merger of the Company with or into another entity or entities (whether or not the Company is the surviving entity) as a result of which the holders of the Company's outstanding shares possessing the voting power (under ordinary circumstances) to elect a majority of the Board immediately prior to such sale or issue cease to own the Company's outstanding shares possessing the voting power (under ordinary circumstances) to elect a majority of the Board;

(b) sale or transfer by the Company of all or substantially all of its assets (determined either for the Company alone or together with its subsidiaries on a consolidated basis); or

(c) sale, transfer or issuance or series of sales, transfers and/or issues of shares by the Company or the holders thereof, as a result of which the holders of the Company's outstanding shares possessing the voting power (under ordinary circumstances) to elect a majority of the Board immediately prior to such sale or issue cease to own the Company's outstanding shares possessing the voting power (under ordinary circumstances) to elect a majority of the Board,

shall be deemed to be a liquidation, dissolution and winding up of the Company for purposes of this Article (unless the Board determine otherwise), and the holders of the Ordinary Shares shall be entitled to receive from the Company the amounts payable with respect to the Ordinary Shares on a liquidation, dissolution or winding up of the Company under this Article in cancellation of their Ordinary Shares upon the completion of any such transaction.

6.4 At a general meeting of the Company and at any separate class meeting of the holders of Ordinary Shares, where a holder of Ordinary Shares is entitled to vote, such holder is entitled to one vote for each Ordinary Share held.

6.5 A holder of Ordinary Shares is entitled to receive notice of any general meeting of the Company (and notice of any separate class meeting of the holders of Ordinary Shares) and a copy of every report, accounts, circular or other document sent out by the Company to members.

7. Power to attach rights to shares

Subject to the Companies Acts and to any rights attached to existing shares, any share may be issued with or have attached to it such rights and restrictions as the Company may by ordinary resolution determine, or if no ordinary resolution has been passed or so far as the resolution does not make specific provision, as the Board may determine.

8. Allotment of shares and pre-emption

8.1 Subject to the Companies Acts, these Articles and to any relevant authority of the Company in general meeting required by the Act, the Board may offer, allot (with or without conferring rights of renunciation), grant options over or otherwise deal with or dispose of shares or grant rights to subscribe for or convert any security into shares to such persons, at such times and upon such terms as the Board may decide. No share may be issued at a discount to the nominal value of such share.

8.2 The Board may, at any time after the allotment of any share but before any person has been entered in the Register, recognise a renunciation by the allottee in favour of some other person and accord to the allottee of a share a right to effect such renunciation and/or allow the rights to be represented to be one or more participating securities, in each case upon the subject to such terms and conditions as the Board may think fit to impose.

8.3 Under and in accordance with section 551 of the Act, the Directors shall be generally and unconditionally authorised to exercise for each prescribed period all the powers of the Company to allot shares up to an aggregate nominal amount equal to the Section 551 Amount.

8.4 Under and within the terms of the said authority or otherwise in accordance with section 570 of the Act, the Directors shall be empowered during each prescribed period to allot equity securities (as defined by the Act) wholly for cash:

(a) in connection with a rights issue; and

(b) otherwise than in connection with a rights issue up to an aggregate nominal amount equal to the Section 561 Amount.

8.5 During each prescribed period the Company and its Directors by such authority and power may make offers or agreements which would or might require equity securities or other securities to be allotted after the expiry of such period.

8.6 For the purposes of this Article:

(a) **rights issue** means an offer of equity securities (as defined by the Act) open for acceptance for a period fixed by the Board to holders of equity securities on the Register on a fixed record date in proportion to their respective holdings of such securities or in accordance with the rights attached to them but subject to such exclusions or other arrangements as the Board may deem necessary or expedient with regard to treasury shares, fractional entitlements or legal or practical problems under the laws of any territory or under the requirements of any recognised regulatory body or stock exchange in any territory;

(b) **prescribed period** means any period (not exceeding five years on any occasion) for which the authority, in the case of Article 8.3, is conferred or renewed by ordinary or special resolution stating the Section 551 Amount and in the case of Article 8.4 is conferred or renewed by special resolution stating the Section 561 Amount;

(c) **Section 551 Amount** means for any prescribed period, the amount stated in the relevant ordinary or special resolution;

(d) **Section 561 Amount** means for any prescribed period, the amount stated in the relevant special resolution; and

(e) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

9. Redeemable shares

Subject to the Companies Acts and to any rights attaching to existing shares, any share may be issued which can be redeemed or is liable to be redeemed at the option of the Company or the holder. The Board may determine the terms, conditions and manner of redemption of any redeemable shares which are issued. Such terms and conditions shall apply to the relevant shares as if the same were set out in these Articles.

10. Pari passu issues

If new shares are created or issued which rank equally with any other existing shares, or the Company purchases any of its own shares, the rights of the existing shares will not be regarded as changed or abrogated unless the terms of the existing shares expressly say otherwise.

11. Variation of rights

11.1 Subject to the Companies Acts, the rights attached to any class of shares can be varied or abrogated:

(a) in such manner (if any) as may be provided by those rights;

(b) with the consent in writing of the holders of not less than three-quarters in nominal value of the issued share of that class (excluding any shares of that class held as treasury shares); or

(c) with the authority of a special resolution passed at a separate meeting of the holders of the relevant class of shares known as a **class meeting**.

11.2 The provisions of this Article will apply to any variation or abrogation of rights of shares forming part of a class. Each part of the class which is being treated differently is treated as a separate class in applying this Article.

11.3 All the provisions in these Articles as to general meetings shall apply, with any necessary modifications, to every class meeting except that:

(a) the quorum at every such meeting shall not be less than two persons holding or representing by proxy at least one-third of the nominal amount paid up on the issued shares of the class) (excluding any shares of that class held as treasury shares); and

(b) if at any adjourned meeting of such holders such quorum as set out above is not present, at least one person holding shares of the class who is present in person or by proxy shall be a quorum.

11.4 The Board may convene a class meeting whenever it thinks fit and whether or not the business to be transacted involves a variation or abrogation of class rights.

12. Rights deemed not varied

Unless otherwise expressly provided by the rights attached to any class of shares, those rights shall be deemed not to be varied by the purchase by the Company of any of its own shares or the holding of such shares as treasury shares.

13. Payment of commission

The Company may in connection with the issue of any shares or the sale for cash of treasury shares exercise all powers of paying commission and brokerage conferred or permitted by the Companies Acts. Any such commission or brokerage may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or other securities or the grant of an option to call for an allotment of shares or any combination of such methods.

14. Trusts not recognised

Except as otherwise expressly provided by these Articles, required by law or as ordered by a court of competent jurisdiction, the Company shall not recognise any person as holding any share on any trust, and the Company shall not be bound by or required in any way to recognise (even when having notice of it) any equitable, contingent, future, partial or other claim to or interest in any share other than an absolute right of the holder of the whole of the share.

15. Uncertificated shares

15.1 Under and subject to the uncertificated securities rules, the Board may permit title to shares of any class to be evidenced otherwise than by certificate and title to shares of such a class to be transferred by means of a relevant system and may make arrangements for a class of

shares (if all shares of that class are in all respects identical) to become a participating class. Title to shares of a particular class may only be evidenced otherwise than by a certificate where that class of shares is at the relevant time a participating class. The Board may also, subject to compliance with the uncertificated securities rules, determine at any time that title to any class of shares may from a date specified by the Board no longer be evidenced otherwise than by a certificate or that title to such a class shall cease to be transferred by means of any particular relevant system.

15.2 In relation to a class of shares which is a participating class and for so long as it remains a participating class, no provision of these Articles shall apply or have effect to the extent that it is inconsistent in any respect with:

(a) the holding of shares of that class in uncertificated form;

(b) the transfer of title to shares of that class by means of a relevant system; or

(c) any provision of the uncertificated securities rules,

and, without prejudice to the generality of this Article, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with the maintenance, keeping or entering up by the Operator, so long as that is permitted or required by the uncertificated securities rules, of an Operator register of securities in respect of that class of shares in uncertificated form.

15.3 Shares of a class which is at the relevant time a participating class may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the uncertificated securities rules.

15.4 If, under these Articles or the Companies Acts, the Company is entitled to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over an uncertificated share, then, subject to these Articles and the Companies Acts, such entitlement shall include the right of the Board to:

(a) require the holder of the uncertificated share by notice in writing to change that share from uncertificated to certificated form within such period as may be specified in the notice and keep it as a certificated share for as long as the Board requires;

(b) appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of such share as may be required to effect the transfer of such share and such steps shall be as effective as if they had been taken by the registered holder of that share; and

(c) take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of that share.

15.5 Unless the Board determines otherwise, shares which a member holds in uncertificated form shall be treated as separate holdings from any shares which that member holds in certificated form but a class of shares shall not be treated as two classes simply because some shares of that class are held in certificated form and others in uncertificated form.

15.6 Unless the Board determines otherwise or the uncertificated securities rules require otherwise, any shares issued or created out of or in respect of any uncertificated shares shall be uncertificated shares and any shares issued or created out of or in respect of any certificated shares shall be certificated shares.

15.7 The Company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the uncertificated securities rules and regularly reconciled with the relevant Operator register of securities are a complete and accurate reproduction of the particulars entered in the Operator register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance on such assumption. Any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the Register shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

16. Share certificates

16.1 Every person (except a person to whom the Company is not by law required to issue a certificate) whose name is entered in the Register as a holder of any certificated shares shall be entitled, without charge, to receive within the time limits prescribed by the Companies Acts (unless the terms of issue prescribe otherwise) one certificate for all of the shares of that class registered in his name.

16.2 The Company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to the person first named in the Register shall be sufficient delivery to all joint holders.

16.3 Where a member has transferred part only of the shares comprised in a certificate, he shall be entitled without charge to a certificate for the balance of such shares to the extent that the balance is to be held in certificated form. Where a member receives more shares of any class, he shall be entitled without charge to a certificate for the extra shares of that class to the extent that the balance is to be held in certificated form.

16.4 A share certificate may be issued under Seal (by affixing the Seal to or printing the Seal or a representation of it on the certificate) or signed by at least two Directors or by at least one Director and the Secretary. Such certificate shall specify the number and class of the shares in respect of which it is issued and the amount or respective amounts paid up on it. The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be signed by any person.

16.5 Every share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any share certificate lost or delayed in the course of delivery.

17. Replacement certificates

17.1 Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge on surrender of the original certificates for cancellation.

17.2 Any certificate representing shares of any one class held by any member may at his request be cancelled and two or more certificates for such shares may be issued instead.

17.3 If a share certificate is defaced, worn out or said to be stolen, lost or destroyed, it may be replaced on such terms as to evidence and indemnity as the Board may decide and, where it is defaced or worn out, after delivery of the old certificate to the Company.

17.4 The Board may require the payment of any exceptional out-of-pocket expenses of the Company incurred in connection with the issue of any certificates under this Article. In the case of shares held jointly by several persons, any such request as is mentioned in this Article may be made by any one of the joint holders.

18. Lien on shares not fully paid

The Company shall have a first and paramount lien on every share, not being a fully paid share, for all amounts payable to the Company (whether presently or not) in respect of that share. The Company's lien over a share takes priority over any third party's interest in that share, and extends to any dividend or other money payable by the Company in respect of that share (and, if the lien is enforced and the share is sold by the Company, the proceeds of sale of that share). The Board may at any time, either generally or in any particular case, waive any lien that has arisen or declare any share to be wholly or in part exempt from the provisions of this Article.

19. Enforcement of lien by sale

The Company may sell, in such manner as the Board may decide, any share over which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen (14) clear days after a notice has been served on the holder of the share or the person who is entitled by transmission to the share, demanding payment and stating that if the notice is not complied with the share may be sold. For giving effect to the sale, in the case of a certificated share, the Board may authorise some person to sign an instrument of transfer of the share sold to, or in accordance with the directions, of the buyer. In the case of an uncertificated share, the Board may require the Operator to convert the share into certificated form and after such conversion, authorise any person to sign the instrument of transfer of the share to effect the sale of the share. The buyer shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.

20. Application of proceeds of sale

The net proceeds of any sale of shares subject to any lien, after payment of the costs, shall be applied:

(a) first, in or towards satisfaction of so much of the amount due to the Company or of the liability or engagement (as the case may be) as is presently payable or is liable to be presently fulfilled or discharged; and

(b) second, any residue shall be paid to the person who was entitled to the share at the time of the sale but only after the certificate for the shares sold has been surrendered to the company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a like lien for debts or liabilities not presently payable as existed on the share prior to the sale.

21. Calls

21.1 Subject to these Articles and the terms on which the shares are allotted, the Board may from time to time make calls on the members in respect of any monies unpaid on their shares (whether in respect of nominal value or premium) and not payable on a date fixed by or in accordance with the terms of issue.

21.2 Each member shall (subject to the Company serving upon him at least fourteen (14) clear days' notice specifying when and where payment is to be made and whether or not by instalments) pay to the Company as required by the notice the amount called on for his shares.

21.3 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

21.4 A call may be revoked or postponed, in whole or in part, as the Board may decide.

21.5 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which the call is required to be paid.

22. Liability of joint holders

The joint holders of a share shall be jointly and severally liable to pay all calls in respect of the share.

23. Interest on calls

If a call remains unpaid after it has become due and payable, the person from whom it is due and payable shall pay all expenses that may have been incurred by the Company by reason of such non-payment together with interest on the amount unpaid from the day it is due and payable to the time of actual payment at such rate (not exceeding the Bank of England base rate by more than five percentage points) as the Board may decide. The Board may waive payment of the interest or the expenses in whole or in part.

24. Sums treated as calls

An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid these Articles shall apply as if that sum had become due and payable by virtue of a call.

25. Power to differentiate

On or before the issue of shares, the Board may decide that allottees or holders of shares can be called on to pay different amounts or that they can be called on at different times.

26. Payment of calls in advance

The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid on the shares held by him. Such payment in advance of calls shall, to the extent of the payment, extinguish the liability on the shares on which it is made. The Company may pay interest on the money paid in advance, or so much of it as exceeds the amount for the time being called upon the shares in respect of which such advance has been made, at such rate as the Board may decide. The Board may at any time repay the amount so advanced by giving at least three months' notice in writing to such member of its intention to do so, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

27. Notice if call or instalment not paid

If any member fails to pay the whole of any call (or any instalment of any call) by the date when payment is due, the Board may at any time give notice in writing to such member (or to any person entitled to the shares by transmission), requiring payment of the amount unpaid (and any accrued interest and any expenses incurred by the Company by reason of such non-payment) by a date not less than fourteen (14) clear days from the date of the notice. The notice shall name the place where the payment is to be made and state that, if the notice is not complied with, the shares in respect of which such call was made will be liable to be forfeited.

28. Forfeiture for non-compliance

If the notice referred to in Article 27 is not complied with, any share for which it was given may be forfeited, by resolution of the Board to that effect, at any time before the payment required by the notice has been made. Such forfeiture shall include all dividends declared or other monies payable in respect of the forfeited shares and not paid before the forfeiture.

29. Notice after forfeiture

When any share has been forfeited, notice of the forfeiture shall be served on the holder of the share or the person entitled to such share by transmission (as the case may be) before forfeiture. An entry of such notice having been given and of the forfeiture and the date of forfeiture shall immediately be made in the Register in respect of such share. However, no forfeiture shall be invalidated by any omission to give such notice or to make such entry in the Register.

30. Forfeiture may be annulled

The Board may annul the forfeiture of a share, at any time before any forfeited share has been cancelled or sold, re-allotted or otherwise disposed of, on the terms that payment shall be made of all calls and interest due on it and all expenses incurred in respect of the share and on such further terms (if any) as the Board shall see fit.

31. Surrender

The Board may accept the surrender of any share liable to be forfeited and, in any event, references in these Articles to forfeiture shall include surrender.

32. Sale of forfeited shares

32.1 A forfeited share shall become the property of the Company.

32.2 Subject to the Companies Acts, any such share may be sold, re-allotted or otherwise disposed of, on such terms and in such manner as the Board thinks fit.

32.3 The Board may, for the purposes of the disposal, authorise some person to transfer the share in question and may enter the name of the transferee in respect of the transferred share in the Register even if no share certificate is lodged and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the share. The Company may receive the consideration (if any) given for the share on its disposal.

33. Effect of forfeiture

A shareholder whose shares have been forfeited shall cease to be a member in respect of such forfeited shares and shall surrender the certificate for such shares to the Company for cancellation. Such shareholder shall remain liable to pay to the Company all sums which at the date of forfeiture were presently payable by him to the Company in respect of such shares with interest (not exceeding the Bank of England base rate by 2 percentage points) from the date of the forfeiture to the date of payment. The Directors may waive payment of interest wholly or in part and may enforce payment, without any reduction or allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

34. Evidence of forfeiture

A statutory declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share. The person to whom the share is transferred or sold shall not be bound to see to the application of the purchase money or other consideration (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture or disposal of the share.

35. Form of transfer

35.1 Subject to these Articles:

(a) each member may transfer all or any of his shares which are in certificated form by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. All instruments of transfer, when registered, may be retained by the Company.

(b) each member may transfer all or any of his shares which are in uncertificated form by means of a relevant system in such manner provided for, and subject as provided in, the uncertificated securities rules. No provision of these Articles shall apply in respect of an uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the share to be transferred.

35.2 The transferor of a share shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the Register in respect of it.

36. Right to refuse registration of transfer

36.1 The Board may, in its absolute discretion, refuse to register any transfer of a share in certificated form (or renunciation of a renounceable letter of allotment) unless:

(a) it is for a share which is fully paid up;

(b) it is for a share upon which the Company has no lien;

(c) it is only for one class of share;

(d) it is in favour of a single transferee or no more than four joint transferees;

(e) it is duly stamped or is duly certificated or otherwise shown to the satisfaction of the Board to be exempt from stamp duty (if this is required); and

(f) it is delivered for registration to the Office (or such other place as the Board may determine), accompanied (except in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued or in the case of a renunciation) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor (or person renouncing) and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.

36.2 The Board shall not refuse to register any transfer or renunciation of partly paid shares which are listed on a stock exchange or securities trading platform on the grounds that they are partly paid shares in circumstances where such refusal would prevent dealings in such shares from taking place on an open and proper basis.

36.3 Transfers of shares will not be registered in the circumstances referred to in Article 76.

36.4 The Board may refuse to register a transfer of uncertificated shares in any circumstances that are allowed or required by the uncertificated securities rules and the relevant system.

37. Notice of refusal to register a transfer

If the Board refuses to register a transfer of a share it shall notify the transferee of the refusal and the reasons for it within two months after the date on which the transfer was lodged with the Company or the instructions to the relevant system received. Any instrument of transfer which the Board refuses to register shall be returned to the person depositing it (except if there is suspected or actual fraud). All instruments of transfer which are registered may be retained by the Company.

38. No fees on registration

No fee shall be charged for registration of a transfer or other document or instruction relating to or affecting the title to any share or for making any other entry in the Register.

39. Other powers in relation to transfers

Nothing in these Articles shall prevent the Board:

(a) from recognising a renunciation of the allotment of any share by the allottee in favour of another person; or

(b) (if empowered to do so by these Articles) from authorising any person to execute an instrument of transfer of a share and from authorising any person to transfer that share in accordance with any procedures implemented under Article 19.

40. Transmission of shares on death

If a member dies, the survivors or survivor (where he was a joint holder), and his executors or administrators (where he was a sole or the only survivor of joint holders), shall be the only persons recognised by the Company as having any title to his shares. Nothing in these Articles shall release the estate of a deceased member from any liability for any share which has been solely or jointly held by him.

41. Election of person entitled by transmission

41.1 Any person becoming entitled to a share because of the death or bankruptcy of a member, or otherwise by operation of law, may (on such evidence as to his title being produced as the Board may require) elect either to become registered as a member or to have some person nominated by him registered as a member. If he elects to become registered himself, he shall notify the Company to that effect. If he elects to have some other person registered, he shall execute an instrument of transfer of such share to that person. All the provisions of these

Articles relating to the transfer of shares shall apply to the notice or instrument of transfer (as the case may be) as if it were an instrument of transfer executed by the member and his death, bankruptcy or other event had not occurred. Where the entitlement of a person to a share because of the death or bankruptcy of a member or otherwise by operation of law is proved to the satisfaction of the Board, the Board shall within thirty (30) days after proof cause the entitlement of that person to be noted in the Register.

41.2 A person entitled by transmission to a share in uncertificated form who elects to have some other person registered shall either:

(a) procure that instructions are given by means of the relevant system to effect transfer of such uncertificated share to that person; or

(b) change the uncertificated share to certificated form and execute an instrument of transfer of that certificated share to that person.

42. Rights on transmission

Where a person becomes entitled to a share because of the death or bankruptcy of any member, or otherwise by operation of law, the rights of the holder in relation to such share shall cease. However, the person so entitled may give a good discharge for any dividends and other monies payable in respect of it and shall have the same rights to which he would be entitled if he were the holder of the share, except that he shall not be entitled to receive notice of, or to attend or vote at, any meeting of the Company or an separate meeting of the holders of any class of shares of the Company before he is registered as the holder of the share. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share. If the notice is not complied with within thirty (30) days, the Board may withhold payment of all dividends and the other monies payable in respect of such share until the requirements of the notice have been complied with.

43. Destruction of documents

43.1 The Company may destroy any:

(a) instrument of transfer, after six years from the date on which it is registered;

(b) dividend mandate or any variation or cancellation of a dividend mandate or any notification of change of name or address, after two years from the date on which it is recorded;

(c) share certificate, after one year from the date on which it is cancelled;

(d) instrument of proxy which has been used for the purpose of voting at any time after one year has elapsed from the date of use;

(e) instrument of proxy which has not been used for the purpose of voting at any time after a period of one month has elapsed from the end of the meeting to which the instrument of proxy relates;

(f) Share Warrant (including coupons or tokens detailed from it) which has been cancelled at any time after seven years from the date on which it was cancelled; or

(g) other document for which any entry in the Register is made, after six years from the date on which an entry was first made in the Register in respect of it,

provided that the Company may destroy any such type of document at a date earlier than that authorised by this Article if a copy of such document is made and retained (whether electronically, by microfilm, by digital imaging or by other similar means) until the expiration of the period applicable to the destruction of the original of such document.

43.2 It shall be conclusively presumed in favour of the Company that every:

(a) entry in the Register purporting to have been made on the basis of a document so destroyed was duly and properly made;

(b) instrument of transfer so destroyed was duly registered;

(c) share certificate so destroyed was duly cancelled; and

(d) other document so destroyed had been properly dealt with under its terms and was valid and effective according to the particulars in the records of the Company.

43.3 This Article shall only apply to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant. Nothing in this Article shall be construed as imposing any liability on the Company in respect of the destruction of any such document other than as provided for in this Article which would not attach to the Company in the absence of this Article. References in this Article to the destruction of any document include references to the disposal of it in any manner.

43.4 References in this Article to instruments of transfer shall include, in relation to uncertificated shares, instructions and/or notifications made in accordance with the relevant system relating to the transfer of such shares.

44. Sub-division

Any resolution authorising the Company to sub-divide its shares or any of them may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

45. Fractions

45.1 Where any difficulty arises in regard to any consolidation or division, the Board may settle such difficulty as they see fit. In particular, without limitation, the Directors may sell to any person (including the Company) the shares representing the fractions for the best once reasonably obtainable and distribute the net proceeds of sale in due proportion among those members or retain such net proceeds for the benefit of the Company and:

(a) in the case of shares in certificated form, the Board may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser and take such other steps (including the giving of directions to or on behalf of the holder, who shall be bound by them) as they think fit to effect such transfer; and

(b) in the case of shares in uncertificated form, the Board may:

(i) to enable the Company to deal with the share in accordance with the provisions of this Article, require or procure any relevant person or the Operator (as applicable) to convert the share into certificated form; and

(ii) after such conversion, authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser and take such other steps (including the giving of directions to or on behalf of the holder, who shall be bound by them) as they think fit to effect the transfer.

45.2 The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

46. Annual general meetings

An annual general meeting shall be held once a year, at such time (consistent with the terms of the Companies Acts) and place as may be determined by the Board.

47. Convening of general meetings

All meetings other than annual general meetings shall be called general meetings. The Board or the chairman of the Board may, whenever it thinks fit, and shall on requisition in accordance with the Companies Acts, proceed to convene a general meeting. For all other purposes, and unless expressly provided otherwise in these Articles, the procedures for giving notice (other than as to duration) of, the conduct of, and voting at annual general meetings and all other general meetings shall be the same.

48. Notice of general meetings

A general meeting shall be called by at least such minimum notice as is required or permitted by the Companies Acts. The period of notice shall in either case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given to all members other than those who are not entitled to receive such notices from the Company. The Company may give such notice by any means or combination of means permitted by the Companies Acts.

49. Contents of notice of meetings

49.1 Every notice calling a meeting shall specify;

(a) whether the meeting shall be a physical or electronic meeting or a hybrid meeting;

(b) in the case of a physical meeting and/or a hybrid meeting the place, date and time of the meeting,

(c) in the case of an electronic and/or hybrid meeting, the date, time and electronic platform for the meeting, which electronic platform may vary from time to time and from meeting to meeting as the board, in its sole discretion, sees fit,

and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to a proxy or (if he has more than one share) proxies to exercise all or any of his rights to attend, speak and vote and that a proxy need not be a member of the Company. Such notice shall also include the address of the website on which the information required by the Act is published, state the procedures with which members must comply in order to be able to attend and vote at the meeting (including the date by which they must comply), provide details of any forms to be used for the appointment of a proxy and state that a member has the right to ask questions at the meeting in accordance with the Act.

49.2 The notice shall specify the general nature of the business to be transacted at the meeting and shall set out the text of all resolutions to be considered by the meeting and shall state in each case whether it is proposed as an ordinary resolution or as a special resolution.

49.3 In the case of an annual general meeting, the notice shall also specify the meeting as such.

49.4 For the purposes of determining which persons are entitled to attend or vote at a meeting and how many votes a person may cast, the Company may specify in the notice of meeting a time, not more than forty-eight (48) hours before the time fixed for the meeting (not taking into account non-working days) by which a person must be entered in the Register in order to have the right to attend or vote at the meeting or appoint a proxy to do so.

50. Omission to give notice and non-receipt of notice

The accidental omission to give notice of any meeting or to send an instrument of proxy (where this is intended to be sent out with the notice) to, or the non-receipt of either by, any person entitled to receive the same shall not invalidate the proceedings of that meeting.

51. Postponement of general meeting

If the Board considers that it is impracticable or unreasonable to hold a general meeting on the date or at the time or place stated in the notice calling the meeting, it may postpone or move the meeting (or do both). The Board shall take reasonable steps to ensure that notice of the date, time and place of the rearranged meeting is given to any member trying to attend the meeting at the original time and place. Notice of the date, time and place of the rearranged meeting shall, if practicable, also be placed in at least two national newspapers published in the United Kingdom. Notice of the business to be transacted at such rearranged meeting shall not be required. If a meeting is rearranged in this way, appointments of proxy are valid if they are received as required by these Articles not less than forty-eight (48) hours before the time appointed for holding the rearranged meeting and for the purpose of calculating this period, the Board can decide in their absolute discretion, not to take account of any part of a day that is not a working day. The Board may also postpone or move the rearranged meeting (or do both) under this Article.

52. Quorum at general meeting

No business shall be transacted at any general meeting unless a quorum is present. If a quorum is not present a chairman of the meeting can still be chosen and this will not be treated as part of the business of the meeting. Two members present in person or by proxy and entitled to attend and to vote on the business to be transacted shall be a quorum.

53. Procedure if quorum not present

If a quorum is not present within fifteen (15) minutes (or such longer interval as the chairman in his absolute discretion thinks fit) from the time appointed for holding a general meeting, or if a quorum ceases to be present during a meeting, the meeting shall be dissolved if convened on the requisition of members. In any other case, the meeting shall stand adjourned to another day, (not being less than ten (10) clear days after the date of the original meeting), and at such time and place as the chairman (or, in default, the Board) may determine. If at such adjourned meeting a quorum is not present within fifteen (15) minutes from the time appointed for holding the meeting, one person entitled to vote on the business to be transacted, being a member or a proxy for a member or a duly authorised representative of a corporation which is a member, shall be a quorum and any notice of an adjourned meeting shall state this.

54. Chairman of general meeting

The chairman of the Board shall preside at every general meeting of the Company. If there is no such chairman or if at any meeting he shall not be present within five (5) minutes after the time appointed for holding the meeting, or shall be unwilling to act as chairman, the deputy chairman (if any) of the Board shall, if present and willing to act, preside at such meeting. If more than one deputy chairman is present they shall agree amongst themselves who is to take the chair or, if they cannot agree, the deputy chairman who has been in office as a Director the longest shall take the chair. If no chairman or deputy chairman shall be so present and willing to act, the Directors present shall choose one of their number to act or, if there be only one Director present, he shall be chairman if willing to act. If there be no Director present and willing to act, the members present and entitled to vote shall choose one of their number to be chairman of the meeting. Nothing in these Articles shall restrict or exclude any of the powers or rights of a chairman of a meeting which are given by law.

55. Entitlement to attend and speak

55.1 A Director (and any other person invited by the chairman to do so) may attend and speak at any general meeting and at any separate meeting of the holders of any class of shares of the Company, whether or not he is a member.

55.2 The Board may resolve to enable persons entitled to attend a general meeting hosted on an electronic platform (such meeting being an *electronic general meeting)* to do so by simultaneous attendance by electronic means with no member necessarily in physical attendance at the electronic general meeting. The members or their proxies present shall be counted in the quorum for, and entitled to vote at, the general meeting in question, and that meeting shall be duly constituted and its proceedings valid if the chairman of the general meeting is satisfied that adequate facilities are available throughout the electronic general meeting to ensure that members attending the electronic general meeting who are not present together at the same place may, by electronic means, attend and speak and vote at it.

55.3 Nothing in these Articles prevents a general meeting being held both physically and electronically.

56. Adjournments

56.1 The chairman may, with the consent of a meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time (or indefinitely) and from place to place as the meeting shall determine.

56.2 Without prejudice to any other power which he may have under these Articles or at common law, the chairman may, without the need for the consent of the meeting, interrupt or adjourn any meeting from time to time and from place to place or for an indefinite period if he is of the opinion that it has become necessary to do so in order to secure the proper and orderly conduct of the meeting or to give all persons entitled to do so a reasonable opportunity of attending, speaking and voting at the meeting (where facilities at a physical meeting place and/or an electronic platform appear to the chairman to have become inadequate for the purpose) or to ensure that the business of the meeting is properly disposed of.

56.3 Meetings can be adjourned more than once, in accordance with the procedures set out in this Article.

57. Notice of adjournment

If the meeting is adjourned indefinitely or for more than three months, notice of the adjourned meeting shall be given in the same manner as in the case of the original meeting. Except as provided in these Articles, there is no need to give notice of the adjourned meeting or of the business to be considered there.

58. Business of adjourned meeting

No business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting from which the adjournment took place.

59. Security arrangements and orderly conduct

59.1 The Board may direct that any person wishing to attend any meeting should provide such evidence of identity and submit to such searches or other security arrangements or restrictions as the Board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to any meeting to any person who fails to provide such evidence of identity or to submit to such searches or to otherwise comply with such security arrangements or restrictions.

59.2 The Board and, at any electronic general meeting, the chairman may make any arrangement and impose any requirement or restriction as is:

(a) necessary to ensure the identification of those taking part and the security of the electronic communication; and

(b) proportionate to those objectives.

In this respect, the Company is able to authorise any voting application, system or facility for electronic general meetings as it sees fit.

59.3 The chairman shall take such action or give directions as he thinks fit to promote the orderly conduct of the business of the meeting as laid down in the notice of the meeting and to ensure the security of the meeting and the safety of the people attending the meeting. The chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination as to whether any matter is of such a nature.

60. Overflow meeting rooms

60.1 The Board may, in accordance with this Article, make arrangements for members and proxies who are entitled to attend and participate in a general meeting, but who cannot be seated in the main meeting room where the chairman will be, to attend and take part in a general meeting in an overflow room or rooms. Any overflow room will have appropriate links to the main room and will enable audio-visual communication between the meeting rooms throughout the meeting. The Board will decide how to divide members and proxies between the main room and the overflow room. If an overflow room is used, the meeting will be treated as being held and taking place in the main meeting room and the meeting will consist of all the members and proxies who are attending both in the main meeting room and the overflow room.

60.2 Details of any arrangements for overflow rooms will be set out in the notice of the meeting but failure to do so will not invalidate the meeting.

61. Satellite meeting places

61.1 To facilitate the organisation and administration of any general meeting, the Board may decide that the meeting shall be held at two or more locations.

61.2 For the purposes of these Articles, any general meeting of the Company taking place at two or more locations shall be treated as taking place where the chairman of the meeting presides (the **principal meeting place**) and any other location where that meeting takes place is referred in this Article as a **satellite meeting**.

61.3 A member present in person or by proxy at a satellite meeting may be counted in the quorum and may exercise all rights that they would have been able to exercise if they were present at the principal meeting place.

61.4 The Board may make and change from time to time such arrangements as they shall in their absolute discretion consider appropriate to:

(a) ensure that all members and proxies for members wishing to attend the meeting can do so;

(b) ensure that all persons attending the meeting are able to participate in the business of the meeting and to see and hear anyone else addressing the meeting;

(c) ensure the safety of persons attending the meeting and the orderly conduct of the meeting; and

(d) restrict the numbers of members and proxies at any one location to such number as can safely and conveniently be accommodated there.

61.5 The entitlement of any member or proxy to attend a satellite meeting shall be subject to any such arrangements then in force and stated by the notice of the meeting or adjourned meeting to apply to the meeting.

61.6 If there is a failure of communication equipment or any other failure in the arrangements for participation in the meeting at more than one place, the chairman may adjourn the meeting in accordance with Article 56. Such adjournment will not affect the validity of such meeting, or any business conducted at such meeting up to the point of adjournment, or any action taken pursuant to such meeting.

61.7 A person (**satellite chairman**) appointed by the Board shall preside at each satellite meeting. Every satellite chairman shall carry out all requests made of him by the chairman of the meeting, may take such action as he thinks necessary to maintain the proper and orderly conduct of the satellite meeting and shall have all powers necessary or desirable for such purposes.

62. Procedure where general meetings held at more than one place

62.1 The provisions of this Article shall apply if any general meeting is held at or adjourned to more than one place.

62.2 The notice of such a meeting or adjourned meeting shall specify the principal meeting place and the Directors shall make arrangements for simultaneous attendance and participation at the principal meeting place and at other satellite meetings by members, provided that persons attending at any particular place shall be able to see and hear and be seen and heard by means of audio visual links by persons attending the principal meeting place and at the other satellite meeting places at which the meeting is held.

62.3 The Directors may from time to time make such arrangements for the purpose of controlling the level of attendance at any such place (whether involving the issue of tickets or the imposition of some geographical or regional means of selection or otherwise) as they shall in their absolute discretion consider appropriate, and may from time to time vary any such arrangements or make new arrangements in place of them, provided that a member who is not entitled to attend, in person or by proxy, at any principal meeting place shall be entitled so to attend at one of the satellite meetings, and the entitlement of any member so to attend the meeting or adjourned meeting at such place shall be subject to any such arrangements as may from time to time be in force and by the notice of meeting or adjourned meeting stated to apply to the meeting.

62.4 For the purposes of all other provisions of these Articles, any such meeting shall be treated as being held at the principal meeting place.

62.5 If a meeting is adjourned to more than one place, not less than seven days' notice of the adjourned meeting shall be given despite any other provision of these Articles.

63. Amendment to resolutions

63.1 If an amendment to any resolution under consideration is proposed but is ruled out of order by the chairman of the meeting in good faith, any error in such ruling shall not invalidate the proceedings on the original resolution.

63.2 In the case of a resolution duly proposed as a special resolution, no amendment to it (other than an amendment to correct a patent error) may in any event be considered or voted on. In the case of a resolution duly proposed as an ordinary resolution no amendment to it (other than an amendment to correct a patent error) may be considered or voted on unless either at least forty-eight (48) hours prior to the time appointed for holding the meeting or adjourned meeting at which such ordinary resolution is to be proposed, notice in writing of the terms of the amendment and intention to move the same has been lodged at the Office or received in electronic form at the electronic address at which the Company has or is deemed to have agreed to receive it or the chairman of the meeting in his absolute discretion decides that it may be considered or voted on.

64. Withdrawal and ruling amendments out of order

With the consent of the chairman of the meeting, an amendment may be withdrawn by its proposer before it is voted on. If an amendment proposed to any resolution under consideration is ruled out of order by the chairman of the meeting, the proceedings on the resolution shall not be invalidated by any error in the ruling.

65. Members' resolutions

65.1 Members of the Company shall have the rights provided by the Companies Acts to have the Company circulate and give notice of a resolution which may be properly moved, and is intended to be moved, at the Company's next annual general meeting.

65.2 Expenses of complying with these rights shall be borne in accordance with the Companies Acts.

66. Method of voting

66.1 Any resolution put to the vote of a general meeting must be decided exclusively on a poll.

66.2 At general meetings, resolutions shall be put to the vote by the chairman of the meeting and there shall be no requirement for the resolution to be proposed or seconded by any person.

67. Objection to error in voting

No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. The decision of the chairman of the meeting on such matters shall be final and conclusive.

68. Voting Procedure

68.1 Any poll on any question of adjournment shall be taken immediately. A poll on any other matter shall be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not more than thirty (30) days from the date of the meeting or adjourned meeting, as the chairman shall direct. The chairman may appoint scrutineers who need not be members. It is not necessary to give notice of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting. In any other case, at least seven clear days' notice shall be given specifying the time, date and place at which the poll shall be taken. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was due to be conducted.

68.2 Votes may be given in person or by proxy. A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

68.3 No notice need be given of a poll not taken during the meeting if the time and place at which it is to be taken are announced at the meeting. In any other case, at least seven clear days' notice must be given specifying the time and place at which the poll is to be taken.

69. Votes of members

69.1 Subject to Article 69.2, to the Companies Acts and to any special terms as to voting on which any shares may have been issued or may for the time being be held and to any suspension or abrogation of voting rights under these Articles, at any general meeting:

(a) every shareholder present in person or by duly appointed proxy or corporate representative has one vote for every Share of which he is the holder or in respect of which his appointment as proxy or corporate representative has been made; and

(b) a member, proxy or corporate representative entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way.

69.2 If two or more persons are joint holders of a share, then in voting on any question the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names of the holders stand in the Register.

69.3 Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Board may in its absolute discretion, upon or subject to production of such evidence of the appointment as the Board may require, permit such receiver or other person on behalf of such member to vote in person by proxy on behalf of such member at any general meeting or to exercise any other right conferred by membership in relation to meetings of the Company. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the Office, or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, at least forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and, in default, the right to vote shall not be exercisable.

69.4 In the case of equality of votes the chairman of the meeting shall not be entitled to a casting vote.

69.5 In order that the Company may determine the members entitled to vote at any meeting of members or any adjournment thereof, and how many votes such person may cast, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If no record date is fixed the record date for determining members entitled to vote at a meeting of members shall, unless otherwise required by law, be at the close of business on the business day preceding the day on which notice is given.

70. No right to vote where sums overdue on shares

No member may vote at a general meeting (or any separate meeting of the holders of any class of shares), either in person or by proxy, or to exercise any other right or privilege as a member in respect of a share held by him unless:

(a) all calls or other sums presently due and payable by him in respect of that share whether alone or jointly with any other person together with interest and expenses (if any) have been paid to the Company; or

(b) the Board determines otherwise.

71. Voting by Proxy

71.1 Subject to Article 71.2, an instrument appointing a proxy shall be in writing in any usual form (or in another form approved by the Board) executed under the hand of the appointor or his duly constituted attorney or, if the appointor is a corporation, under its seal or signed by a duly authorised officer or attorney or other person authorised to sign.

71.2 Subject to the Companies Acts, the Board may accept the appointment of a proxy received by electronic means on such terms and subject to such conditions as it considers fit. The appointment of a proxy received by electronic means shall not be subject to the requirements of Article 71.1.

71.3 For the purposes of Articles 71.1 and 71.2, the Board may require such reasonable evidence it considers necessary to determine:

(a) the identity of the member and the proxy; and

(b) where the proxy is appointed by a person acting on behalf of the member, the authority of that person to make the appointment.

71.4 A member may appoint another person as his proxy to exercise all or any of his rights to attend and to speak and to vote on a resolution or amendment of a resolution, or on other business arising, at a meeting or meetings of the Company. Unless the contrary is stated in it, the appointment of a proxy shall be deemed to confer authority to exercise all such rights, as the proxy thinks fit.

71.5 A proxy need not be a member.

71.6 A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to different shares held by the member. When two or more valid but differing appointments of proxy are delivered or received for the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.

71.7 Delivery or receipt of an appointment of proxy does not prevent a member attending and voting in person at the meeting or an adjournment of the meeting.

71.8 The appointment of a proxy shall (unless the contrary is stated in it) be valid for an adjournment of the meeting as well as for the meeting or meetings to which it relates. The appointment of a proxy shall be valid for 12 months from the date of execution or, in the case of an appointment of proxy delivered by electronic means, for 12 months from the date of delivery unless otherwise specified by the Board.

71.9 Subject to the Companies Acts, the Company may send a form of appointment of proxy to all or none of the persons entitled to receive notice of and to vote at a meeting. If sent, the form shall provide for three-way voting on all resolutions (other than procedural resolutions) set out in the notice of meeting.

71.10 The Company shall not be bound to enquire whether any proxy or corporate representative votes in accordance with the instructions given to him by the member he represents and if a proxy or corporate representative does not vote in accordance with the instructions of the member he represents the vote or votes cast shall nevertheless be valid for all purposes.

72. Receipt of proxy

72.1 An instrument appointing a proxy and any reasonable evidence required by the Board in accordance with Article 71.3 shall:

(a) subject to Articles 72.1(c) and (d), in the case of an instrument of proxy in hard copy form, delivered to the office, or another place in the United Kingdom specified in the notice convening the meeting or in the form of appointment of proxy or other accompanying document sent by the Company in relation to the meeting (a "**proxy notification address**") not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote;

(b) subject to Articles 72.1(c) and (d), in the case of an appointment of a proxy sent by electronic means, where the Company has given an electronic address (a "**proxy notification electronic address**"):

(i) in the notice calling the meeting;

(ii) in an instrument of proxy sent out by the Company in relation to the meeting;

(iii) in an invitation to appoint a proxy issued by the Company in relation to the meeting; or

(iv) on a website maintained by or on behalf of the Company on which any information relating to the meeting is required by the Act to be kept,

it shall be received at such proxy notification electronic address not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote.

(c) in the case of a poll taken more than forty-eight (48) hours after it is demanded, delivered or received at a proxy notification address or a proxy notification electronic address and not less than twenty-four (24) hours before the time appointed for the holding of the adjourned meeting; or

(d) in the case of a poll which is not taken at the meeting but is taken forty-eight (48) hours or less thereafter, or in the case of an adjourned meeting to be held forty-eight (48) hours or less after the time fixed for holding the original meeting, received:

(i) at a proxy notification address or a proxy notification electronic address in accordance with Articles 72.1(a) or (b);

(ii) by the chairman of the meeting or the secretary or any Director at the meeting, as the case may be, at the original meeting; or

(iii) at a proxy notification address or a proxy notification electronic address by such time as the chairman of the meeting may direct at the meeting.

In calculating the periods in this Article, no account shall be taken of any part of a day that is not a working day.

72.2 The Board may decide, either generally or in any particular case, to treat a proxy appointment as valid notwithstanding that the appointment or any of the information required under Article 71.3 has not been received in accordance with the requirements of this Article.

72.3 Subject to Article 72.2, if the proxy appointment and any of the information required under Article 71.3 is not received in the manner set out in Article 72.1, the appointee shall not be entitled to vote in respect of the shares in question.

72.4 Without limiting the foregoing, in relation to any uncertificated shares, the Board may from time to time:

(a) permit appointments of a proxy by means of a communication sent in electronic form in the form of an uncertificated proxy instruction; and

(b) permit supplements to, or amendments or revocations of, any such uncertificated proxy instruction by the same means.

The Board may in addition prescribe the method of determining the time at which any such uncertificated proxy instruction is to be treated as received by the Company or a participant acting on its behalf. The Board may treat any such uncertificated proxy instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

73. Revocation of proxy

A vote given shall be valid in the event of the death or mental disorder of the principal or the revocation of the instrument of proxy, or of the authority under which the instrument of proxy was executed, or the transfer of the share for which the instrument of proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been received by the Company at the Office, or at such other place as has been appointed for the deposit of instruments of proxy, no later than the last time at which an appointment of a proxy should have been received in order for it to be valid for use at the meeting at which the vote was given.

74. Availability of appointments of proxy

The Directors may at the expense of the Company send or make available appointments of proxy or invitations to appoint a proxy to the members by post or by electronic means or otherwise (with or without provision for their return prepaid) for use at any general meeting or at any separate class meeting, either in blank or nominating in the alternative any one or more of the Directors or any other person If for the purpose of any meeting, appointments of proxy or invitations to appoint as proxy a person or one of a number of persons specified in

the invitations are issued at the Company's expense, they shall be issued to all (and not to some only) of the members entitled to be sent a notice of the meeting and to vote at it. The accidental omission, or the failure due to circumstances beyond the Company's control, to send or make available such an appointment of proxy or give such an invitation to, or the non-receipt thereof by, any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

75. Corporate representatives

75.1 A corporation (whether or not a company within the meaning of the Act) which is a member may, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative (or, as the case may be, representatives) at any meeting of the Company or at any separate meeting of the holders of any class of shares.

75.2 Any person so authorised shall be entitled to exercise the same powers on behalf of the corporation (in respect of that part of the corporation's holdings to which the authority relates) as the corporation could exercise if it were an individual member.

75.3 The corporation shall for the purposes of these Articles be deemed to be present in person and at any such meeting if a person so authorised is present at it, and all references to attendance and voting in person shall be construed accordingly.

75.4 A Director, the Secretary or some person authorised for the purpose by the Secretary may require the representative to produce a certified copy of the resolution so authorising him or such other evidence of his authority reasonably satisfactory to them before permitting him to exercise his powers.

75.5 A vote given by a corporate representative shall be valid notwithstanding that he is no longer authorised to represent the member unless notice of the revocation of appointment was delivered in writing to the Company at such place or address and by such time as is specified in Article 74 for the revocation of the appointment of a proxy.

76. Failure to disclose interests in shares

76.1 If a member, or any other person appearing to be interested in shares held by that member, has been issued with a notice under section 793 of the Act (**section 793 notice**) and has failed in relation to any shares (**default shares**, which expression includes any shares issued after the date of such notice in right of those shares) to give the Company the information required by the section 793 notice within the prescribed period from the service of the notice, the following sanctions shall apply unless the Board determines otherwise:

(a) the member shall not be entitled in respect of the default shares to be present or to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares or to exercise any other right conferred by membership in relation to any such meeting; and

(b) where the default shares represent at least 0.25% in nominal value of the issued shares of their class (calculated exclusive of any shares held as treasury shares):

(i) any dividend or other money payable for such shares shall be withheld by the Company, which shall not have any obligation to pay interest on it, and the member shall not be entitled to elect, pursuant to Article 135, to receive shares instead of that dividend; and

(ii) no transfer, other than an excepted transfer, of any shares held by the member shall be registered unless the member himself is not in default of supplying the required information and the member proves to the satisfaction of the Board that no person in default of supplying such information is interested in any of the shares that are the subject of the transfer.

(c) For the purposes of ensuring Article 76.1(b)(ii) can apply to all shares held by the member, the Company may in accordance with the uncertificated securities rules, issue a written notification to the Operator requiring conversion into certificated form of any share held by the member in uncertificated form.

76.2 Where the sanctions under Article 76.1 apply in relation to any shares, they shall cease to have effect (and any dividends withheld under Article 76.1(b) shall become payable):

(a) if the shares are transferred by means of an excepted transfer but only in respect of the shares transferred; or

(b) at the end of the period of seven days (or such shorter period as the Board may determine) following receipt by the Company of the information required by the section 793 notice and the Board being fully satisfied that such information is full and complete.

76.3 Where, on the basis of information obtained from a member in respect of any share held by him, the Company issues a section 793 notice to any other person, it shall at the same time send a copy of the notice to the member, but the accidental omission to do so, or the non-receipt by the member of the copy, shall not invalidate or otherwise affect the application of Article 76.1.

76.4 For the purposes of this Article:

(a) a person, other than the member holding a share, shall be treated as appearing to be interested in that share if the member has informed the Company that the person is, or may be, so interested, or if the Company (after taking account of any information obtained from the member or, pursuant to a section 793 notice, from anyone else) knows or has reasonable cause to believe that the person is, or may be, so interested;

(b) **interested** shall be construed as it is for the purpose of section 793 of the Act;

(c) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes reference:

(i) to his having failed or refused to give all of any part of it; and

(ii) to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;

(d) prescribed period means fourteen (14) days;

(e) **excepted transfer** means, in relation to any shares held by a member:

(i) a transfer by way of or pursuant to acceptance of a takeover offer for the Company (within the meaning of section 974 of the Act); or

(ii) a transfer in consequence of a sale made through any other stock exchange or securities trading platform on which the Company's shares are normally traded; or

(iii) a transfer which is shown to the satisfaction of the Board to be made in consequence of a sale of the whole of the beneficial interest in the shares to a person who is unconnected with the member and with any other person appearing to be interested in the shares.

76.5 Nothing contained in this Article shall be taken to limit the powers of the Company under section 794 of the Act.

77. **Power of sale of shares of untraced members**

77.1 The Company shall be entitled to sell at the best price reasonably obtainable any share of a member, or any share to which a person is entitled by transmission, if and provided that:

(a) during the period of twelve (12) years before the date of sending of the notice referred to in Article 77.1(b) no cheque, order or warrant in respect of such share sent by the Company through the post in a pre-paid envelope addressed to the member or to the person entitled by transmission to the share, at his address on the Register or other last known address given by the member or person to which cheques, orders or warrants in respect of such share are to be sent has been cashed and the Company has received no communications in respect of such share from such member or person entitled, provided that during such period of twelve (12) years the Company has paid at least three cash dividends (whether interim or final) and no such dividend has been claimed by the person entitled to it;

(b) on or after expiry of the said period of twelve (12) years, the Company has given notice of its intention to sell such share by sending a notice to the member or person entitled by transmission to the share at his address on the Register or other last known address given by the member or person entitled by transmission to the share and before sending such a notice to the member or other person entitled by transmission, the Company must have used reasonable efforts to trace the member or other person entitled, engaging, if considered appropriate, a professional asset reunification company or other tracing agent and/or giving notice of its intention to sell the share by advertisement in a national newspaper and in a newspaper circulating in the area of the address of the member or person entitled by transmission to the share shown in the Register; and

(c) during the further period of three months following the date of such notice and prior to the exercise of the power of sale the Company has not received any communication in respect of such share from the member or person entitled by transmission.

77.2 To give effect to any sale of shares under this Article:

(a) in the case of a share in certificated form, the Board may authorise any person to execute an instrument of transfer of the share to the purchaser or a person nominated by the purchaser and take such other steps (including the giving of directions to or on behalf of the holder, who shall be bound by them) as it thinks fit to effect the transfer. The Board may authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares in the Register even if no share certificate has been lodged for such shares and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the shares.

(b) in the case of a share in uncertificated form, the Directors may:

(i) to enable the Company to deal with the share in accordance with the provisions of this Article, require or procure any relevant person or the Operator (as applicable) to convert the share into certificated form; and

(ii) after such conversion authorise any person to execute an instrument of transfer of the shares to the purchase or person nominated by the purchaser and take such other steps (including the giving of directions to or on behalf of the holder, who shall be bound by them) as it thinks fit to effect the transfer.

77.3 The buyer shall not be bound to see to the application of the purchase monies, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. If the shares are in uncertificated form, in accordance with the uncertificated securities rules, the Board may issue a written notification to the Operator requiring the conversion of the share to certificated form.

77.4 If during the period of twelve (12) years referred to in Article 77.1, or during any period ending on the date when all the requirements of Articles 77.1(a) to 77.1(d) have been satisfied, any additional shares have been issued in respect of those held at the beginning of, or previously so issued during, any such period and all the requirements of Articles 77.1(b) to 77.1(d) have been satisfied in regard to such additional shares, the Company shall also be entitled to sell the additional shares.

78. Application of proceeds of sale of shares of untraced members

The Company shall account to the member or other person entitled to the share for the net proceeds of a sale under Article 77 by carrying all monies relating to such sale to a separate account. The Company shall be deemed to be a debtor to, and not a trustee for, such member or other person in respect of such monies. Monies carried to such separate account may either be employed in the business of the Company or invested in such investments as the Board may think fit. No interest shall be payable to such member or other person in respect of such monies and the Company does not have to account for any money earned on them.

79. Number of Directors

Unless otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall be at least two and not more than fifteen (15).

80. Power of Company to appoint Directors

Subject to these Articles and the Companies Acts, the Company may by ordinary resolution appoint a person who is willing to act to be a Director, either to fill a vacancy or as an addition to the existing Board but the total number of Directors shall not exceed any maximum number fixed in accordance with these Articles.

81. Power of Board to appoint Directors

Subject to these Articles, the Board shall have power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board but the total number of Directors shall not exceed any maximum number fixed in accordance with these Articles.

82. Eligibility of new Directors

82.1 No person, other than a retiring Director (by rotation or otherwise), shall be appointed or re-appointed a Director at any general meeting unless:

(a) he is recommended by the Board; or

(b) at least seven but not more than forty-two (42) clear days before the date appointed for the meeting the Company has received notice from a member (other than the person proposed) entitled to vote at the meeting of his intention to propose a resolution for the appointment or re-appointment of that person, stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the Company's register of Directors and a notice executed by that person of his willingness to be appointed or re-appointed, is lodged at the Office.

82.2 A Director need not be a member of the Company.

83. Classes and retirement of Directors

83.1 At every annual general meeting of the Company, any Director who has been appointed by the Board since the last annual general meeting, or who held office at the time of the two preceding annual general meetings and who did not retire at either of them, or who has held office with the Company (other than as a Director holding an executive position) for a continuous period of nine years or more at the date of such annual general meeting, shall retire from office and may offer himself for re-appointment by the members. A Director who retires at an annual general meeting may, if willing to act, be re-appointed at it.

83.2 Notwithstanding the foregoing provision, each Director shall serve until the earlier of their death, resignation or removal.

84. Deemed re-appointment

84.1 A Director who retires at an annual general meeting shall (unless he is removed from office or his office is vacated in accordance with these Articles) retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to elect another person in his place or the resolution to re-appoint him is put to the meeting and lost.

84.2 If the Company, at any meeting at which a Director retires in accordance with these Articles does not fill the office vacated by such Director, the retiring Director, if willing to act, shall be deemed to be re-appointed unless at that meeting a resolution is passed not to fill the vacancy or elect another person in his place or unless the resolution to re-appoint him is put to the meeting and lost.

85. Procedure if insufficient Directors appointed

85.1 If:

(a) at the annual general meeting in any year any resolution or resolutions for the appointment or re-appointment of the persons eligible for appointment or re-appointment as Directors are put to the meeting and lost; and

(b) at the end of that meeting the number of Directors is fewer than any minimum number of Directors required under Article 79.

All retiring Directors who stood for re-appointment at that meeting (**Retiring Directors**) shall be deemed to have been re-appointed as Directors and shall remain in office but the Retiring Directors may only act for the purpose of filling vacancies, convening general meetings of the Company and performing such duties as are essential to maintain the Company as a going concern, and not for any other purpose.

85.2 The Retiring Directors shall convene a general meeting as soon as reasonably practicable following the meeting referred to in Article 85.1 and they shall retire from office at that meeting. If at the end of any meeting convened under this Article the number of Directors is fewer than any minimum number of Directors required under Article 79, the provisions of this Article shall also apply to that meeting.

86. Removal of Directors

In addition to any power of removal conferred by the Companies Acts, the Company may by special resolution, or by ordinary resolution of which special notice has been given in accordance with section 312 of the Act, remove a Director before the expiry of his period of office (without prejudice to a claim for damages for breach of contract or otherwise) and may (subject to these Articles) by ordinary resolution appoint another person who is willing to act to be a Director in his place.

87. Vacation of office by Director

87.1 Without prejudice to the provisions for retirement (by rotation or otherwise) contained in these Articles, the office of a Director shall be vacated if:

(a) he resigns by notice in writing delivered to the Secretary at the Office or at an address specified by the Company for the purposes of communication by electronic means or tendered at a Board meeting;

(b) he offers to resign by notice in writing delivered to the Secretary at the Office or at an address specified by the Company for the purposes of communication by electronic means or tendered at a Board meeting and the Board resolves to accept such offer;

(c) he is requested to resign by all of the other Directors by notice in writing addressed to him at his address as shown in the register of Directors (without prejudice to any claim for damages which he may have for breach of any contract between him and the Company);

(d) he ceases to be a Director by virtue of any provision of the Companies Acts, is removed from office pursuant to these Articles or the Act or becomes prohibited by law or the rules of any stock exchange from being a Director;

(e) he becomes bankrupt or makes an arrangement or composition with his creditors generally;

(f) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months, or he is or has been suffering from mental or physical ill health and the Board resolves that his office be vacated; or

(g) he is absent (whether or not his alternate Director appointed by him attends), without the permission of the Board, from Board meetings for six consecutive months and a notice is served on him personally, or at his residential address provided to the Company under section 165 of the Act signed by all the other Directors stating that he shall cease to be a Director with immediate effect (and such notice may consist of several copies each signed by one or more Directors).

87.2 If the office of a Director is vacated for any reason, he shall cease to be a member of any committee or sub-committee of the Board.

88. Resolution as to vacancy conclusive

A resolution of the Board declaring a Director to have vacated office under the terms of Article 88 shall be conclusive as to the fact and ground of vacation stated in the resolution.

89. Appointment of alternate Directors

89.1 Each Director may appoint any person (including another Director) to be his alternate and may at his discretion remove an alternate Director so appointed. Any appointment or removal of an alternate Director must be by written notice delivered to the Office or at an address specified by the Company for the purposes of communication by electronic means or tendered at a Board meeting or in any other manner approved by the Board. The appointment requires the approval of the Board unless it has been previously approved or the appointee is another Director.

89.2 An alternate Director must provide the particulars, and sign any form for public filing required by the Companies Acts relating to his appointment.

90. Alternate Directors' participation in Board meetings

90.1 Every alternate Director is (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him (and, if applicable, an address in relation to which electronic communications may be received by him)) entitled to receive notice of all meetings of the Board and all committees of the Board of which his appointor is a member and, in his appointor's absence, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor. Each person acting as an alternate Director shall have a separate vote at Board meetings for each Director for whom he acts as alternate Director in addition to his own vote if he is also a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

90.2 Signature by an alternate Director of any resolution in writing of the Board or a committee of the Board will, unless the notice of his appointment provides otherwise, be as effective as signature by his appointor.

91. Alternate Director responsible for own acts

Each person acting as an alternate Director will be an officer of the Company, will alone be responsible to the Company for his own acts and defaults and will not be deemed to be the agent of the Director appointing him.

92. Interests of alternate Director

An alternate Director is entitled to contract and be interested in and benefit from contracts or arrangements with the Company, to be repaid expenses and to be indemnified to the same extent as if he were a Director. However, he is not entitled to receive from the Company any fees for his services as alternate, except such part (if any) of the fee payable to his appointor as such appointor may by written notice to the Company direct.

93. Revocation of alternate Director

An alternate Director will cease to be an alternate Director:

(a) if his appointor revokes his appointment; or

(b) if he resigns his office by notice in writing to the Company; or

(c) if his appointor ceases for any reason to be a Director, provided that if any Director retires but is re-appointed or deemed to be re-appointed at the same meeting, any valid appointment of an alternate Director which was in force immediately before his retirement shall remain in force; or

(d) if any event happens in relation to him which, if he were a Director otherwise appointed, would cause him to vacate his office.

94. Directors' fees

Each of the Directors may be paid a fee at such rate as may from time to time be determined by the Board. However, the aggregate of all fees payable to the Directors (other than amounts payable under any other provision of these Articles) must not exceed £2,000,000 a year or such higher amount as may from time to time be decided by ordinary resolution of the Company. Any fees payable under this Article shall be distinct from any salary, remuneration or other amounts payable to a Director under any other provisions of these Articles and shall accrue from day to day.

95. Expenses

Each Director may be paid his reasonable travelling, hotel and other expenses properly incurred by him in or about the performance of his duties as Director, including any expenses incurred in attending meetings of the Board or any committee of the Board or general meetings or separate meetings of the holders of any class of shares or debentures of the Company. Subject to the Act, the Directors shall have the power to make arrangements to provide a Director with funds to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him to perform his duties as an officer of the Company or to enable him to avoid incurring any such expenditure.

96. Additional remuneration

If by arrangement with the Board any Director shall perform or render any special duties or services outside his ordinary duties as a Director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine.

97. Remuneration of executive Directors

The salary or remuneration of any Director appointed to hold any employment or executive office in accordance with these Articles may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by the Board, and may be in addition to or instead of any fee payable to him for his services as Director under these Articles.

98. Pensions and other benefits

98.1 The Board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (whether by insurance or otherwise) for any person who is or has at any time been a Director or employee of:

(a) the Company;

(b) any company which is or was a holding company or a subsidiary undertaking of the Company;

(c) any company which is or was allied to or associated with the Company or a subsidiary undertaking or holding company of the Company; or

(d) a predecessor in business of the Company or of any holding company or subsidiary undertaking of the Company.

and, in each case, for any member of his family (including a spouse or former spouse) and any person who is or was dependent on him.

98.2 The Board may establish, maintain, subscribe and contribute to any scheme, institution, association, club, trust or fund and pay premiums and, subject to the Companies Acts, lend money or make payments to, guarantee or give an indemnity in respect of, or give any financial or other assistance in connection with any of the matters set out in Article 99.1. The Board may procure any of such matters to be done by the Company either alone or in conjunction with any other person. Any Director or former Director shall be entitled to receive and retain for his own benefit any pension or other benefit provided under this Article and shall not have to account for it to the Company. The receipt of any such benefit will not disqualify any person from being or becoming a Director of the Company.

99. Powers of the Board

99.1 Subject to the Companies Acts, these Articles and to any directions given by special resolution of the Company, the business of the Company will be managed by the Board, which may exercise all the powers of the Company, whether relating to the management of the business or not.

99.2 No alteration of these Articles and no such direction given by the Company shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. Provisions contained elsewhere in these Articles as to any specific power of the Board shall not be deemed to limit the general powers given by this Article.

100. Powers of Directors if less than minimum number

If the number of Directors is less than the minimum prescribed in Article 79 or decided by the Company by ordinary resolution, the remaining Director or Directors may act only for the purposes of appointing an additional Director or Directors to make up that minimum or

convening a general meeting of the Company for the purpose of making such appointment. If no Director or Directors is or are able or willing to act, two members may convene a general meeting for the purpose of appointing Directors. An additional Director appointed in this way holds office (subject to these Articles) only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during the annual general meeting.

101. Powers of executive Directors

The Board or any committee authorised by the Board may:

(a) delegate or entrust to and confer on any Director holding executive office (including a Chief Executive or Managing Director) such of its powers, authorities and discretions (with power to sub-delegate) for such time, on such terms and subject to such conditions as it thinks fit; and

(b) revoke, withdraw, alter or vary all or any of such powers.

102. Delegation to committees

102.1 The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) for such time on such terms and subject to such conditions as it thinks fit to any committee consisting of one or more Directors and (if thought fit) one or more other persons provided that:

(a) a majority of the members of a committee shall be Directors; and

(b) no resolution of a committee shall be effective unless a majority of those present when it is passed are Directors or alternate Directors.

102.2 The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may revoke, withdraw, alter or vary any such powers and discharge any such committee in whole or in part. Insofar as any power, authority or discretion is so delegated, any reference in these Articles to the exercise by the Board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee.

103. Local management

103.1 The Board may establish any local or divisional boards or agencies for managing any of the affairs of the Company in any specified locality, either in the United Kingdom or elsewhere, and appoint any persons to be members of such local or divisional board, or any managers or agents, and may fix their remuneration.

103.2 The Board may delegate to any local or divisional board, manager or agent so appointed any of its powers, authorities and discretions (with power to sub-delegate) and may authorise the members of any such local or divisional board, or any of them, to fill any vacancies and to act notwithstanding vacancies. Any such appointment or delegation under this Article may be made, on such terms and conditions as the Board may think fit. The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board, and the Board may remove any person so appointed and may annul or vary all or any of such powers, but no person dealing in good faith and without notice of any such annulment or variation shall be affected by it.

103.3 Subject to any terms and conditions expressly imposed by the Board, the proceedings of any local or divisional board or agency with two or more members shall be governed by such of these Articles as regulate the proceedings of the Board, so far as they are capable of applying.

104. Power of attorney

The Board may, by power of attorney or otherwise, appoint any person or persons to be the agent or attorney of the Company and may delegate to any such person or persons any of its powers, authorities and discretions (with power to sub-delegate), in each case for such purposes and for such time, on such terms (including as to remuneration) and conditions as it thinks fit. The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may revoke, withdraw, alter or vary any of such powers.

105. Exercise of voting power

The Board may exercise or cause to be exercised the voting power conferred by the shares in any other company held or owned by the Company, or any power of appointment to be exercised by the Company, in such manner as it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of any Director as a Director or other officer or employee of such company or in favour of the payment of remuneration to the Directors, officers or employees of such company).

106. Provision for employees on cessation of business

The Board may, by resolution, sanction the exercise of the power to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiary undertakings, in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary undertaking, but any such resolution shall not be sufficient for payments to or for the benefit of Directors, former Directors or shadow Directors.

107. Overseas registers

Subject to the Companies Acts, the Company may keep an overseas, local or other register and the Board may make and vary such regulations as it thinks fit respecting the keeping of any such register.

108. Borrowing powers

108.1 Subject to these Articles and the Companies Acts, the Board may exercise all the powers of the Company to:

(a) borrow money;

(b) indemnify and guarantee;

(c) mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company;

(d) create and issue debentures and other securities; and

(e) give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

108.2 The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (as regards the subsidiary undertakings, so far as by such exercise they can secure) that the aggregate of the amounts borrowed by the Group and remaining outstanding at any time (excluding intra-Group borrowings) shall not without the previous sanction of an ordinary resolution of the Company exceed an amount equal to £100,000,000. The limit in this Article may be varied, increased, reduced or relaxed (temporarily or permanently) or the same replaced with a fixed monetary cap at any time and from time to time with the sanction of an ordinary resolution of Shareholders.

108.3 For the purpose of this Article:

(a) **Group** means the Company and its subsidiary undertakings for the time being;

(b) **relevant balance sheet** means the most recent audited consolidated balance sheet of the Group at the relevant time;

(c) **minority proportion** means a proportion equal to the proportion of the issued share capital of a partly-owned subsidiary undertaking which is not attributable to a member of the Group.

108.4 Borrowings shall be deemed to include the following except in so far as otherwise taken into account:

(a) the nominal amount of any issued and paid up share capital (other than equity share capital) of any subsidiary undertaking of the Company owned otherwise than by a member of the Group;

(b) the nominal amount of any other issued and paid up share capital and the principal amount of any debentures or borrowed moneys which is not at the relevant time beneficially owned by a member of the Group, the redemption or repayment of which is the subject of a guarantee or indemnity by a member of the Group or which any member of the Group may be required to buy;

(c) the principal amount of any debenture (whether secured or unsecured) of a member of the Group beneficially owned otherwise than by a member of the Group;

(d) the outstanding amount raised by acceptances by any bank or accepting house under any acceptance credit opened by or on behalf of any member of the Group;

(e) the minority proportion of moneys borrowed by a member of the Group and owing to a partly-owned subsidiary undertaking.

108.5 Borrowings shall not include and shall be deemed not to include:

(a) borrowings incurred by any member of the Group for the purpose of repaying within six months of the borrowing the whole or any part (with or without premium) of any borrowings of that or other member of the Group then outstanding, pending their application for such purpose within such period;

(b) the minority proportion of moneys borrowed by a partly owned subsidiary undertaking and not owing to another member of the Group.

108.6 When the aggregate principal amount of borrowings required to be taken into account on any particular date is being ascertained, any particular borrowing then outstanding which is denominated or repayable in a currency other than sterling shall be notionally converted into sterling at the rate of exchange prevailing in London on the last business day before that date or, if it would result in a lower figure, at the rate of exchange prevailing in London on the last business day six months before that date. For these purposes the rate of exchange shall be taken to be the spot rate in London recommended by a London clearing bank, selected by the Board, as being the most appropriate rate for the purchase by the company of the currency in question for sterling on the day in question.

108.7 A certificate or report by the auditors of the Company as to the amount of any borrowings or to the effect that the limit imposed by this Article has not been or will not be exceeded at any particular time or times, shall be conclusive evidence of such amount or fact for the purposes of this Article. Nevertheless the Board may at any time rely on a bona fide estimate of the aggregate of the borrowings. If, in consequence, the limit on borrowings set out in this Article is inadvertently exceeded, the amount of borrowings equal to the excess may be disregarded for ninety (90) days after the date on which by reason of a determination of the auditors of the Company or otherwise the Board becomes aware that such a situation has or may have arisen.

108.8 No person dealing with the Company or any of its subsidiary undertakings shall be concerned to see or enquire whether the said limit is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual unless the lender or recipient of the security had, at the time the debt was incurred or security given, express notice that the said limit had been or would be exceeded.

109. Board meetings

109.1 The Board can decide when and where to have meetings and how they will be conducted. They may also adjourn meetings.

109.2 A Board meeting can be called by any Director. The Secretary must call a Board meeting if asked to do so by a Director.

110. Notice of Board meetings

110.1 Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or given in writing or by electronic means to him at his last known address or any other address given by him to the Company for that purpose.

110.2 A Director may waive the requirement that notice be given to him of any Board meeting, either prospectively or retrospectively and any retrospective waiver shall not affect the validity of the meeting or of any business conducted at the meeting.

111. Quorum

111.1 The quorum necessary for the transaction of business may be determined by the Board and until otherwise determined shall be two persons, each being a Director or an alternate Director. A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions for the time being vested in or exercisable by the Board.

111.2 If a Director ceases to be a Director at a Board meeting, he can continue to be present and to act as a Director and be counted in the quorum until the end of the meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

112. Chairman

112.1 The Board may appoint one or more of its body as chairman or joint chairman and one or more of its body as deputy chairman of its meetings and may determine the period for which he is or they are to hold office and may at any time remove him or them from office.

112.2 If no such chairman or deputy chairman is elected, or if at any meeting neither a chairman nor a deputy chairman is present within ten (10) minutes of the time appointed for holding the same, the Directors present shall choose one of their number to be chairman of such meeting. In the event two or more joint chairmen or, in the absence of a chairman, two or more deputy chairman being present, the joint chairman or deputy chairman to act as chairman of the meeting shall be decided by those Directors present.

113. Voting

Questions arising at any Board meeting shall be determined by a majority of votes. In the case of an equality of votes the chairman of that meeting shall have a second or casting vote (unless he is not entitled to vote on the resolution in question).

114. Participation by telephone or other form of communication

114.1 Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or any other form of communications equipment (whether in use when these Articles are adopted or developed subsequently), provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting.

114.2 A person so participating by telephone or other communication shall be deemed to be present in person at the meeting and shall be counted in a quorum and entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the chairman of the meeting then is.

114.3 A resolution passed at any meeting held in the above manner, and signed by the chairman of the meeting, shall be as valid and effectual as if it had been passed at a meeting of the Board (or committee, as the case may be) duly convened and held.

115. Resolution in writing

115.1 A resolution in writing signed or confirmed electronically by all the Directors for the time being entitled to receive notice of a Board meeting and to vote on the resolution and not being less than a quorum (or by all the members of a committee of the Board for the time being entitled to receive notice of such committee meeting and to vote on the resolution and not being less than a quorum of that committee), shall be as valid and effective for all purposes as a resolution duly passed at a meeting of the Board (or committee, as the case may be).

115.2 Such a resolution may consist of several documents or electronic communications in the same form each signed or authenticated by one or more of the Directors or members of the relevant committee.

116. Proceedings of committees

All committees of the Board shall, in the exercise of the powers delegated to them and in the transaction of business, conform with any mode of proceedings and regulations which the Board may prescribe and subject to this shall be governed by such of these Articles as regulate the proceedings of the Board as are capable of applying.

117. Minutes of proceedings

117.1 The Board shall keep minutes of all shareholder meetings, all Board meetings and meetings of committees of the Board. The minutes must include the names of the Directors present.

117.2 Any such minutes, if purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next meeting or the Secretary, shall be evidence of the matters stated in such minutes without any further proof.

118. Validity of proceedings

All acts done by a meeting of the Board, or of a committee of the Board, or by any person acting as a Director, alternate Director or member of a committee shall be valid even if it is discovered afterwards that there was some defect in the appointment of any person or persons acting, or that they or any of them were or was disqualified from holding office or not entitled to vote, or had in any way vacated their or his office.

119. Transactions or other arrangements with the company

119.1 Subject to the Companies Acts and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company may:

(a) be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

(b) act by himself or through his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;

(c) be or become a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and

(d) hold any office or place of profit with the Company (except as auditor) in conjunction with his office of Director for such period and upon such terms, including as to remuneration as the Board may decide.

119.2 A Director shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

120. Authorisation of Directors' conflicts of interest

120.1 The Board may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under the Act to avoid conflicts of interest.

120.2 A Director seeking authorisation in respect of a conflict of interest shall declare to the Board the nature and extent of his interest in a conflict of interest as soon as is reasonably practicable. The Director shall provide the Board with such details of the matter as are necessary for the Board to decide how to address the conflict of interest together with such additional information as may be requested by the Board.

120.3 Any authorisation under this Article will be effective only if:

(a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles;

(b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director and any other interested Director; and

(c) the matter is agreed to without the Interested Director voting or would be agreed to if the Interested Director's and any other interested Director's vote is not counted.

120.4 Any authorisation of a conflict of interest under this Article must be recorded in writing (but the authority shall be effective whether or not the terms are so recorded) and may (whether at the time of giving the authorisation or subsequently):

(a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

(b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the conflict of interest;

(c) impose upon the Interested Director such other terms for the purposes of dealing with the conflict of interest as the Directors think fit;

(d) provide that, where the Interested Director obtains, or has obtained (through his involvement in the conflict of interest and otherwise than through his position as a Director) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and

(e) permit the Interested Director to absent himself from the discussion of matters relating to the conflict of interest at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

120.5 Where the Directors authorise a conflict of interest, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the conflict of interest.

120.6 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

120.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a conflict of interest which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

120.8 If he has disclosed to the Board the nature and extent of his interest to the extent required by the Companies Acts, a Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration or other benefit which he derives from or in connection with:

(a) being a party to, or otherwise interested in, any transaction or arrangement with:

(i) the Company or in which the Company is interested; or

(ii) a body corporate in which the Company is interested;

(b) acting (otherwise than as auditor) alone or through his organisation in a professional capacity for the Company (and he or that organisation is entitled to remuneration for professional services as if he were not a Director); or

(c) being a director or other officer of, or employed by, or otherwise interested in any other body corporate in which the Company is interested.

120.9 A Director's receipt of any remuneration or other benefit referred to in Article 120.7 or 120.8 does not constitute an infringement of his duty under the Companies Acts.

120.10 A transaction or arrangement referred to in Article 120.7 or 120.8 is not liable to be avoided on the ground of any remuneration, benefit or interest referred to in that Article.

121. Directors' permitted interests

121.1 A Director cannot vote or be counted in the quorum on any resolution relating to any transaction or arrangement with the Company in which he has an interest and which may reasonably be regarded as likely to give rise to a conflict of interest but can vote (and be counted in the quorum) on the following:

(a) giving him any security, guarantee or indemnity for any money or any liability which he, or any other person, has lent or obligations he or any other person has undertaken at the request, or for the benefit, of the Company or any of its subsidiary undertakings;

(b) giving any security, guarantee or indemnity to any other person for a debt or obligation which is owed by the Company or any of its subsidiary undertakings, to that other person if the Director has taken responsibility for some or all of that debt or obligation. The Director can take this responsibility by giving a guarantee, indemnity or security;

(c) a proposal or contract relating to an offer of any shares or debentures or other securities for subscription or purchase by the Company or any of its subsidiary undertakings, if the Director takes part because he is a holder of shares, debentures or other securities, or if he takes part in the underwriting or sub-underwriting of the offer;

(d) any arrangement for the benefit of employees of the Company or any of its subsidiary undertakings which only gives him benefits which are also generally given to employees to whom the arrangement relates;

(e) any arrangement involving any other company if the Director (together with any person connected with the Director) has an interest of any kind in that company (including an interest by holding any position in that company or by being a shareholder of that company). This does not apply if he knows that he has a Relevant Interest.

(f) a contract relating to insurance which the Company can buy or renew for the benefit of the Directors or a group of people which includes Directors; and

(g) a contract relating to a pension, superannuation or similar scheme or a retirement, death, disability benefits scheme or employees' share scheme which gives the Director benefits which are also generally given to the employees to whom the scheme relates.

121.2 A Director cannot vote or be counted in the quorum on a resolution relating to his own appointment or the settlement or variation of the terms of his appointment to an office or place of profit with the Company or any other company in which the Company has an interest.

121.3 Where the Directors are considering proposals about the appointment, or the settlement or variation of the terms or the termination of the appointment of two or more Directors to other offices or places of profit with the Company or any company in which the Company has an interest, a separate resolution may be put in relation to each Director and in that case each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own appointment or the settlement or variation of the terms or the termination of his own appointment or the appointment of another Director to an office or place of profit with a company in which the Company has an interest and the Director seeking to vote or be counted in the quorum has a Relevant Interest in it.

121.4 A company shall be deemed to be one in which the Director has a **Relevant Interest** if and so long as (but only if and so long as) he is to his knowledge (either directly or indirectly) the holder of or beneficially interested in one per cent or more of any class of the equity share capital of that company (calculated exclusive of any shares of that class in that company held as treasury shares) or of the voting rights available to members of that company. In relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise. Where a company in which a Director has Relevant Interest is interested in a contract, he also shall be deemed interested in that contract.

121.5 If a question arises at a Board meeting about whether a Director (other than the chairman of the meeting) has an interest which is likely to give rise to a conflict of interest, or whether he can vote or be counted in the quorum, and the Director does not agree to abstain from voting on the issue or not to be counted in the quorum, the question must be referred to the chairman of the meeting. The chairman's ruling about the relevant Director is final and conclusive, unless the nature and extent of the Director's interests have not been fairly disclosed to the Directors. If the question arises about the chairman of the meeting, the question must be directed to the Directors. The chairman cannot vote on the question but can be counted in the quorum. The Directors' resolution about the chairman is final and conclusive, unless the nature and extent of the chairman's interests have not been fairly disclosed to the Directors.

122. General

For the purposes of Articles 118 to 121 inclusive (which shall apply equally to alternate Directors):

122.1 An interest of a person who is connected (which word shall have the meaning given to it by section 252 of the Act) with a Director shall be treated as an interest of the Director.

122.2 A contract includes references to any proposed contract and to any transaction or arrangement or proposed transaction or arrangement whether or not consulting a contract.

122.3 A conflict of interest includes a conflict of interest and duty and a conflict of duties.

122.4 Subject to the Companies Acts, the Company may by ordinary resolution suspend or relax the provisions of Articles 118 to 121 to any extent or ratify any contract not properly authorised by reason of a contravention of any of the provisions of Articles 118 to 121.

123. Power to authenticate documents

Any Director, the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies or extracts as true copies or extracts. Where any books, records, documents or accounts are not at the Office, the local manager or other officer of the Company who has their custody shall be deemed to be a person appointed by the Board for this purpose. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or the Board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

124. Use of seals

124.1 The Board shall provide for the safe custody of the Seal. A Seal shall not be used without the authority of the Board or of a committee of the Board so authorised.

124.2 Subject as otherwise provided in these Articles, every document which is sealed using the Seal must be signed by at least one authorised person in the presence of a witness who attests the signature. An authorised person for this purpose is any Director, the Secretary or any other person authorised by the Directors for the purpose of signing documents to which the Seal is applied.

124.3 The Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued. Any such securities or documents sealed with the Seal shall not require to be signed unless the Board decides otherwise or the law otherwise requires.

124.4 The Board may decide who will sign an instrument to which a Seal is affixed (or in the case of a share certificate, on which the Seal may be printed) either generally or in relation to a particular instrument or type of instrument and may also determine either generally or in a particular case that a signature may be dispensed with or affixed by mechanical means.

125. Declaration of dividends

Subject to the Act and these Articles, the Company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.

126. Interim dividends

126.1 Subject to the Act, the Board may declare and pay such interim dividends (including any dividend at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If the Board acts in good faith, it shall not incur any liability to the holders of shares for any loss that they may suffer by the lawful payment of any interim dividend on any other class of shares ranking with or after those shares.

126.2 If the share capital is divided into different classes, the Board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

126.3 The Board may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. If the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of a dividend on any shares having deferred or non-preferred rights.

127. Calculation and currency of dividends

Except as provided otherwise by the rights attached to shares, all dividends:

(a) shall be declared and paid accordingly to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid;

(b) shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly; and

(c) may be declared or paid in any currency. The Board may decide the rate of exchange for any currency conversions that may be required and how any costs involved are to be met.

128. Amounts due on shares can be deducted from dividends

The Board may deduct from any dividend or other money payable to any person on or in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to the shares of the Company. Sums so deducted can be used to pay amounts owing to the Company in respect of the shares.

129. Dividends not in cash

The Board may, by ordinary resolution of the Company direct, or in the case of an interim dividend may without the authority of an ordinary resolution direct, that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways. Where any difficulty arises regarding such distribution, the Board may settle it as it thinks fit. In particular, the Board may:

(a) issue fractional certificates (or ignore fractions);

(b) fix the value for distribution of such assets or any part of them and determine that cash payments may be made to any members on the footing of the values so fixed, in order to adjust the rights of members; and

(c) vest any such assets in trustees on trust for the person entitled to the dividend.

130. No interest on dividends

Unless otherwise provided by the rights attached to the share, no dividend or other monies payable by the Company or in respect of a share shall bear interest as against the Company.

131. Method of payment

131.1 The Company may pay any dividend, interest or other sum payable in respect of a share wholly or partly in cash or by direct debit, bank transfer, cheque, dividend warrant, or money order or by any other method, including by electronic means, as the Board may consider appropriate. For uncertificated shares, any payment may be made by means of the relevant system (subject always to the facilities and requirements of the relevant system) and such payment may be made by the Company or any person on its behalf by sending an instruction to the operator of the relevant system to credit the cash memorandum account of the holder or joint holders of such shares or, if permitted by the Company, of such person as the holder or joint holders may in writing direct.

131.2 The Company may send such payment by post or other delivery service (or by such means offered by the Company as the member or person entitled to it may agree in writing) to the registered address of the member or person entitled to it (or, if two or more persons are holders of the share or are jointly entitled to it because of the death or bankruptcy of the member or otherwise by operation of law, to the registered address of such of those persons as is first named in the Register) or to such person and such address as such member or person may direct in writing.

131.3 Every cheque, warrant, order or other form of payment is sent at the risk of the person entitled to the money represented by it, shall be made payable to the person or persons entitled, or to such other person as the person or persons entitled may direct in writing. Payment of the cheque, warrant, order or other form of payment (including transmission of funds through a bank transfer or other funds transfer system or by such other electronic means as permitted by these Articles or in accordance with the facilities and requirements of the relevant system concerned) shall be good discharge to the Company. If any such cheque, warrant, order or other form of payment has or shall be alleged to have been lost, stolen or destroyed the Company shall not be responsible.

131.4 Any joint holder or other person jointly entitled to a share may give an effective receipt for any dividend or other monies payable in respect of such share.

131.5 The Board may, at its discretion, make provisions to enable any member as the Board shall determine to receive duly declared dividends in a currency or currencies other than sterling. For the purposes of the calculation of the amount receivable in respect of any dividend, the rate of exchange to be used to determine the foreign currency equivalent of any sum payable as a dividend shall be such rate or rates and the payment shall be on such terms and conditions as the Board may in its absolute discretion determine

131.6 In respect of the payment of any dividend or other sum which is a distribution, the Board may decide, and notify recipients, that:

(a) one or more of the means described in this Article will be used for payment and a recipient may elect to receive the payment by one of the means so notified in the manner prescribed by the Directors;

(b) one or more of such means will be used for the payment unless a recipient elects otherwise in the manner prescribed by the Directors; or

(c) one or more of such means will be used for the payment and that recipients will not be able to elect otherwise, the Board may for this purpose decide that different methods of payment may apply to different recipients or groups of recipients**.**

131.7 All cheques, warrants and similar financial instruments are sent, and payment in any other way is made, at the risk of the person who is entitled to the money and the Company will not be responsible for a payment which is lost, rejected or delayed. The Company can rely on a receipt for a dividend or other money paid in relation to a share from any one of the joint recipients on behalf of all of them. The Company is treated as having paid a dividend if the cheque, warrant or similar financial instrument is cleared or if a payment is made using a relevant system or inter-bank transfer or other electronic means.

131.8 Subject to the rights attaching to any shares, any dividends or other monies payable on or in respect of a share may be declared or paid in such currency or currencies and using such exchange rate or such date for determining the value or currency conversions as the Directors may determine.

132. Uncashed dividends

If cheques, warrants or orders for dividends or other sums payable in respect of a share sent by the Company to the person entitled to them are returned to the Company or left uncashed on two consecutive occasions or, following one occasion, reasonable enquires have failed to establish any new address to be used for the purpose, the Company does not have to send any dividends or other monies payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose. If any such cheque, warrant or order has or is alleged to have been lost, stolen or destroyed, the Directors may, on request of the person entitled to it, issue a replacement cheque, warrant or order subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Directors may think fit.

133. Unclaimed dividends

All dividends, interest or other sums payable and unclaimed for 12 months after having become payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. The Company shall not be a trustee in respect of such unclaimed dividends and will not be liable to pay interest on it. All dividends that remain unclaimed for twelve (12) years after they were first declared or became due for payment shall (if the Board so resolves) be forfeited and shall cease to remain owing by the Company.

134. Scrip dividends

134.1 Subject to the Act, the Board may, by ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer to any holders of shares (excluding any member holding shares as treasury shares) the right to elect to receive shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution. The following provisions shall apply:

(a) the said resolution may specify a particular dividend, or may specify all or any dividends declared within a specified period or periods but such period may not end later than the fifth anniversary of the date of the meeting at which the ordinary resolution is passed;

(b) the entitlement of each holder of shares to new shares shall be such that the relevant value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) of the dividend that such holder would have received by way of dividend. For this purpose **relevant value** shall be calculated by reference to the average of the middle market quotations for the shares on any stock exchange on which the shares are traded or any other publication of a recognised investment exchange showing quotations for the Company’s shares), for

the day on which the shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such other manner as the Board may determine on such basis as it considers to be fair and reasonable. A certificate or report by the Company's auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount;

(c) no fractions of a share shall be allotted. The Board may make such provisions as it thinks fit for any fractional entitlements including provisions where, in whole or in part, the benefit accrues to the Company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any member and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of any member of fully paid shares and/or provisions where cash payments may be made to members in respect of their fractional entitlements;

(d) the Board shall, after determining the basis of allotment, notify the holders of shares in writing of the right of election offered to them, and specify the procedure to be followed and place at which, and the latest time by which, elections must be lodged in order to be effective. No such notice need to be given to holders of shares who have previously given election mandates in accordance with this Article and whose mandates have not been revoked. The accidental omission to give notice of any right of election to, or the non-receipt (even if the Company becomes aware of such non-receipt) of any such notice by, any holder of shares entitled to the same shall neither invalidate any offer of an election nor give rise to any claim, suit or action;

(e) The Board may on any occasion decide that rights of election shall only be made available subject to such exclusions, restrictions or other arrangements as they shall in their absolute discretion deem necessary or desirable in order to comply with legal or practical problems under the laws of, or the requirements of any recognised regulatory body or stock exchange in, any territory;

(f) the Board shall not proceed with any election unless the company has sufficient reserves or funds that may be capitalised, and the Board has authority to allot sufficient shares, to give effect to it after the basis of the allotment is determined;

(g) the Board may exclude from any offer or make other arrangements in relation to any holders of shares where the Board considers that the making of the offer to them or in respect of such shares would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them or in respect of such shares;

(h) Unless the Board decides otherwise or the rules of a relevant system require otherwise, any new shares which a holder has elected to receive instead of cash in respect of some or all of his dividend will be:

(i) shares in uncertificated form if the corresponding elected shares were uncertificated shares on the record date for that dividend; and

(ii) shares in certificated form if the corresponding elected shares were shares in certificated form on the record date for that dividend;

(i) the Board may establish or vary a procedure for election mandates in respect of future rights of election and may determine that every duly effected election in respect of any shares shall be binding on every successor in title to the holder;

(j) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on shares in respect of which an election has been duly made (**elected shares**) and instead additional shares shall be allotted to the holders of the elected shares on the basis of allotment determined as stated above. For such purpose the Board may capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including any share premium account or capital redemption reserve) or of any of the profits which could otherwise have been applied in paying dividends in cash as the Board may determine, a sum equal to the aggregate nominal amount of the additional shares to be allotted on such basis and apply it in paying up in full the appropriate number of unissued shares for allotment and distribution to the holders of the elected shares on such basis. The Board may do all acts and things considered necessary or expedient to give effect to any such capitalisation;

(k) the Board may decide how any costs relating to the new shares available in place of a cash dividend will be met, including to deduct an amount from the entitlement of a holder of shares under this Article;

(l) the additional shares so allotted shall rank pari passu in all respects with each other and with the fully paid shares in issue on the record date for the dividend in respect of which the right of election has been offered, except that they will not rank for any dividend or other distribution or other entitlement which has been declared, paid or made by reference to such record date;

(m) the Board may terminate, suspend, or amend any offer of the right to elect to receive shares in lieu of any cash dividend at any time and generally may implement any scrip dividend scheme on such terms and conditions as the Board may determine and take such other action as the Board may deem necessary or desirable in respect of any such scheme; and

(n) The Board may do all acts and things which they consider necessary or expedient to give effect to any such capitalisation, and may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for such capitalisation and incidental matters and any agreement so made shall be binding on all concerned.

135. Capitalisation of reserves

135.1 The Board may, with the authority of an ordinary resolution of the Company:

(a) subject as provided in this Article, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or fund of the Company which is available for distribution or standing to the credit of the share premium account of capital redemption reserve or other undistributable reserve;

(b) appropriate the sum resolved to be capitalised to the members in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members or as they may direct, in those proportions, or partly in one way and partly in the other, provided that:

(i) the share premium account, the capital redemption reserve, any other undistributable reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up in full shares to be allotted to members credited as fully paid;

(ii) the Company will also be entitled to participate in the relevant distribution in relation to any shares of the relevant class held by it as treasury shares and the proportionate entitlement of the relevant class of members to the distribution will be calculated accordingly; and

(iii) in a case where any sum is applied in paying amounts for the time being unpaid on any shares of the Company or in paying up in full debentures of the Company, the amount of the net assets of the Company at that time in not less than the aggregate of the called up share capital of the Company and its undistributable reserves as shown in the latest audited accounts of the Company or such other accounts as may be relevant and would not be reduced below that aggregate by the payment of it;

(c) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends;

(d) make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit of it to the Company rather than to the members concerned) or by payment in cash or otherwise as it thinks fit in the case of shares or debentures becoming distributable in fractions;

(e) authorise any person to enter on behalf of such members concerned into an agreement with the Company providing for either:

(i) the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation; or

(ii) the payment up by the Company on behalf of such members by the application of their respective proportions of the reserves or profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, (any agreement made under such authority being effective and binding on all such members); and

(f) generally do all acts and things required to give effect to such resolution.

135.2 Where, pursuant to an employees' share scheme (within the meaning of section 1166 of the Act) or any similar scheme under which participation is extended to non-executive Directors or consultants providing services to the Company or any of its subsidiaries:

(a) the Company has granted options to subscribe for shares on terms which provide (inter alia) for adjustments to the subscription price payable on the exercise of such options or to the number of shares to be allotted upon such exercise in the event of any increase or reduction in or other reorganisation of the Company's issued share capital and an otherwise appropriate adjustment would result in the subscription price for any share being less than its nominal value, then the Board may, on the exercise of any of the options concerned and payment of the subscription price which would have applied had such adjustment been made, capitalise any such profits or other sum as is mentioned in Article 135.1(a) to the extent necessary to pay up the unpaid balance of the nominal value of the shares which fall to be allotted on the exercise of such options and apply such amount in paying up such balance and allot shares fully paid accordingly;

(b) the Company has granted (or assumed liability to satisfy) rights to subscribe for shares (whether in the form of stock options, stock units, restricted stock, stock appreciation rights, performance shares and units, dividend equivalent rights or otherwise) then the Board may, in connection with the issue of shares, capitalise any such profits or other sum as is mentioned in Article 135.1 to the extent necessary to pay up the unpaid balance of the nominal value of the shares which fall to be issued in connection with such rights to subscribe and apply such amount in paying up such balance and allot shares fully paid accordingly; and

(c) the provisions of Article 135.1(a) to (f) shall apply with the necessary alterations to this Article.

136. **Record dates**

136.1 Notwithstanding any other provision of these Articles but without prejudice to the rights attached to any shares and subject always to the Act, the Company or the Board may by resolution specify any date (**record date**) as the date at the close of business (or such other time as the Board may determine) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular. Such record date may be before, on or after the date on which the dividend, distribution, interest, allotment, issue, notice, information, document or circular is declared, made, paid, given, or served.

136.2 In the absence of a record date being fixed, entitlement to any dividend, distribution, interest, allotment, issue, notice, information, document or circular shall be determined by reference to the date on which the dividend is declared, the distribution allotment or issue is made or the notice, information, document or circular made, given or served.

137. Inspection of records

No member (other than a Director) shall have any right to inspect any accounting record or other document of the Company unless he is authorised to do so by law, by order of a court of competent jurisdiction, by the Board or by ordinary resolution of the Company.

138. Account to be sent to members

138.1 In respect of each financial year, a copy of the Company's annual accounts, the strategic report, the Directors' report, the Directors' remuneration report, the auditor's report on those accounts and on the auditable part of the Directors' remuneration report shall be sent or supplied to:

(a) Every member (whether or not entitled to receive notices of general meetings);

(b) Every holder of debentures (whether or not entitled to receive notice of general meetings); and

(c) Every other person who is entitle to receive notice of general meetings, not less than twenty-one (21) clear days before the date of the meeting at which copies of those documents are to be laid in accordance with the Act.

138.2 This Article does not require copies of the documents to which it applies to be sent or supplied to:

(a) A member or holder of debentures of whose address the Company is unaware; or

(b) More than one of the joint holders of shares or debentures.

138.3 The Board may determine that persons entitled to receive a copy of the Company's annual accounts, the strategic report, the Directors' report, the Directors' remuneration report, the auditor's report on those accounts and on the auditable part of the Directors' remuneration report are those persons entered on the Register at the close of business on a day determined by the Board, provided that the day determined by the Board may not be more than twenty-one (21) days before the day that the relevant copies are being sent.

138.4 Where permitted by the Act, a strategic report with supplementary material in the form and containing the information prescribed by the Act may be sent or supplied to a person so electing in place of the documents required to be sent or supplied by Article 138.

139. Service of Notices

139.1 The Company can send, deliver or serve any notice or other document, including a share certificate, to or on a member:

(a) personally;

(b) by sending it through the postal system addressed to the member at his registered address or by leaving it at that address addressed to the member;

(c) through a relevant system, where the notice or document relates to uncertificated shares;

(d) where appropriate, by sending or supplying it in electronic form to an address notified by the member to the Company for that purpose;

(e) where appropriate, by making it available on a website and notifying the member of its availability in accordance with this Article; or

(f) by any other means authorised in writing by the member.

139.2 In the case of joint holders of a share:

(a) service, sending or supply of any notice, document or other information on or to one of the joint holders shall for all purposes be deemed a sufficient service on, sending or supplying to all the joint holders; and

(b) anything to be agreed or specified in relation to any notice, document or other information to be served on, sent or supplied to them may be agreed or specified by any one of the joint holders and the agreement or specification of the first named in the Register shall be accepted to the exclusion of that of the other joint holders.

139.3 Where a member (or, in the case of a joint holders, the person first named in the Register) has a registered address outside the United Kingdom but has notified the Company of an address within the United Kingdom at which notices, documents or other information may be given to him or has given to the Company an address for the purposes of communications by electronic means at which notices, documents or other information may be served, sent or supplied to him, he shall be entitled to have notices served, sent or supplied to him at such address or, where applicable, the Company may make them available on a website and notify the holder of that address. Otherwise no such member shall be entitled to receive any notice, document or other information from the Company.

139.4 If on three consecutive occasions any notice, document or other information has been sent to any member at his registered address or his address for the service of notices (by electronic means or otherwise) but has been returned undelivered, such member shall not be entitled to receive notices, documents or other information from the Company until he shall have communicated with the Company and supplied in writing a new registered address or address within the United Kingdom for the service of notices or has informed the Company of an address for the service of notices and the sending or supply of documents and other

information in electronic form. For these purposes, any notice, document or other information served, sent or supplied by post shall be treated as returned undelivered if the notice, document or other information is served, sent or supplied back to the Company (or its agents) and a notice, document or other information served, sent or supplied in electronic form shall be treated as returned undelivered if the Company (or its agents) receives notification that the notice, document or other information was not delivered to the address to which it was served, sent or supplied.

139.5 The Company may at any time and in its sole discretion choose to serve, send or supply notices, documents or other information in hard copy form alone to some or all of the members.

140. Hard copy form

140.1 Any document, information or notice is validly sent or supplied by the Company in hard copy form if it is handed to the intended recipient or sent or supplied by hand or through the post in a prepaid envelope:

(a) to an address specified for the purpose by the intended recipient;

(b) if the intended recipient is a company, to its registered office;

(c) to the address shown in the Company's Register;

(d) to any address to which any provision of the Companies Acts authorises it to be sent or supplied; or

(e) if the Company is unable to obtain an address falling within paragraphs (a) to (d), to the last address known to the Company of the intended recipient.

141. Electronic form

141.1 Any document, information or notice is validly sent or supplied by the Company in electronic form:

(a) to a person if that person has agreed (generally or specifically) that the document, information or notice may be sent or supplied in that form and has not revoked that agreement; or

(b) to a company that is deemed to have so agreed by the Companies Acts.

142. **Electronic means**

142.1 Any document, information or notice is validly sent or supplied by the Company by electronic means if it is sent or supplied:

(a) to an address specified for the purpose by the intended recipient (generally or specifically); or

(b) where the intended recipient is a company, to an address deemed by the Companies Acts to have been so specified.

143. Website

143.1 Any document, information or notice is validly sent or supplied by the Company to a person by being made available on a website if:

(a) the person has agreed (generally or specifically) that the document, information or notice may be sent or supplied to him in that manner, or he is taken to have so agreed under Schedule 5 of the Act, and in either case he has not revoked that agreement:

(b) the Company has notified the intended recipient of:

(i) the presence of the document, information or notice on the website;

(ii) the address of the website;

(iii) the place on the website where it may be accessed;

(iv) how to access the document, information or notice; and

(v) any other information prescribed by the Companies Acts or any other provisions of law including, when the document, information or notice is a notice of meeting, that fact, the place, date and time of the meeting and whether the meeting is an annual general meeting; and

(c) the document, information or notice is available on the website throughout the period specified by any applicable provision of the Companies Acts or, if no such period is specified, the period of twenty-eight (28) days starting on the date on which the notification referred to in paragraph (b) above is sent to the relevant person.

144. Sending or supplying any Document, information or notice by any other means

Any document, information or notice that is sent or supplied otherwise than in hard copy form or electronic form or by means of a website is validly sent or supplied if it is sent or supplied in a form or manner that has been agreed by the intended recipient.

145. Presence at meeting evidence in itself of receipt of notice

A member present either in person or by proxy, or in the case of a corporate member by a duly authorised representative, at any meeting of the Company or of the holders of any class of Shares shall be deemed to have received notice of the meeting and, where required, of the purposes for which it was called.

146. Notice on person entitled by transmission

The Company may give notice to the person entitled to a share because of the death or bankruptcy of a member or otherwise by operation of law, by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member, addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any like description, at the address (if any) within the United Kingdom supplied for the purpose by the person claimed to be so entitled or to which notices may be sent in electronic form. Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred. This shall apply whether or not the Company has notice of the death or bankruptcy or other event.

147. Record date for service

Any notice, document or other information may be served, sent or supplied by the Company by reference to the register as it stands at any time not more than fifteen (15) days before the date of service, sending or supplying. No change in the register after that time shall invalidate that service, sending or supply. Where any notice, document or other information is served on, sent or supplied to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service, sending or supplying of that notice, document or other information.

148. Evidence of service

148.1 Any notice, document or other information, addressed to a member at his registered address or address for service in the United Kingdom shall, if served, sent or supplied by first class post, be deemed to have been served or delivered on the day after the day when it was put in the post (or, where second class post is employed, on the second day after the day when it was put in the post). Proof that an envelope containing the notice, document or other information was properly addressed and put into the post as a prepaid letter shall be conclusive evidence that the notice was given.

148.2 Any notice, document or other information not served, sent or supplied by post but delivered or left at a registered address or address for service in the United Kingdom (other than an address for the purposes of communications by electronic means) shall be deemed to have been served or delivered on the day on which it was so delivered or left.

148.3 Any notice, document or other information, if served, sent or supplied by electronic means shall be deemed to have been received on the day on which the electronic communication was sent by or on behalf of the Company notwithstanding that the Company subsequently sends such notice, document or other information in hard copy form by post. Any notice, document or other information made available on a website shall be deemed to have been received on the day on which the notice, document or other information was first made available on the website or, if later, when a notice of availability is received or deemed to have been received pursuant to this Article. Proof that the notice, document or other information was properly addressed shall be conclusive evidence that the notice by electronic means was given.

148.4 Any notice, document or other information served, sent or supplied by the Company by means of a relevant system shall be deemed to have been received when the Company or any sponsoring system-participant acting on its behalf sends the issuer-instruction relating to the notice, document or other information.

148.5 Any notice, document or other information served, sent or supplied by the Company by any other means authorised in writing by the member concerned shall be deemed to have been received when the Company has carried out the action it has been authorised to take for that purpose.

149. **Notice when post not available**

If at any time by reason of the suspension, interruption or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, the Company need only give notice of a general meeting to those members with whom the Company can communicate by electronic means and who have provided the Company with an address for this purpose. The Company shall also advertise the notice in at least one national newspaper published in the United Kingdom and make it available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment of it. In any such case the Company shall send confirmatory copies of the notice by post to those members to whom notice cannot be given by electronic means if, at least seven days prior to the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable.

150. **Validation of documents in electronic form**

150.1 Where a document is required under these Articles to be signed by a member or any other person, if the document is in electronic form, then in order to be valid the document must:

(a) incorporate the electronic signature, or personal identification details (which may be details previously allocated by the Company), of that member or other person, in such form as the Board may approve; or

(b) be accompanied by such other evidence as the Board may require in order to be satisfied that the document is genuine.

150.2 The Company may designate mechanisms for validating any such document and a document not validated by the use of any such mechanisms shall be deemed as having not been received by the Company In the case of any document or information relating to a meeting, an instrument of proxy or invitation to appoint a proxy, any validation requirements shall be specified in the relevant notice of meeting in accordance with Articles 49 and 72.

151. **Winding Up**

If the Company is wound up and subject to the rights and restrictions attached to any share or classes of shares, the liquidator may, with the sanction of a special resolution and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members**.** The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he may with the like sanction determine, but no member shall be compelled to accept any assets upon which there is a liability**.**

152. **Indemnity and insurance**

152.1 In this Article:

(a) companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate;

(b) a **relevant officer** means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor); and

(c) **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company.

152.2 Subject to Article 152.3, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

(a) each relevant officer shall be indemnified out of the Company's assets against all relevant loss and in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act), including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

(b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 152.2(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

152.3 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

152.4 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

152.5 Where a relevant officer is indemnified against a liability in accordance with this Article, the indemnity extends to each cost, charge, loss, expense and liability incurred by him in relation to that liability.

153. Exclusive jurisdiction

153.1 Unless the Company consents in writing to the selection of an alternative forum in the United States of America, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the U.S. Securities Act of 1933, as amended (the **Securities Act**).

153.2 Save in respect of any cause of action arising under the Securities Act, by subscribing for or acquiring shares, the member submits all disputes between him or herself and the Company or the Directors to the exclusive jurisdiction of the English courts.

RENALYTIX AI PLC

Share Option Plan for Employees with Non-Employee Sub-Plan and US Sub-Plan

Adopted by the Board on 11 September 2018.

Approved by Shareholder on 23 October 2018

CONTENTS

Rules of the RENALYTIX AI plc Share Option Plan

1. Interpretation

1.1 The following definitions and rules of interpretation apply in the Plan.

"**51% Subsidiary**" has the meaning given in section 989 of the Income Tax Act 2007.

"**Acting in Concert**" has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers.

"**Adoption Date**" the date of the adoption of the Plan by the Company.

"**Admission**" the admission of the issued and to be issued Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules.

"**AIM**" the Alternative Investment Market operated by The London Stock Exchange plc.

"**AIM Rules**" the AIM Rules for Companies.

"**Associate**" has the meaning given by paragraph 31, paragraph 32 and paragraph 33 of Schedule 5, with Chapter 11 of Part 7 of ITEPA 2003 being applied for the purposes of paragraph 32(2).

"**Board**" the board of directors of the Company or a committee of directors appointed by that board to carry out any of its functions under the Plan.

"**Business Day**" a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

"**Change of Control**" the sale of any of the Shares (in one transaction or a series of transactions) that will result in the Offeror of those Shares and persons Acting in Concert with them together acquiring Control of the Company, except where the Offeror is a company and the shareholders of that company and the proportion of shares in that company held by each of them following completion of the sale are substantially the same as the shareholders and their shareholdings in the Company immediately before the sale.

"**Closed Period**" has the same meaning as in the Market Abuse Regulation.

"**Company**" RENALYTIX AI PLC incorporated and registered in England with number 11257655.

"**Control**" has the meaning given in section 719 of ITEPA 2003.

"**CSOP Option**" a share option granted under a Schedule 4 CSOP Scheme as defined in Schedule 4 to ITEPA 2003.

"**Dilutive Shares**" on any date, all shares of the Company that:

(a) have been issued, or transferred out of treasury, on the exercise of options granted, or in satisfaction of any other awards made, under any Employees' Share Scheme (including the Plan); or

(b) remain capable of issue, or transfer out of treasury, under any Existing Options that were granted;

in either case during the period of ten years ending on (and including) that date.

"**Disqualifying Event**" has the meaning given in sections 533 to 536 of ITEPA 2003.

"**Eligible Employee**" any Employee who:

(a) must spend on average at least the Statutory Minimum Time on the business of all the Group Members;

(b) does not have a Material Interest (either on their own or together with one or more of their Associates); and

(c) has no Associate or Associates who or which has or (taken together) have a Material Interest.

"**EMI Option**" a qualifying option as defined in paragraph 1(2) of Schedule 5.

"**Employee**" an individual who is an employee of the Company or a Qualifying Subsidiary.

"**Employees' Share Scheme**" has the meaning given in section 1166 of the Companies Act 2006.

"**Employer Company**" the Option Holder's employer or former employer as applicable.

"**Employer NICs**" any secondary class 1 (employer) NICs (or any similar liability for social security contribution in any jurisdiction) that the Company or any Employer Company is liable to pay as a result of any Taxable Event (or which that person would be liable to pay in the absence of an election of the type referred to in clause 10.2(b)) and that may be lawfully recovered from the Option Holder.

"**Exercisable Number**" has the meaning given in clause 12.

"**Exercise Condition**" a condition that complies with clause 3 and:

(a) must be satisfied before an Option may be exercised;

(b) is linked to time or the achievement of challenging performance over a specified period that has the intention of enhancing shareholder value; and

(c) is specified in the Option Agreement under clause 2.6.

"**Exercise Measurement Date**" the earliest date on which it is possible for the Board to determine that an Exercise Condition has been satisfied.

"**Exercise Price**" the price at which each Share subject to an Option may be acquired on the exercise of that Option, which (subject to clause 14.1(b)) may not be less than the nominal value of a Share, if Shares are to be newly issued to satisfy the Option.

"**Existing Option**" an option or any other right to acquire or receive Shares granted under any Employees' Share Scheme (including the Plan), that remains capable of satisfaction.

"**Grant Date**" the date on which an Option is granted under the Plan.

"**Grant Period**" any period during which Options may be granted, as specified in clause 2.

"Group" the Company and its 51% Subsidiaries (references to Group Member shall be construed accordingly).

"**HMRC**" HM Revenue & Customs.

"**ITEPA 2003**" the Income Tax (Earnings and Pensions) Act 2003.

"**Market Abuse Regulation**" Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse.

"**Market Value**" the market value of a Share determined to the satisfaction of the Board in accordance with the applicable provisions of Part VIII of the Taxation of Chargeable Gains Act 1992. If Shares are subject to Relevant Restrictions, the Market Value shall be determined as if they were not.

"**Material Interest**" has the meaning given in paragraph 28 of Schedule 5.

"**NICs**" National Insurance contributions.

"**Normal Vesting Date**" the earliest date on which the Option may be exercised, unless an earlier event occurs to cause the Option to lapse or become exercisable. This date may not be:

(a) earlier than the Exercise Measurement Date; or

(b) later than the tenth anniversary of the Grant Date.

For the avoidance of doubt, an Option may have more than one Normal Vesting Date.

"Offeror" the person who acquires control of the Company under a Change of Control.

"**Option**" a right to acquire Shares granted under the Plan.

"**Option Agreement**" a written agreement constituting an Option, entered into under clause 2.6.

"**Option Holder**" an individual who holds an Option or, where applicable, the personal representatives of a deceased Option Holder.

"**Personal Data**" any personal information that could identify an Option Holder.

"**Plan**" the Employees' Share Scheme constituted and governed by these rules, as amended from time to time.

"**Qualifying Exchange of Shares**" an event falling within paragraph 40 of Schedule 5.

"**Qualifying Subsidiary**" has the meaning given by paragraph 11 of Schedule 5.

"**Redundancy**" has the meaning given by the Employment Rights Act 1996.

"**Relevant Restriction**" a provision included in any contract, agreement, arrangement or condition (including the articles of association of the Company) to which any of section 423(2), section 423(3) and section 423(4) of ITEPA 2003 would apply if references in them to employment-related securities were references to Shares.

"**Rollover Period**" any period during which Options may be exchanged for options over shares in another company (under paragraph 42 of Schedule 5, clause 13.1 and clause 13.5).

"**Schedule 5**" Schedule 5 to ITEPA 2003, which specifies the requirements that must be met for a share option to be an EMI Option.

"**Shares**" ordinary shares in the Company (subject to clause 13.2(b) and clause 14).

"**Statutory Minimum Time**" an amount of either:

(a) committed time (as defined in paragraph 26 of Schedule 5), equal to the statutory threshold (as defined in that paragraph); or

(b) reckonable time in relevant employment (as defined in section 535 of ITEPA 2003), equal to the statutory threshold (as defined in that section).

"**Sufficient Shares**" the smallest number of Shares that, when sold, produce an amount at least equal to the relevant (i) Tax Liability; or (ii) Exercise Price, as applicable (in each case after deduction of brokerage and any other charges or taxes on the sale).

"**Taxable Event**" any event or circumstance that gives rise to a liability for the Option Holder to pay income tax, NICs or both (or their equivalents in any jurisdiction) in respect of:

(a) the Option, including its exercise, assignment or surrender for consideration, or the receipt of any benefit in connection with it;

(b) any Shares (or other securities or assets):

  (i) earmarked or held to satisfy the Option;

  (ii) acquired on exercise of the Option;

  (iii) acquired as a result of holding the Option; or

  (iv) acquired in consideration of the assignment or surrender of the Option;

(c) any securities (or other assets) acquired or earmarked as a result of holding Shares (or other securities or assets) mentioned in (b) above; or

(d) any amount due under pay as you earn (PAYE) in respect of securities or assets in (a) to (c) above, including any failure by the Option Holder to make good such an amount in the time limit specified in section 222 of ITEPA 2003.

"**Tax Liability**" the total of:

(a) any income tax and primary class 1 (employee) NICs (or their equivalents in any jurisdiction) for which any Employer Company is or may be liable to account (or reasonably believes it is or may be liable to account) as a result of any Taxable Event; and

(b) any Employer NICs that any Employer Company is or may be liable to pay (or reasonably believes it is or may be liable to pay) as a result of any Taxable Event that can be recovered lawfully from the Option Holder.

1.2 Rule headings shall not affect the interpretation of the Plan.

1.3 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

1.4 Unless the context otherwise requires, a reference to one gender shall include a reference to other genders.

1.5 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.

1.7 A reference to writing or written includes fax and email.

1.8 Any obligation on a party not to do something includes an obligation not to allow that thing to be done.

1.9 References to rules are to the rules of the Plan.

1.10 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

2. Grant of Options

2.1 The Company (acting through the Board) may grant EMI Options for commercial reasons in order to recruit or retain an Eligible Employee. The Company may not grant EMI Options as part of any scheme or arrangement for which the main purpose (or one of its main purposes) is tax avoidance.

2.2 Subject to the rules, the Company (acting through the Board) may grant an Option:

(a) intended to be an EMI Option, to any Eligible Employee it chooses;

(b) not intended to be an EMI Option, to any Employee it chooses;

during:

(a) the period of 42 days after the Adoption Date;

(b) any period of 42 days immediately following the end of a Closed Period; and

(c) any other period that the Board has decided should be a Grant Period due to exceptional circumstances.

2.3 The Company may not grant Options:

(a) at any time when that grant would be prohibited by, or in breach of, the Market Abuse Regulation or any other law, regulation with the force of law or the AIM Rules; or

(b) after the tenth anniversary of the Adoption Date.

2.4 The Company may grant Options intended to be EMI Options only when the Company is a qualifying company, as defined in paragraph 8 of Schedule 5.

2.5 The Company shall grant an Option by entering into an Option Agreement in a form approved by the Board or by entering into a deed poll in a form approved by the Board.

2.6 As soon as practical after the Company has executed any deed poll required by clause 2.5, the Company shall enter into an Option Agreement as a deed in a form approved by the Board. Each Option Agreement shall (without limitation):

(a) specify the Grant Date of the Option, which shall be the date of the deed poll executed under clause 2.5;

(b) at the discretion of the Board, specify either:

(i) that the Option is granted under the provisions of Schedule 5; or

(ii) that the Option is not intended to be an EMI Option.

(c) specify the number and class of the Shares over which the Option is granted;

(d) specify the Exercise Price;

(e) specify any Exercise Condition(s);

(f) specify any other condition to which the Option is subject;

(g) specify the Exercise Measurement Date(s) and Normal Vesting Date(s) or the way in which they can be determined;

(h) specify the date when the Option will lapse, assuming that the Option is not exercised earlier and no event occurs to cause the Option to lapse earlier. This date may not be later than the tenth anniversary of the Grant Date;

(i) if the Shares are subject to any Relevant Restriction, include details of that Relevant Restriction;

(j) include a statement that the Option is subject to these rules (which shall be incorporated in the Option Agreement by reference);

(k) include the terms required by clause 10.1, clause 10.2 and clause 10.6;

(l) include the power of attorney required by clause 10.7;

(m) include a term giving effect to clause 2.7;

(n) include a summary of clause 9.1 and clause 9.2(m); and

(o) if the Option is intended to be an EMI Option, include a declaration by the Option Holder of compliance with the Statutory Minimum Time requirement.

2.7 If an Option Holder granted an EMI Option does not correctly complete and sign the Option Agreement and return it to the Group Member that employs the Option Holder by the date specified in the Option Agreement ("**Return Date**"), the relevant Option shall automatically lapse on the day after that date.

2.8 The Group Member that employs the relevant Option Holder shall, in respect of any Option intended to be an EMI Option, comply with its obligations under paragraph 44 of Schedule 5.

2.9 No amount shall be paid by an Employee for the grant of an Option.

3. Exercise Condition

3.1 On the Grant Date of any Option, the Board may specify one or more appropriate Exercise Conditions for the Option. An Exercise Condition must be capable of being met within ten years after the relevant Grant Date.

3.2 The Board may vary or waive any Exercise Condition, provided that any varied Exercise Condition shall be (in the reasonable opinion of the Board):

(a) a fairer measure of performance than the original Exercise Condition, as judged at the time of the variation; and

(b) no more difficult to satisfy than the original Exercise Condition was at the Grant Date.

3.3 Clause 3.2 shall not permit the general waiver by the Board of Exercise Conditions on:

(a) cessation of employment;

(b) the occurrence of any event permitting the exercise of Options under clause 12; or

(c) the release of Options in exchange for New Options under clause 13,

notwithstanding that the Board may have the power to do so under the Plan.

3.4 The Board shall determine whether, and to what extent, the Exercise Condition has been satisfied on, or as soon as reasonably possible:

(a) after the Exercise Measurement Date; or

(b) following the death of an Option Holder in order to apply the reduction required by clause 8.2(b)(ii),

in order to determine the Exercisable Number in accordance with clause 12.1.

3.5 The Board shall notify the Option Holder within a reasonable time after the Board becomes aware of the relevant information:

(a) whether (and, if relevant, to what extent) the Exercise Condition has been satisfied;

(b) of any subsequent change in whether, or the extent to which, the Exercise Condition has been satisfied;

(c) when that Exercise Condition has become incapable of being satisfied, in whole or in part; and

(d) of any waiver or variation of that Exercise Condition under clause 3.2.

3.6 Subject to clause 3.7 and clause 3.8, if the Board considers that an Exercise Condition has become incapable of being satisfied, in whole or in part, that Option, or the appropriate part of it, shall lapse immediately.

3.7 If:

(a) the Option is an EMI Option;

(b) the Option Holder also holds an option over Shares (the "**Non-qualifying Option**") that:

(i) has the same Normal Vesting Date as the EMI Option; and

(ii) has the same exercise price for a Share as the EMI Option; and

(c) if the Non-qualifying Option was granted under a different Employees' Share Scheme, it is subject to a rule of similar effect to this clause 3.7,

then the Board shall aggregate the number of Shares subject to the EMI Option and the Non-qualifying Option as if they were one Option for the purposes of clause 3.6 and shall cause the Non-qualifying Option to lapse first so that the EMI Option shall not lapse unless the Non-qualifying Option lapses completely.

3.8 If the Option is an EMI Option only in part, due to the application of clause 4.2, clause 4.3 or clause 5.3 on the grant of that Option, then the part that is not an EMI Option shall lapse first. Therefore, the part that is an EMI Option shall not lapse until the other part has lapsed completely.

4. Overall grant limits

4.1 At any time, the total Market Value (at the relevant dates of grant) of the Shares (and any other shares in the Company) that can be acquired on the exercise of all EMI Options over the shares must not exceed £3 million (or any other amount as may be specified by paragraph 7 of Schedule 5 at the relevant time). No Option shall be an EMI Option if, immediately before it is granted, the total Market Value (at the relevant dates of grant) of the Shares (and any other shares of the Company) that can be acquired on the exercise of all EMI Options over these shares already equals £3 million (or any other amount as may be specified by paragraph 7 of Schedule 5 at the relevant time).

4.2 If the grant of any Option that is:

(a) intended to be an EMI Option; and

(b) not granted at the same time as any other Option(s),

would cause the limit in clause 4.1 to be exceeded, that Option shall not be an EMI Option so far as it relates to the excess.

4.3 If several Options are:

(a) intended to be EMI Options; and

(b) granted at the same time as each other,

and this would cause the limit in clause 4.1 to be exceeded, the Options shall not be EMI Options so far as they relate to the excess. Paragraph 7(5) of Schedule 5 applies for the purpose of determining which part of each of these Options relates to the excess.

4.4 The Company may not grant an Option if that grant would result in the total number of Dilutive Shares exceeding 10% of the issued share capital of the Company immediately following Admission SAVE THAT Shares under Options which were capable of exercise prior to Admission will not be counted as Dilutive Shares.

5. Individual grant limits

5.1 At any time, the total Market Value (at the relevant dates of grant) of the shares (which may include Shares) that an Eligible Employee can acquire on the exercise of EMI Options granted to them by reason of their employment with:

(a) any Group Member; or

(b) any two or more Group Members,

may not exceed £249,999 (or any other amount as may be specified by paragraph 5 of Schedule 5 at the relevant time, minus £1). No Option shall be an EMI Option if, immediately before it is granted, the total Market Value (at the relevant dates of grant) of the shares that can be acquired on the exercise of all EMI Options held by the relevant Eligible Employee and falling within this clause 5.1 equals £250,000 (or any other amount as may be specified by paragraph 5 of Schedule 5 at the relevant time).

5.2 Any CSOP Options granted to the relevant Eligible Employee by reason of his employment with any Group Member shall be treated as EMI Options to be counted against the limit set out in clause 5.1.

5.3 If the grant of any Option that is intended to be an EMI Option would cause the limit in clause 5.1 to be exceeded, that Option shall not be an EMI Option so far as it relates to the excess.

5.4 If an Eligible Employee has been granted EMI Options over shares (which may include Shares) with a total Market Value of £250,000 (or any other amount as may be specified by paragraph 6 of Schedule 5 at the relevant time) by reason of their employment with:

(a) any Group Member; or

(b) any two or more Group Members,

whether or not those EMI Options have been exercised or released, any Option granted to that Eligible Employee shall not be an EMI Option if the Grant Date of that Option falls within the period of three years after the Grant Date of the last EMI Option to be granted to them that falls within this clause 5.4.

6. Exercise of Options

6.1 An Option Holder may not exercise an Option before the earliest of:

(a) its Normal Vesting Date;

(b) the time when it becomes exercisable under clause 8; and

(c) the time when it becomes exercisable under clause 12.

6.2 An Option Holder may only exercise an Option to the extent that the relevant Exercise Condition is achieved and any other condition stated in the Option Agreement under clause 2.6(f) is satisfied.

6.3 An Option Holder may not exercise an Option at a time when its exercise is prohibited by, or would be a breach of, the Market Abuse Regulation, the AIM Rules or any law or regulation with the force of law, or other rule, code or set of guidelines (such as a personal dealing code adopted by the Company).

6.4 Subject to clause 6.5, an Option Holder may not exercise an Option at any time:

(a) while disciplinary proceedings by any Group Member are underway against the Option Holder; or

(b) while any Group Member is investigating the Option Holder's conduct and may as a result begin disciplinary proceedings; or

(c) while there is a breach of the Option Holder's employment contract that is a potentially fair reason for dismissal; or

(d) while the Option Holder is in breach of a fiduciary duty owed to any Group Member; or

(e) after the Option Holder has ceased to be an Employee, if there was a breach of employment contract or fiduciary duties that (in the reasonable opinion of the Board) would have prevented the exercise of the Option had the Company been aware (or fully aware) of that breach, and of which the Company was not aware (or not fully aware) until after both:

(i) the Option Holder's ceasing to be an Employee; and

(ii) the time (if any) when the Board decided to permit the Option Holder to exercise the Option.

6.5 The Company shall not unfairly frustrate a valid exercise of the Option by the inappropriate application of any provision of clause 6.4.

6.6 An Option Holder may not exercise an Option without having made any arrangements, or entered into any agreements, that may be required and are referred to in clause 10.

7. Manner of exercise of Options

7.1 Where an Option is exercised in part, it shall be exercised over at least 100 Shares or, if less, the number of Shares over which the Option is then exercisable.

7.2 An Option shall be exercised by the Option Holder giving a written exercise notice to the Company, as follows:

(a) setting out the number of Shares over which the Option Holder wishes to exercise the Option. If that number exceeds the number over which the Option may be validly exercised at the time, the Company shall

(i) treat the Option as exercised only in respect of that lesser number; and

(ii) refund any excess amount paid to exercise the Option or meet any Tax Liability.

(b) using a form that the Board will approve; and

(c) if clause 7.3 applies, including the information specified in that clause 7.3.

7.3 If:

(a) an Option is an EMI Option only in part, due to the application of clause 4.2, clause 4.3 or clause 5.3 on the grant of that Option; and

(b) the relevant Option Holder exercises that Option in respect of any number of Shares less than the maximum number over which it could be exercised,

the exercise notice shall specify to what extent (if any) the partial exercise of that Option should be treated as the exercise of that part of the Option that is an EMI Option. If the exercise notice does not specify the extent, it shall be taken to exercise that part of the Option that is an EMI Option in priority to that part of the Option that is not an EMI Option.

7.4 Any exercise notice shall be accompanied by all of the following:

(a) payment of an amount equal to the Exercise Price multiplied by the number of Shares specified in the notice;

(b) any payment required under clause 10; and

(c) any documents relating to arrangements or agreements required under clause 10.

The Option Holder may enter into arrangements to the satisfaction of the Company for payment of the amounts due under this clause 7.4.

7.5 Any exercise notice shall be invalid:

(a) to the extent that it is inconsistent with the Option Holder's rights under these rules and the Option Agreement;

(b) if any of the requirements of clause 7.2 or clause 7.4 are not met; or

(c) if any payment referred to in clause 7.4 is made by a cheque that is not honoured on first presentation or that fails in any other manner to transfer the expected value to the Company.

The Company may permit the Option Holder to correct any defect referred to in clause 7.5(b) or clause 7.5(c) (but shall not be obliged to do so). The date of any corrected exercise notice shall be the date of the correction rather than the original notice date for all other purposes of the Plan.

7.6 The Company shall allot and issue Shares (or, as appropriate, procure their transfer) in satisfaction of an Option Holder's rights within 30 days after a valid Option exercise, subject to the other rules of the Plan.

7.7 Shares allotted and issued in satisfaction of the exercise of an Option shall rank equally in all respects with the other shares of the same class in issue at the date of allotment, except for any Relevant Restriction or any rights determined by reference to a date before the date of allotment.

7.8 Shares transferred in satisfaction of the exercise of an Option shall be transferred free of any lien, charge or other security interest, other than any Relevant Restriction, and with all rights attaching to them, other than any rights determined by reference to a date before the date of transfer.

7.9 If the Shares are listed or traded on any stock exchange, the Company shall apply to the appropriate body for any newly issued Shares allotted on exercise of an Option to be listed or admitted to trading on that exchange.

8. Termination of employment

8.1 An Option Holder who gives or receives notice of termination of employment (whether or not lawful) may not exercise an Option at any time while the notice remains effective.

8.2 If an Option Holder ceases to be an Employee before the Normal Vesting Date due to his or her death, the personal representatives may exercise the Option over a number of Shares during the period ending 12 months after the death. If the Option is not exercised, it will lapse at the end of that period. That number of Shares shall be determined as follows:

(a) if the Option Holder dies on or after the Normal Vesting Date, the number shall be equal to the number of Shares that the Option Holder could have acquired if the Option had been exercised immediately before the death.

(b) if the Option Holder dies before the Normal Vesting Date, then the Board, acting fairly and reasonably, shall:

(i) apply a reduction to reflect the extent to which any Exercise Condition was not achieved at the date of death; and

(ii) the Option shall lapse to that extent,

SAVE THAT the Board may, in these circumstances and in its absolute discretion, waive any Exercise Condition.

8.3 If an Option Holder ceases to be an Employee before the Normal Vesting Date due to any of the following reasons:

(a) injury;

(b) ill health; or

(c) disability; or

(d) retirement; or

(e) Redundancy; or

(f) the Option Holder's Employer Company ceasing to be a Group Member; or

(g) the transfer of the business that employs the Option Holder to a person that is not a Group Member,

then the Board, acting fairly and reasonably, shall apply a reduction to reflect the extent to which the Exercise Condition was not achieved at the date of cessation and the Option shall lapse to that extent SAVE THAT the Board may, in these circumstances and in its absolute discretion, waive any Exercise Condition.

To the extent the Option is exercisable, the Option may be exercised during the 90-day period beginning on the date of cessation and if the Option is not exercised, it will lapse at the end of that period.

8.4 If an Option Holder ceases to be an Employee before the Normal Vesting Date for any reason other than death or the reasons set out in clause 8.3, the Board may in its absolute discretion permit the Option Holder to exercise the Option (subject to achieving any Exercise Condition) during the 90-day period beginning on the date of cessation SAVE THAT the Board may, in these circumstances and in its absolute discretion, waive all or any Exercise Condition.

8.5 If the Option is not exercised, it will lapse at the end of that period.

8.6 Any decision by the Board to grant permission under clause 0 shall be made in the 90-day period following the cessation of employment and if the Board does not make such a decision within that period, the Option will lapse at the end of that period and in accordance with clause 9.2(j).

8.7 If an Option Holder ceases to be an Employee on or after the Normal Vesting Date for any reason other than summary dismissal, the Option may be exercised during the 90-day period following the date of cessation.

8.8 The Board may permit an Option Holder, who is summarily dismissed on or after the Normal Vesting Date, to exercise the Option during the 90-day period following the date of dismissal. If the Board does not make such a decision to permit the exercise within that period, the Option will lapse at the end of that period in accordance with clause 9.2(j).

8.9 The Board shall notify the relevant Option Holder of any decision made under clause 8, including any decision not to permit the exercise of an Option, within a reasonable time after making it.

8.10 If the relevant Option Agreement specifies different Normal Vesting Dates for different parts of an Option, each part of that Option shall be treated as a separate Option for the purposes of clause 8.

8.11 An Option Holder shall not be regarded as ceasing to be an Employee until the Option Holder is no longer an employee or executive director of any Group Member.

9. Lapse of Options

9.1 An Option Holder may not transfer or assign, or have any charge or other security interest created over an Option (or any right arising under it). An Option shall lapse if the relevant Option Holder attempts to do any of those things. However, this clause 9.1 does not prevent the transmission of an Option to an Option Holder's personal representatives on the death of the Option Holder.

9.2 An Option shall lapse on the earliest of the following:

(a) 30 November 2018, if Admission does not occur before that date;

(b) on the day immediately following the Return Date if the Option Holder has not yet met the obligations specified in clause 2.7;

(c) any attempted action by the Option Holder falling within clause 9.1;

(d) when the Board decides in accordance with clause 3.6, to the extent that any Exercise Condition has become wholly or partly incapable of being met;

(e) any date on which the Option shall lapse, as specified in the Option Agreement;

(f) to the extent required by clause 8.2(b), the date the Option Holder dies;

(g) the first anniversary of the Option Holder's death;

(h) the end of the 90-day period, if clause 8.3 or clause 8.4 applies;

(i) if the Board decides under clause 0 or clause 8.5 that it will not permit the Option Holder to exercise the Option, the date the Board so decides;

(j) the end of the 90-day period during which exercise is permitted, if the Board decides under clause 0 or clause 8.5 that it will permit the Option Holder to exercise the Option;

(k) 90 days after the Option Holder ceases to be an Employee, if the Board makes no decision under clause 0 or clause 8.5;

(l) the time specified for the lapse of the Option under clause 12 if any part of that clause 12 applies; or

(m) when the Option Holder becomes bankrupt under Part IX of the Insolvency Act 1986, applies for an interim order under Part VIII of the Insolvency Act 1986, proposes or makes a voluntary arrangement under Part VIII of the Insolvency Act 1986, takes similar steps, or is similarly affected, under laws of any jurisdiction that correspond to those provisions of the Insolvency Act 1986.

9.3 Subject to the Option Holder complying with the requirements of clause 7.4, if an Option would otherwise lapse following cessation of an Option Holder's employment, that Option shall be deemed exercised to the maximum extent possible in accordance with Rule 8 on the day prior to such lapse occurring.

10. Tax liabilities

10.1 Each Option Agreement shall include the Option Holder's irrevocable agreement to:

(a) pay to the Company or Employer Company (as appropriate) the amount of any Tax Liability; or

(b) enter into arrangements to the satisfaction of the Company or Employer Company (as appropriate) for payment of any Tax Liability.

10.2 Unless the Employer Company directs that it shall not, each Option Agreement shall include the Option Holder's irrevocable agreement that:

(a) the Company or Employer Company (as appropriate) may recover the whole or any part of any Employer NICs from the Option Holder; and

(b) at the request of the Company or Employer Company, the Option Holder shall elect (using a form approved by HMRC) that the whole or any part of the liability for Employer NICs shall be transferred to the Option Holder.

10.3 An Option Holder's Employer Company may decide to release the Option Holder from, or not to enforce, any part of the Option Holder's obligations in respect of Employer NICs under clause 10.1 and clause 10.2.

10.4 If an Option Holder does not fulfil the obligations under either clause 10.1(a) or clause 10.1(b) in respect of any Tax Liability arising from the exercise of an Option within seven days after the date of exercise and Shares are readily saleable at that time, the Company shall withhold Sufficient Shares from the Shares that would otherwise be delivered to the Option Holder. The Option Holder's obligations under clause 10.1(a) and clause 10.1(b) shall not be affected by any failure of the Company to withhold Shares under this clause 10.4. From the net proceeds of sale of the withheld Shares, the Company shall:

(a) retain an amount equal to the Tax Liability and shall pay any balance to the Option Holder (if the Company is to account for or pay the relevant Tax Liability); or

(b) pay to the Option Holder's employer or former employer an amount equal to the Tax Liability (if that person is liable to account for or pay the relevant Tax Liability) and shall pay any balance to the Option Holder.

10.5 Option Holders shall have no rights to compensation or damages on account of any tax or NICs liability that arises or is increased (or is claimed to arise or be increased) in whole or in part because of:

(a) the limitation under clause 4.2, clause 4.3 or clause 5.3 of any Option intended to be an EMI Option;

(b) any decision of HMRC that an Option does not meet the requirements of Schedule 5 and is therefore not an EMI Option, however that decision may arise;

(c) any Disqualifying Event, however that event may be caused;

(d) the timing of any decision by the Board to permit exercise of an Option under clause 0 or clause 8.5;

(e) any failure by the Board to give notice under clause 16.7; or

(f) the timing of any notice given by the Board under clause 16.7.

10.6 Each Option Agreement shall include the Option Holder's irrevocable agreement to enter into a joint election under section 431(1) or 431(2) of ITEPA 2003 in respect of the Shares to be acquired on exercise of the relevant Option, if required to do so by the Company, or Employer Company, on or before any date of exercise of the Option.

10.7 Each Option Agreement shall include a power of attorney appointing the Company as the Option Holder's agent and attorney for the purposes of clause 10.4 and clause 10.6.

11. Relationship with employment contract

11.1 The rights and obligations of any Option Holder under the terms of his office or employment with any Group Member or former Group Member shall not be affected by being an Option Holder.

11.2 The value of any benefit realised under the Plan by Option Holders shall not be taken into account in determining any pension or similar entitlements.

11.3 Option Holders and Employees shall have no rights to compensation or damages on account of any loss in respect of Options or the Plan where this loss arises (or is claimed to arise), in whole or in part, from:

(a) termination of office or employment with; or

(b) notice to terminate office or employment given by or to,

any Group Member or any former Group Member. This exclusion of liability shall apply however termination of office or employment, or the giving of notice is caused and however compensation or damages are claimed.

11.4 Option Holders and Employees shall have no rights to compensation or damages from any Group Member or any former Group Member on account of any loss in respect of Options or the Plan where this loss arises (or is claimed to arise), in whole or in part, from:

(a) any company ceasing to be a Group Member; or

(b) the transfer of any business from a Group Member to any person that is not a Group Member.

This exclusion of liability shall apply however the change of status of the relevant Group Member, or the transfer of the relevant business is caused and however compensation or damages are claimed.

11.5 An Employee shall not have any right to receive Options, whether or not they have previously been granted any.

12. Takeovers and liquidations

12.1 In this clause 12, the "**Exercisable Number of Shares**" in relation to an Option is the number of Shares that the Board (acting fairly and reasonably) shall determine by application of a reduction to reflect the extent to which any Exercise Condition is not met at the date (or expected date) of the Change of Control or (where relevant, the date the Controller obtains Control as mentioned in clause 12.15) SAVE THAT the Board may, in these circumstances and in its absolute discretion, waive all or any Exercise Condition.

12.2 Where the Board is required to determine the Exercisable Number and:

(a) the Option is an EMI Option; and

(b) the Option Holder also holds a Non-qualifying Option; and

(c) if the Non-qualifying Option was granted under a different Employees' Share Scheme, it is subject to a rule of similar effect to this clause 12.2; or

then the Board shall aggregate the number of Shares subject to the EMI Option and the Non-qualifying Option as if they were one Option for the purposes of determining the Exercisable Number. The Board shall reduce the number of Shares subject to the Non-qualifying Option before it reduces the number of Shares subject to the EMI Option.

12.3 Where the Board is required to determine the Exercisable Number, if the Option is an EMI Option only in part, due to the application of clause 4.2, clause 4.3 or clause 5.3 on the grant of that Option, then the Board shall reduce the number of Shares subject to the part that is not an EMI Option before it reduces the number of Shares subject to the part that is an EMI Option.

12.4 Where the Board is required by clause 12.1 to determine the Exercisable Number, and the relevant Option Agreement specifies different Normal Vesting Dates for different parts of an Option, the Board shall treat each part of that Option as a separate Option.

12.5 Subject to clause 8.1, if the Board considers that a Change of Control is likely to occur, the Board may in its absolute discretion decide that the Option Holder may exercise all or any part of any Option (but not in respect of more than the Exercisable Number of Shares), conditional on the Change of Control actually occurring. This should be in a reasonable period to be specified by the Board for that purpose and ending immediately before the Offeror obtains Control of the Company. The Board shall have discretion to determine that an Option that is not exercised by the end of that period shall lapse.

12.6 Subject to clause 8.1, if a Change of Control occurs and the Board has not exercised its discretion under clause 12.5, the Option Holder may exercise an Option in respect of no more than the Exercisable Number of Shares within 90 days after the time when the Offeror has obtained Control of the Company. The Option shall lapse at the later of the end of that 90 day period and any time specified under clause 12.7 or clause 12.8, if either applies.

12.7 If a Change of Control occurs and all the following conditions are met:

(a) the Board has not exercised its discretion under clause 12.5;

(b) the Offeror satisfies the conditions of clause 13.1(d) and clause 13.1(e);

(c) the Option Holder meets the condition of clause 13.1(f); and

(d) the Offeror declares within ten days following the time when the Offeror has obtained Control of the Company that it is willing to make an agreement under clause 13.1;

an EMI Option shall continue to exist until the earliest of the following:

(e) the time when the Option Holder releases the Option under an exchange of options falling within clause 13.1;

(f) the time when it lapses in accordance with clause 8; and

(g) the latest date on which an applicable Rollover Period expires,

when it shall lapse.

Any Option to which this clause 12.7 applies shall not be capable of exercise under any rule of the Plan after it ceases to be capable of exercise under clause 12.6.

If any of the conditions in clause 12.7(a) to clause 12.7(d) are not met, and the Offeror is not willing to make an agreement under clause 13.5, an Option shall lapse at the end of the exercise period specified in clause 12.6.

12.8 If a Change of Control occurs and both the following conditions are met:

(a) where the Option is an EMI Option, either:

(i) the Offeror does not satisfy the conditions of clause 13.1(d) and clause 13.1(e); or

(ii) the Option Holder does not meet the conditions of clause 13.1(f);

and

(b) the Offeror declares that it is willing to make an agreement under clause 13.5;

the Option shall continue to exist until the earliest of the following:

(c) the time when the Option Holder releases the Option under an exchange of options falling within clause 13.5;

(d) the time when it lapses in accordance with clause 8;

(e) the latest date on which an applicable Rollover Period expires,

when it shall lapse.

Any Option to which this clause 12.8 applies shall not be capable of exercise under any rule of the Plan after it ceases to be capable of exercise under clause 12.6.

If the Offeror is not willing to make an agreement under clause 13.5, the Option shall lapse at the end of the exercise period specified in clause 12.6.

12.9 Subject to clause 8.1, an Option Holder may exercise the Exercisable Number of Shares subject to any Option during any period when any person is bound or entitled to acquire Shares under sections 979 to 982 or 983 to 985 of the Companies Act 2006. Any Option to which this clause 12.9 applies shall lapse at the later of:

(a) the end of the period during which that person is bound or entitled; and

(b) the time specified for the lapse of Options under clause 12.7 or clause 12.8,

if either applies (unless it lapses earlier in accordance with clause 8).

12.10 Clause 12.10 applies if any Shares, in one or a series of transactions, are sold or a right to acquire or dispose is granted resulting in the buyer or grantee and persons Acting in Concert with them together acquiring Control of the Company, but this does not constitute a Change of Control because the buyer is a company and its shareholders and the proportion of its shares held by each of them following completion of the sale are substantially the same as the shareholders and their shareholdings in the Company immediately before the sale.

If the buyer offers to make such arrangements as the Board, in its reasonable opinion, considers to be fair, for:

(a) New Options to be offered under clause 13.1 in exchange for any Options that are EMI Options, where the requirements of clause 13.1 can be satisfied; and

(b) either suitable replacement options under clause 13.5 or some other appropriate compensation to be offered to Option Holders:

(i) to the extent that New Options cannot be offered under clause 13.1 for any Options that are EMI Options; and

(ii) for any Options that are not EMI Options.

then any Options that are not so exchanged or released shall lapse on such date as the Board shall specify.

If the buyer does not offer to make such arrangements within 30 days after the buyer has acquired Control, then the provisions of clause 12.6 shall apply to the Options in the same way as if the sale had constituted a Change of Control.

12.11 If the court sanctions a compromise or arrangement under section 899 of the Companies Act 2006, the Board may decide that an Option Holder may exercise the Exercisable Number of Shares subject to the Option within a reasonable period to be specified by the Board for that purpose. The Board shall have discretion to determine that an Option that is not exercised by the end of that period shall lapse.

12.12 Any Option to which clause 12.11 applies shall:

(a) if an exchange of options falling within either clause 13.1 or clause 13.5 is offered continue to exist until the earliest of the following:

(i) the time when the Option is released under that exchange;

(ii) the latest date on which an applicable Rollover Period expires and

(iii) the time when it lapses in accordance with clause 8;

when it shall lapse. Any Option to which this clause 12.12(a) applies shall not be capable of exercise under any other rule of the Plan after it ceases to be capable of exercise under clause 12.11.

(b) lapse at the end of the exercise period specified in this clause 12.11 if such an exchange is not offered.

12.13 If a person, or group of persons Acting in Concert together acquire Control of the Company by subscribing for new shares in the Company, the Board may, in its absolute discretion, decide to treat this as a Change of Control for all the purposes of the Plan.

12.14 In clause 12 and clause 13 (other than clause 13.1), a person shall be deemed to have obtained Control of a company if that person, and others Acting in Concert with them, have obtained Control of it together.

12.15 If the shareholders of the Company receive notice of a resolution for the voluntary winding up of the Company, any Option Holder may exercise an Option in respect of the Exercisable Number of Shares at any time before that resolution is passed, conditional upon the passing of that resolution, and if the Option Holder does not exercise the Option, it shall lapse when the winding up begins.

12.16 The Board shall notify Option Holders of any event that is relevant to Options under this clause 12 within a reasonable period after the Board becomes aware of it.

13. Exchange of Options

13.1 If one of the following happens:

(a) a company obtains all the shares of the Company as a result of a Qualifying Exchange of Shares;

(b) a company obtains Control of the Company as a result of:

(i) making a general offer to acquire the whole of the issued share capital of the Company (except any capital already held by that company or any person connected with that company) that is made on a condition that, if it is satisfied, the offeror will have Control of the Company;

(ii) making a general offer to acquire all the shares in the Company (except any shares already held by that company or any person connected with that company) that are of the same class as the Shares; or

(iii) an event specified in clause 12.11.

(c) a company becomes bound or entitled to acquire Shares under sections 979 to 982 of the Companies Act 2006,

(the relevant company being referred to in this clause 13.1 as the **"Acquiring Company**")

and all of the following are true:

(d) the Acquiring Company satisfies the independence requirement set out in paragraph 9 of Schedule 5;

(e) the Acquiring Company satisfies the trading activities requirement set out in paragraphs 13 to 23 of Schedule 5; and

(f) the relevant Option Holder would fall within the definition of Eligible Employee if for the purposes of that definition (and the definition of Material Interest as used in it) references to Group Member were references to any of the Acquiring Company and its 51% Subsidiaries,

each Option Holder may, by agreement with the Acquiring Company within the applicable Rollover Period, release any Option that is an EMI Option (or that part of any Option that is an EMI Option, where clause 4.1, clause 4.2 or clause 5.3 applies) ("**Old Option**") for a replacement option ("**New Option**").

13.2 A New Option shall:

(a) be granted over ordinary shares in the Acquiring Company that are fully paid up and not redeemable;

(b) be subject to clause 4.1, clause 4.2 and clause 4.3 with:

(i) the references in those rules to Shares being taken to be references to the shares in the Acquiring Company that are subject to New Options;

(ii) the references to other shares in the Company being taken to be references to any other shares in the Acquiring Company that are subject to EMI Options; and

(iii) the Market Value of shares in the Acquiring Company subject to each New Option being taken to equal (the Market Value (under clause 4) of the Shares subject to the Old Option that it replaces, measured on the Grant Date of that Old Option;

(c) be a right to acquire a number of shares in the Acquiring Company that have, immediately after grant of the New Option, a total Market Value equal to the total Market Value of the shares subject to the Old Option that it replaces immediately before its release;

(d) have an exercise price for each share such that the total price payable on complete exercise of the New Option equals the total price that would have been payable on complete exercise of the Old Option that it replaces;

(e) be capable of exercise within ten years after the Grant Date of the Old Option that it replaces;

(f) only include conditions that must be fulfilled before the New Option can be exercised (if any) that are capable of being fulfilled within the period of ten years after the Grant Date of the Old Option that it replaces;

(g) satisfy the requirements of:

(i) paragraph 37 of Schedule 5; and

(ii) paragraph 38 of Schedule 5;

(h) satisfy clause 2.1; and

(i) be notified to HMRC in accordance with paragraph 44 of Schedule 5.

13.3 Any Rollover Period shall have the same duration as the applicable required period defined in paragraph 42 of Schedule 5.

13.4 Any New Option granted in accordance with clause 13.1 will be treated as acquired at the same time as the Old Option that it replaces for the purposes of the legislation relating to EMI Options.

13.5 Although clause 13.1 does not provide for an Option that is not an EMI Option (or a part of any Option that is not an EMI Option, where clause 4.1, clause 4.2 or clause 5.3 applies) to be exchanged for another option in accordance with that rule, an Option Holder may agree terms with any company to make such an exchange during a Rollover Period.

14. Variation of share capital

14.1 If there is any variation of the share capital of the Company (whether that variation is a capitalisation issue (other than a scrip dividend), rights issue, consolidation, subdivision or reduction of capital or otherwise) that affects (or may affect) the value of Options to Option Holders, the Board shall adjust the number and description of Shares subject to each Option or the Exercise Price of each Option in a manner that the Board, in its reasonable opinion, considers to be fair and appropriate. However:

(a) the total amount payable on the exercise of any Option in full shall not be increased; and

(b) the Exercise Price for a Share to be newly issued on the exercise of any Option shall not be reduced below its nominal value (unless the Board resolves to capitalise, from reserves, an amount equal to the amount by which the total nominal value of the relevant Shares exceeds the total adjusted Exercise Price, and to apply this amount to pay for the relevant Shares in full).

15. Notices

15.1 Except as maintained in clause 15.3, any notice or other communication given under or in connection with the Plan shall be in writing and shall be:

(a) delivered by hand or by pre-paid first-class post or other next working day delivery service at the Appropriate Address;

For the purposes of this clause 15, the Appropriate Address means:

(i) in the case of the Company, its registered office provided the notice is marked for the attention of the Company Secretary;

(ii) in the case of an Option Holder, the Option Holder's home address; and

(iii) if the Option Holder has died, and notice of the appointment of personal representatives is given to the Company, any contact address specified in that notice; or

(b) sent by fax to the fax number notified in writing by the recipient to the sender; or

(c) sent by email to the "**Appropriate Email Address"**.

For the purposes of this clause 15, Appropriate Email Address means:

(i) in the case of the Company, the email address of the Company Secretary; and

(ii) in the case of the Option Holder, the work email address if the Option Holder is permitted to access personal emails at work.

15.2 Any notice or other communication given under this clause 15.1 shall be deemed to have been received:

(a) if delivered by hand, on signature of a delivery receipt, or at the time the notice is left at the appropriate address;

(b) if sent by prepaid first-class post or other next working day delivery service, at 9.00 am on the second Business Day after posting, or at the time recorded by the delivery service;

(c) if sent by fax, at 9.00 am on the next Business Day after transmission; and

(d) if sent by email, at 9.00 am on the next Business Day after sending.

15.3 This rule does not apply to:

(a) the service of any notice of exercise under clause 7.2; and

(b) the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

16. Administration and amendment

16.1 The Board shall administer the Plan.

16.2 The Board may amend the Plan from time to time, but:

(a) the Board may not amend the Plan if the amendment:

(i) applies to Options granted before the amendment was made; and

(ii) materially adversely affects the interests of Option Holders,

except that each Option Holder may consent to the application to their Option(s) of such an amendment.

(b) while Shares are traded on AIM, the Board may not make any amendment to the advantage of Option Holders if that amendment relates to:

(i) the definition of Employee;

(ii) the limits specified in clause 4 or clause 5; or

(iii) Clause 14,

without the prior approval of the Company in general meeting (except for minor amendments to benefit the administration of the Plan, to take account of a change in legislation, or to obtain or maintain favourable tax, exchange control or regulatory treatment for Option Holders or for the Company or any Group Member).

16.3 The cost of establishing and operating the Plan shall be borne by the Group Members in proportions determined by the Board.

16.4 To satisfy the exercise of all the Options, the Company shall ensure that at all times:

(a) it has sufficient unissued or treasury Shares available, taking into account any other obligations of the Company to issue Shares and to transfer Shares from treasury, if the Company has restricted the number of Shares it can issue in its articles of association; and/or

(b) arrangements are in place for any third party to transfer issued Shares.

16.5 Any decision under clause 8.2 or clause 8.4, and whether to consider making such a decision, shall be entirely at the discretion of the Board.

16.6 The Board shall determine any question of interpretation and settle any dispute arising under the Plan. In these matters, the Board's decision shall be final.

16.7 The Board shall notify each affected Option Holder of any Disqualifying Event other than one caused by the Option Holder's cessation of employment.

The notice required under this clause 16.7 shall be given as soon as reasonably practicable after the Board becomes aware of the relevant Disqualifying Event. No Option shall become capable of exercise because of a notice given under this clause 0.

16.8 The Company shall not be obliged to notify any Option Holder if an Option is due to lapse.

16.9 The Company shall not be obliged to provide Option Holders with copies of any materials sent to the holders of Shares.

17. Third party rights

17.1 A person who is not a party to an Option shall not have any rights under or in connection with it as a result of the Contracts (Rights of Third Parties) Act 1999 except where these rights arise under any rule of the Plan for any Employer Company of the Option Holder that is not a party to an Option.

This does not affect any right or remedy of a third party that exists, or is available, apart from the Contracts (Rights of Third Parties) Act 1999.

17.2 The rights of the parties to an Option to surrender, terminate or rescind it, or agree any variation, waiver or settlement of it, are not subject to the consent of any person that is not a party to the Option as a result of the Contracts (Rights of Third Parties) Act 1999.

18. Data protection

18.1 In accepting the grant of an Option each Option Holder acknowledges the collection, holding, processing and transfer of Personal Data by the Company or any Group Member for all purposes connected with the operation of the Plan.

18.2 The purposes of the Plan referred to in clause 18.1 include, but are not limited to:

(a) holding and maintaining details of the Option Holder's Options; and

(b) transferring the Option Holder's Personal Data to the trustee of an employee benefit trust, the Company's registrars or brokers or any administrators of the Plan; and

(c) transferring the Option Holder's Personal Data to a bona fide prospective buyer of the Company or the Option Holder's Employer Company or business unit (or the prospective buyer's advisers), provided that the prospective buyer, and its advisers, irrevocably agree to use the Option Holder's Personal Data only in connection with the proposed transaction and in accordance with the data protection principles set out in the Data Protection Act 1998; and

(d) transferring the Option Holder's Personal Data under clause 18.2(b) or clause 18.2(c) to a person who is resident in a country or territory outside the European Economic Area that may not provide the same statutory protection for the information as countries within the European Economic Area.

19. Governing law

The Plan and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

20. Jurisdiction

20.1 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with, the Plan or its subject matter or formation (including non-contractual disputes or claims).

20.2 Each party irrevocably consents to any process in any legal action or proceedings under clause 20.1 being served on it in accordance with the provisions of the Plan relating to service of notices. Nothing contained in the Plan shall affect the right to serve process in any other manner permitted by law.

RENALYTIX AI PLC

RENALYTIX AI PLC Share Option Plan (the "Plan")

Non-Employee Sub-Plan to the RENALYTIX AI PLC Share Option Plan (the "Non-Employee Sub-Plan")

The Non-Employee Sub-Plan is adopted to permit the grant of options to individuals who are not employees or executive directors of the Company or any other Group Member.

In the event of any inconsistency between the rules of the Plan and the rules of the Non-Employee Sub-Plan, the rules of the Non-Employee Sub-Plan shall take precedence.

1. DEFINITIONS

1.1 In this Non-Employee Sub-Plan, the words and expressions used in the Plan shall bear unless the context otherwise requires, the same meaning herein save to the extent the Rules in this Non-Employee Sub-Plan shall provide to the contrary.

1.2 In this Non-Employee Sub-Plan, the following words and expressions shall have the following meanings:

Eligible Person: means (i) an individual who provides advisory or consultancy services to the Company or any Group Member either directly or through a company or other trading arrangement under a contract for the provision of services or otherwise and whether with the individual himself or with a company or other trading arrangement, or (ii) an individual who is a non-executive director of the Company or any Group Member; or (iii) an entity that provides, through an individual ("**Individual**"), advisory, consultancy, or office holder services to the Company or any Group Company; and

Relevant Company: the Group Member which is in relation to an Option Holder the company by which he (or the Individual, where applicable) holds office or to which he provides advisory or consultancy services.

1.3 This Non-Employee Sub-Plan is not an employees' share plan within the meaning of section 1166 of the Companies Act 2006.

2. APPLICATION OF PLAN

Save as modified in this Non-Employee Sub-Plan, all the provisions of the Plan shall be incorporated into this Non-Employee Sub-Plan as if fully set out herein so as to be part of this Non-Employee Sub-Plan.

3. ELIGIBLE PERSON ETC

3.1 Any references in the Plan to "**Employee**" shall be taken for the purposes of this Non-Employee Sub-Plan to be references to "**Eligible Person**" as defined in paragraph 1.2 of this Non-Employee Sub-Plan.

3.2 Any reference in the Plan to "**Employer**" shall be taken for the purposes of this Non-Employee Sub-Plan to be references to "**Relevant Company**" as defined in paragraph 1.2 of this Non-Employee Sub-Plan.

4. GOVERNING LAW

The Non-Employee Sub-Plan and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

5. JURISDICTION

5.1 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with, the Non-Employee Sub-Plan or its subject matter or formation (including non-contractual disputes or claims).

5.2 Each party irrevocably consents to any process in any legal action or proceedings under clause 5.1 above being served on it in accordance with the provisions hereof relating to service of notices. Nothing contained in the Non-Employee Sub-Plan shall affect the right to serve process in any other manner permitted by law.

RENALYTIX AI PLC

Sub-Plan for U.S. Participants

1. PURPOSE AND APPLICABILITY.

(a) This Sub-Plan for U.S. Participants (the "**U.S. Sub-Plan**") applies to participants of the Renalytix AI PLC (the "**Company**") Share Option Plan (including, where applicable, the Non-Employee Sub-Plan) (the "**Plan**") who are either U.S. residents or U.S. taxpayers (each such participant, a "**U.S. Participant**"). The purpose of the U.S. Sub-Plan is to facilitate compliance with U.S. tax, securities and other applicable laws, and to permit the Company to issue tax-qualified Incentive Stock Options (as defined below) to eligible U.S. Participants.

(b) Except as otherwise provided by the U.S. Sub-Plan, all Option grants made to U.S. Participants will be governed by the terms of the Plan, when read together with the U.S. Sub-Plan. In any case of an irreconcilable contradiction (as determined by the Board of Directors of the Company (the "**Board**")) between the provisions of the U.S. Sub-Plan and the Plan, the provisions of the U.S. Sub-Plan will govern. Capitalized terms contained herein have the same meanings given to them in the Plan or the Non-Employee Sub-Plan to the Plan, unless otherwise provided by the U.S. Sub-Plan.

(c) This Sub-Plan is effective as of 10 September 2018, the date it was adopted by the Board (the "**Effective Date**").

2. **DEFINITIONS.**

In the U.S. Sub-Plan, the following words or terms will have the meaning as defined below:

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Continuous Service**" means that the U.S. Participant's service with the Company or a Group Member as an Employee or Eligible Person is not interrupted or terminated and the U.S. Participant remains in such service. A change in the capacity in which the U.S. Participant renders service to the Company or a Group Member (e.g., change from an employee to a consultant), or a change in the entity for which the U.S. Participant renders such service, will not cause the U.S. Participant to cease to be an eligible Participant provided that there is no interruption or termination of the U.S. Participant's service with the Company or a Group Member. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of: (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, a Group Member, or their successors.

"**Disability**" means the inability of a U.S. Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

"**Fair Market Value**" means as of any date, the value of the Shares determined by the Board in compliance with Section 409A of the Code or, in the case of an Incentive Stock Option, in compliance with Section 422 of the Code.

"**Incentive Stock Option**" or "**ISO**" means a stock option that is intended to be, and qualifies as, an incentive stock option within the meaning of Section 422 of the Code.

"**Nonstatutory Stock Option**" or "**NSO**" means a stock option that does not qualify as an Incentive Stock Option.

"**Option**" means a Nonstatutory Stock Option or Incentive Stock Option issued under the Plan and this U.S. Sub-Plan. Options issued to U.S. Participants pursuant to this U.S. Sub-Plan shall be "Non-EMI Options" under the Plan.

"**Parent**" means a corporation, whether now or hereafter existing, in an unbroken chain of corporations *ending* with the Company, if each corporation other than the Company owns shares possessing 50% or more of the total combined voting power of all classes of shares in one of the other corporations in such chain, as provided in the definition of a "parent corporation" contained in Section 424(e) of the Code.

"**Participant"** means an employee of the Company or a Group Member who was granted an Option to the extent it has not been released, lapsed or exercised in full (or, following his or her death, his or her personal representatives).

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**Subsidiary**" means a corporation, whether now or hereafter existing, in an unbroken chain of corporations *beginning* with the Company, if each corporation other than the Company owns shares possessing 50% or more of the total combined voting power of all classes of shares in one of the other corporations in such chain, as provided in the definition of a "subsidiary corporation" contained in Section 424(f) of the Code.

"**U.S.**" means the United States of America.

3. ELIGIBILITY.

(a) Incentive Stock Options. Options intended to qualify as Incentive Stock Options may be granted only to employees of the Company or a Parent or Subsidiary.

(b) Nonstatutory Stock Options. Nonstatutory Stock Options (Options that are not intended to qualify as Incentive Stock Options) may be granted to Employees and Eligible Persons selected by the Board under this U.S. Sub-Plan. Nonstatutory Stock Options may not be granted to any person who is providing services only to a Parent, unless the Company, in consultation with its legal counsel, has determined that such Options are exempt from or alternatively comply with the distribution requirements of Section 409A of the Code.

(c) Consultants. A consultant that is a resident of the United States will not be eligible to receive the grant of an Option if, at the time of grant, either the offer or sale of the Company's securities to such consultant is not exempt under Rule 701 of the Securities Act because of the nature of the services that the consultant is providing to the Company, because the consultant is not a natural person, or because of any other provision of Rule 701 of the Securities Act, *unless* the Company determines that such grant need not comply with the requirements of Rule 701 of the Securities Act and will satisfy another exemption under the Securities Act as well as comply with the securities laws of all other relevant jurisdictions.

4. ADDITIONAL TERMS AND CONDITIONS APPLICABLE TO ALL OPTIONS GRANTED TO U.S. PARTICIPANTS.

(a) Form of Grant Notice and Agreement. The Option Grant Notice and Agreement for U.S. Participants may be amended from time to time by the Board. The Option Grant Notice and Agreement shall indicate if all or a portion of the Option is designated as an Incentive Stock Option.

(b) Eligibility. Options may be granted to Employees, non-employee directors, consultants, advisors and Eligible Persons selected by the Board under this U.S. Sub-Plan.

(c) Maximum Term of Options. Subject to the provisions of Section 4(d) below regarding Incentive Stock Options granted to certain major stockholders, no Option granted to a U.S. Participant will be exercisable after the expiration of ten (10) years from the Grant Date or such shorter period specified in the Grant Notice.

(d) Exercise Price. Subject to the provisions of Section 4(d) below regarding Incentive Stock Options granted to certain major stockholders, the Exercise Price of each Option granted to a U.S. Participant will be not less than one hundred percent (100%) of the Fair Market Value of the Shares subject to the Option on the date the Option is granted.

(e) Vesting of Options. The vesting provisions of individual Options granted to U.S. Participants shall be contained in the Grant Notice.

(f) Transferability of Options. Notwithstanding the provisions of the Plan, a U.S. Participant may only transfer an Option if permitted by the Board or a duly authorized officer of the Company at the time of the transfer. The Board may only permit transfer of the Option in a manner that is permitted by the Plan and is not prohibited by applicable U.S. tax and securities laws, including Rule 701 of the Securities Act, if applicable. The Board, in its sole discretion, may impose such limitations on the transferability of Options granted to U.S. Participants as the Board will determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options granted to U.S. Participants will apply:

(i) Restriction on Transfer. An Option will not be transferable except by will or by the laws of descent and distribution (or pursuant to subsections (ii) and (iii) below), and will be exercisable during the lifetime of the U.S. Participant only by the U.S. Participant. A Participant may not assign, pledge charge or otherwise dispose of, or grant any form of security or other interest over, any part of his or her interest in an Option.

(ii) Domestic Relations Orders. Subject to the approval of the Board or a duly authorized officer of the Company, an Option may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulations Section 1.421-1(b)(2). If an Option is an Incentive Stock Option, such Option will be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Subject to the approval of the Board or a duly authorized officer of the Company, a U.S. Participant may, by delivering written notice to the Company, in a form approved by the Company (or the designated broker), designate a third party who, on the death of the U.S. Participant, will thereafter be entitled to exercise the Option and receive the Shares or other consideration resulting from such exercise. In the absence of such a designation, upon the death of the U.S. Participant, the executor or administrator of the U.S. Participant's estate will be entitled to exercise the Option and receive the Shares or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(g) Adjustments in Connection with Certain Transactions. In accordance with Clause 14 of the Plan, if there is any variation of the share capital of the Company, the Board shall appropriately and proportionately adjust the number and class of securities subject to, and the Exercise Price of, outstanding Options, and the number and class of securities subject to the limit on Options set forth in Section 5(g) hereof in a manner that complies with Sections 422 and 409A of the Code, as applicable. The Board will make such adjustments, and its determination will be final, binding and conclusive.

(h) Exercise Restriction for Non-Exempt Employees. If the U.S. Participant is an employee that is eligible for overtime compensation under the U.S. Fair Labor Standards Act of 1938, as amended (that is, the U.S. Participant is designated as a "non-exempt employee"), then notwithstanding the vesting schedule contained in the Option, the U.S. Participant may not exercise his or her Option until the U.S. Participant has completed at least six (6) months of Continuous Service measured from the Grant Date, even if the U.S. Participant has already been an employee for more than six (6) months. Consistent with the provisions of the U.S. Worker Economic Opportunity Act, the U.S. Participant may exercise his or her Option as to any vested portion prior to such six (6) month anniversary in the case of: (i) the U.S. Participant's death or Disability, (ii) a transaction in accordance with Clause 12 of the Plan resulting in a Change of Control of the Company in which the Option is not assumed, continued, or exchanged, or (iii) the termination of the U.S. Participant's Continuous Service on his or her retirement (as defined in the Company's benefit plans).

(i) Grant Date of Options. Notwithstanding any contrary provision of the Plan, the Grant Date of an Option granted to a U.S. Participant shall be the date on which the Board resolves to grant the Option and has completed all of the corporate action necessary to grant the option, which is not complete until the date on which the maximum number of Shares that can be purchased under the Option and the Option's minimum Exercise Price are fixed and determinable, and the class of underlying stock and the identity of the participant is designated.

(j) No Right to Employment or Other Status. No person shall have any claim or right to be granted an Option under this U.S. Sub-Plan, and the grant of an Option shall not be construed as giving a U.S. Participant the right to continued employment or any other service relationship with the Company or any Subsidiary.

(k) Vesting and Exercise of Options. Options shall vest in accordance with the terms of the Grant Notice and Agreement, and Options shall have a term and may be exercised following termination of Continuous Service as set forth in the Grant Notice and Agreement and subject to the restrictions on exercise set forth in Clause 6 of the Plan. In no event may any Option be exercised later than the tenth (10^{th}) anniversary of the relevant Grant Date.

(l) Conditions on Delivery of Shares. The Company will not be obligated to deliver any Shares pursuant to this U.S. Sub-Plan or to remove restrictions from Shares previously delivered under this U.S. Sub-Plan until:

(i) all conditions of the Option have been met or removed to the satisfaction of the Company;

(ii) in the opinion of the Company's counsel, all other legal matters in connection with the issuance, allotment and delivery of such shares have been satisfied, including any applicable securities laws and any applicable stock exchange or stock market rules and regulations; and

(iii) the U.S. Participant has executed and delivered to the Company such representations or agreements as the Company may consider appropriate to satisfy the requirements of any applicable laws, rules or regulations.

5. PROVISIONS APPLICABLE TO INCENTIVE STOCK OPTIONS.

(a) Designation of ISO Status. The Board action approving the grant of an Incentive Stock Option to a U.S. Participant, and the Grant Notice and Agreement, must specify that the Option is intended to be an Incentive Stock Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The Company shall have no liability to a U.S. Participant, or any other party, if an Option (or any part thereof) that is intended to be an Incentive Stock Option is not an Incentive Stock Option or for any action taken by the Board to amend, modify or terminate the Plan, this U.S. Sub-Plan or any Option, including without limitation, the conversion of an Incentive Stock Option to a Nonstatutory Stock Option.

(b) Maximum Shares Issuable On Exercise of ISOs. Subject to adjustment upon a variation in share capital under Section 4(g), the maximum aggregate number of Shares that may be issued upon the exercise of Incentive Stock Options is 6,000,000.

(c) Limits for 10% Stockholders. A person who owns (or is deemed to own pursuant to Section 424(d) of the Code) stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any affiliate, will not be granted an Incentive Stock Option unless the exercise price of such Option is at least one hundred ten percent (110%) of the Fair Market Value on the Grant Date and the Option is not exercisable after the expiration of five (5) years from the Grant Date.

(d) No Transfer. As provided by Section 422(b)(5) of the Code, an Incentive Stock Option will not be transferable except by will or by the laws of descent and distribution, and will be exercisable during the lifetime of the U.S. Participant only by the U.S. Participant. If the Board elects to allow the transfer of an Option by a U.S. Participant that is designated as an Incentive Stock Option, such transferred Option will automatically become a Nonstatutory Stock Option.

(e) US $100,000 Limit. As provided by Section 422(d) of the Code and applicable regulations thereunder, to the extent that the aggregate Fair Market Value (determined at the time of grant) of Shares with respect to which Incentive Stock Options are exercisable for the first time by any U.S. Participant during any calendar year (under all plans of the Company and any Subsidiary) exceeds US$100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Grant Notice and Agreement(s).

(f) Post-Termination Exercise Period. To obtain the U.S. federal income tax advantages associated with an Incentive Stock Option, the U.S. Internal Revenue Code requires that at all times beginning on the Grant Date and ending on the day three (3) months before the date of exercise of the Option, the U.S. Participant must be an employee of the Company or a Subsidiary (except in the event of the U.S. Participant's death or Disability, in which case longer periods apply). The Company cannot guarantee that the Option will be treated as an Incentive Stock Option if the U.S. Participant continues to provide services to the Company or a Subsidiary after such U.S. Participant's employment terminates or if the U.S. Participant otherwise exercises the Option more than three (3) months after the date his or her employment terminates, or the Option otherwise fails to qualify as an Incentive Stock Option.

(g) Disqualifying Disposition. If a U.S. Participant disposes of Shares acquired upon exercise of an Incentive Stock Option within two (2) years from the Grant Date or one (1) year after such Shares were acquired pursuant to exercise of such Option, the U.S. Participant shall notify the Company in writing of such disposition.

6. TAX MATTERS.

(a) Tax Withholding Requirement. Prior to the delivery of any Shares pursuant to the exercise of an Option, the Company will have the power and the right to deduct or withhold, or require a U.S. Participant to remit to the Company, an amount sufficient to satisfy U.S. federal, state, local, foreign or other taxes (including the U.S. Participant's FICA obligation) required to be withheld with respect to such Option.

(b) Withholding Arrangements. The Company may, in its sole discretion, satisfy any U.S. federal, state, local, foreign or other tax withholding obligation relating to an Option by any of the following means or by a combination of such means: (i) causing the U.S. Participant to tender a cash payment; or (ii) withholding payment from any amounts otherwise payable to the U.S. Participant.

(c) No Obligation to Notify or Minimize Taxes. The Company will have no duty or obligation to the U.S. Participant to advise such holder as to the time or manner of exercising the Option. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Option or a possible period in which the Option may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Option to the U.S. Participant.

(d) Section 409A of the Code. Unless otherwise expressly provided for in a Grant Notice and Agreement, the terms applicable to Options granted under the U.S. Sub-Plan will be interpreted to the greatest extent possible in a manner that makes the Options exempt from Section 409A of the Code, and, to the extent not so exempt, that brings the Options into compliance with Section 409A of the Code. Notwithstanding anything to the contrary in the Plan (and unless the Grant Notice and Agreement or other written contract with the U.S. Participant specifically provides otherwise), if the Shares are publicly traded, and if a U.S. Participant holding an Option that constitutes "deferred compensation" under Section 409A of the Code is a "specified employee" under Section 409A of the Code, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six (6) months following the date of such U.S. Participant's "separation from service" or, if earlier, the date of the U.S. Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six (6) month period elapses, with the balance paid thereafter on the original schedule. The Company shall have no liability to a U.S. Participant or any other party if an Option that is intended to be exempt from, or compliant with, Section 409A of the Code is not so exempt or compliant or for any action taken by the Board.

7. SHAREHOLDER APPROVAL OF U.S. SUB-PLAN.

Continuance of this U.S. Sub-Plan shall be subject to approval by the shareholders of the Company within twelve (12) months before or after the date the U.S. Sub-Pan is adopted. Any Shares purchased under this U.S. Sub-Plan before shareholder approval is obtained must be rescinded if shareholder approval is not obtained within twelve (12) months before or after the date the U.S. Sub-Plan is adopted.

8. TERM, AMENDMENT AND TERMINATION OF THE U.S. SUB-PLAN.

(a) The Board may amend, suspend or terminate this U.S. Sub-Plan at any time. Unless terminated sooner by the Board, the U.S. Sub-Plan will terminate automatically upon the earlier of: (i) ten (10) years after the Effective Date, and (ii) the termination of the Plan. No Options may be granted under the U.S. Sub-Plan while either the Plan or the U.S. Sub-Plan is suspended or after the Plan or the U.S. Sub-Plan is terminated (but Options previously granted under this U.S. Sub-Plan may extend beyond that date).

(b) If this U.S. Sub-Plan is terminated, the provisions of this U.S. Sub-Plan and any administrative guidelines, and other rules adopted by the Board and in force at the time of suspension or termination of this U.S. Sub-Plan, will continue to apply to any outstanding Options as long as an Option issued pursuant to the U.S. Sub-Plan remains outstanding.

(c) No amendment, suspension or termination of the U.S. Sub-Plan may materially adversely affect any Options granted previously to any U.S. Participant without the consent of the U.S. Participant.

9. AMENDMENT OF OPTIONS.

The Board may amend, modify or terminate any outstanding Option granted to a U.S. Participant, including but not limited to, substituting therefor another Option of the same or different type, changing the date of exercise or realization, and converting an Incentive Stock Option to a Nonstatutory Stock Option, provided that the U.S. Participant's consent to such action shall be required unless the Board determines that the action, taking into account any related action, would not materially and adversely affect the U.S. Participant.

10. **G**OVERNING LAW AND JURISDICTION.

(a) The U.S. Sub-Plan and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.

(b) Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with, the U.S. Sub-Plan or its subject matter or formation (including non-contractual disputes or claims).

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted because Renalytix AI plc has determined it is not material and would be competitively harmful if publicly disclosed.

EXCLUSIVE LICENSE AND COLLABORATION AGREEMENT

THIS EXCLUSIVE LICENSE AND COLLABORATION AGREEMENT (this "Agreement") dated as of May 30, 2018 ("Effective Date"), is entered into between ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI, a New York not-for-profit education corporation ("ISMMS"), with a place of business at One Gustave L. Levy Place, New York, New York 10029, and RENALYTIX AI, plc., a United Kingdom public limited company ("RenalytixAI"), having a place of business at Avon House, 19 Stanwell Road, Penarth, Cardiff, UK CF64 2EZ.

WHEREAS, ISMMS has created and owns co ertain data, information, technology, and intellectual property within the Field of Use (as defined below);

WHEREAS, RenalytixAI wishes to obtain from ISMMS certain rights to such data, information, technology, and intellectual property as set forth below; and

WHEREAS, ISMMS has determined that the exploitation of the data, information, technology, and intellectual property by RenalytixAI subject to the terms and conditions of this Agreement is in the best interest of ISMMS, consistent with ISMMS's educational, research, and public health missions and goals.

NOW THEREFORE, in consideration of the mutual rights and obligations contained in this Agreement, and intending to be legally bound, the parties hereby agree as follows:

1. DEFIN1TIONS.

1.1 "Access Period" means the period ending on the tenth (10th) anniversary of the Effective Date. If, prior to the expiration of the Access Period, both parties express a desire to extend such Access Period by each party notifying the other party of its respective desire to so extend, the parties shall negotiate in good faith the extension thereof for a reasonably acceptable period on reasonably acceptable terms.

1.2 "Affiliate" means, with respect to a party, any entity that controls or is controlled by such party, or is under common control with such party. For purposes of this definition, an entity shall be deemed to control another entity if it owns or controls, directly or indirectly, at least fifty percent (50%) of the voting equity of the other entity (or other comparable interest for an entity other than a corporation). Notwithstanding the foregoing, for purposes of this definition, any stockholder of RenalytixAI (which stockholder is a venture capital fund, venture capital operating company, private equity fund or individual), and any portfolio company of any such stockholder (or of any other entity that shares the same management company with the stockholder), or any group of such stockholders, shall not be deemed to "control" or to be "under common control with" RenalytixAI and shall not be an Affiliate of RenalytixAI. For purposes of this Agreement, as of the Effective Date, (i) the Affiliates of ISMMS include MSHS, the Mount Sinai Hospital, Beth Israel Medical Center, St. Luke's-Roosevelt Hospital Center, and The New York Eye and Ear Infirmary, and (b) Renalytix AI, Inc., a Delaware corporation, is an Affiliate of RenalytixAI.

1.3 "Alliance Manager" has the meaning ascribed to it in Section 7.1.

1.4 “Applicable Royalty Rate” means the percentage, which shall not be [*], negotiated in good faith by the parties.

1.5 “Artificial Intelligence” means the recurring iterative process of (i) [*].

1.6 “CLIA” means the Clinical Laboratory Improvement Amendments of 1988, as amended from time to time.

1.7 “Commercial Sale” means any bona fide transaction with a third party (including ISMMS) for which consideration is received for the sale, use, lease, transfer or other disposition of a Licensed Product by or on behalf of RenalytixAI or Sublicensees.

1.8 “Commercialization” means any and all activities related to the manufacturing, promotion, distribution, marketing, offering for sale and selling of or otherwise granting rights to a product or service, including advertising, educating, planning, obtaining, supporting and maintaining pricing and reimbursement approvals and Regulatory Authorizations, pricing, price reporting, marketing, promoting, detailing, storing, handling, shipping, distributing, importing, exporting, using, offering for sale, or selling a product or service anywhere in the world. When used as a verb, “Commercialize” means to engage in Commercialization.

1.9 “Commercially Reasonable Efforts” means, with respect to RenalytixAI’s obligations under this Agreement, the diligent and ongoing dedication and expenditure of efforts, money, personnel and other resources reasonably necessary, to fulfill the applicable obligations. Such efforts must be documented and consistent with those that companies of similar size, type, and position have reasonably used in actively and diligently pursuing the Development or Commercialization of a similarly situated product or service at a similar stage of Development or Commercialization as the applicable Licensed Product for similar activities. In determining Commercially Reasonable Efforts with respect to a particular Licensed Product, RenalytixAI may not reduce such efforts due to the competitive, regulatory or other impact of any other product or service that is Developed, Commercialized, or controlled by RenalytixAI or Sublicensees.

1.10 “Confidential Information” has the meaning assigned in Section 9.1.

1.11 “Data Access Agreement” means the agreement entered into pursuant to Section 3.6.

1.12 "De-identified" means data, materials and any other documentation derived from individually identifiable protected health information ("PHI") that meets the standard for de-identification under HIPAA.

1.13 "Development" means any and all activities related to researching or developing a product or a service, including preclinical and clinical research, testing and development activities relating to the development of a product or service, submission of information and applications to a Regulatory Authority, including quality assurance and quality control development, statistical analysis, clinical studies (including pre and post Regulatory Approval studies), and activities relating to obtaining Regulatory Approvals, but excluding Commercialization activities. When used as a verb, "Develop" means to engage in Development.

1.14 "Diagnosis" means the diagnosis, prognosis, monitoring, determination of predisposition, recurrence or response to therapy, clinical management or selection of treatment.

1.15 "Effective Date" has the meaning ascribed to it in the preamble in the first (1st) paragraph of the Agreement.

1.16 "Exclusive Period" means the period ending on the seventh (7th) anniversary of the Effective Date.

1.17 "Existing Third Party Agreements" means the agreements listed on Exhibit A (as amended or modified from time to time).

1.18 "Fair Market Value" means (a) in the case of arm's length sale of a Licensed Product, (i) the cash consideration that RenalytixAI or Sublicensee has realized from such sale, or (ii) if there have been no such sales or such sales have been insufficient, the cash consideration that RenalytixAI or Sublicensee would have realized from an unaffiliated, unrelated buyer in an arm's length sale of Licensed Product in the same quantity, under the same terms, and at the same time and place as the sale for which Fair Market Value is being determined; (b) in the case of non cash consideration received in a sale of a Licensed Product or in a transaction giving rise to Sublicense Income, the cash value of such consideration; or (c) in the case of determining the portion of proceeds from an issuance of equity to be included in Sublicense Income, the value of the issued equity as then most recently determined under U.S. Internal Revenue Code § 409A for purposes of the RenalytixAI's equity grants (or, if the class of equity issued has not then been so valued, then a value based on the value of a class of equity that has been so valued, taking into account differences between the rights and preferences of the class of equity issued and those of the class of equity then most recently valued).

1.19 "FDA" means the United States Food and Drug Administration, or any successor entity thereto.

1.20 "Field of Use" means the application of Artificial Intelligence for Diagnosis of Renal Indications. Notwithstanding the foregoing, the Field of Use excludes the application of Artificial Intelligence to determine or identify one or more features (including biomarkers), without applying Artificial Intelligence to correlate such feature(s) alone or with other data or information, that may have application for the Diagnosis of Renal Indications.

1.21 "First Commercial Sale" means the first sale of a Licensed Product by RenalytixAI or its Sublicensees to customers in any country after applicable marketing approvals (if any) have been granted by the applicable governing health authority.

1.22 "Good Clinical Practices" means, where applicable, the then-current standards, practices and procedures for good clinical practices in the conduct of clinical trials, including adequate human subject protections, as promulgated by the FDA and other applicable Governmental Authorities, such as set forth in, "International Conference on Harmonization—Guidance for Industry E6 Good Clinical Practice: Consolidated Guidance," or as otherwise required by applicable Law.

1.23 "Good Laboratory Practices" means, where applicable, the then-current standards, practices and procedures for good laboratory practices by facilities that perform non-clinical (including pre-clinical) laboratory studies, as promulgated by the FDA and other applicable Governmental Authorities, including as set forth in 21 C.F.R. Part 58, or as otherwise required by applicable Law.

1.24 "Good Manufacturing Practices" means, where applicable, the then-current standards, practices and procedures for the manufacture of medical devices, as applicable to the Licensed Products (including the practices of and methods to be used in, and the facilities or controls to be used for, the manufacture, processing, packaging, sterilizing, labeling, testing or holding of the Licensed Products), as promulgated by the FDA and other applicable Governmental Authorities, including, as applicable, as set forth in 21 C.F.R. Parts 210, 211, and 820, or as otherwise required by applicable Law.

1.25 "Governmental Authority" means any supranational, national, federal, state, provincial, local or foreign entity of any nature exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any governmental authority, agency, department, board, commission, court, tribunal, judicial body or instrumentality of any union of nations, federation, nation, state, municipality, county, locality or other political subdivision thereof.

1.26 "Gross Sales" means the gross invoice price, or in the event there is no invoice price, the contract price charged to a third party by RenalytixAI or Sublicensees, as applicable, for Commercial Sales, prior to any discounts or other list price reductions granted. A Licensed Product shall be considered sold for purposes of calculating Gross Sales when it is invoiced or paid for, whichever occurs earlier. In the event RenalytixAI, its Affiliate, or Sublicensee transfers a Licensed Product to a third party in a bona fide arm's length transaction, for any consideration other than cash, then the Gross Sales price for such Licensed Product shall be deemed to be the standard invoice price then being invoiced by RenalytixAI, its Affiliate, or Sublicensee, as applicable, in an arm's length transaction with similar companies under similar circumstances. In the absence of such standard invoice price, then the Gross Sales price shall be the Fair Market Value of the Licensed Product. Notwithstanding the foregoing, Gross Sales shall exclude [*].

1.27 "Health Care Law" means all applicable laws relating in any way to patient care and human health and safety, including such laws pertaining to: (a) the Development and Commercialization of diagnostics and medical devices, including, without limitation, the United States Food, Drug and Cosmetic Act, the Public Health Service Act the regulations promulgated thereunder (including with respect to Good Clinical Practices, Good Laboratory Practices and Good Manufacturing Practices), and equivalent applicable Laws of other Governmental Authorities; and (b) the reimbursement and payment for health care products and services including any United States federal health care program (as such term is defined in 42 U.S.C. § 1320a-7b(f)), and programs and arrangements pertaining to providers of health care products or services that are paid for by any governmental authority or other entity, including the federal Anti Kickback Statute (42 U.S.C. § 1320a-7b(b)), the civil False Claims Act (31 U.S.C. § 3729 et seq.), the administrative False Claims Law (42 U.S.C. § 1320a-7b(a)), 42 U.S.C. § 1320a-7 and 42 U.S.C. § 1320a-7a and the regulations promulgated pursuant to such statutes, Medicare (Title XVIII of the Social Security Act) and the regulations promulgated thereunder, Medicaid (Title XIX of the Social Security Act) and the regulations promulgated thereunder, and equivalent applicable Laws of other Governmental Authorities; and (c) the privacy and security of patient-identifying information, including, without limitation, the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.) and the regulations promulgated thereunder and equivalent applicable Laws of other Governmental Authorities; in each of the foregoing (a) through (c), as may be amended from time to time.

1.28 "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.) and the rules and regulations promulgated under its authority, as amended from time to time.

1.29 "Infringement Action" means any threatened, pending, or ongoing action, claim, litigation, or proceeding (other than oppositions, cancellations, interferences, reissue proceedings, or reexaminations), respecting any Licensed Patent Right and/or Licensed Product, whether initiated by or against a Party, its Affiliate or Sublicensee.

1.30 "ISMMS Data Warehouse" means the ISMMS curated data repository containing detailed inpatient and outpatient data extracted from ISMMS transactional systems nightly, transformed and loaded into structured form for analysis.

1.31 "Joint Steering Committee" or "JSC" means the joint steering committee, comprising representatives of ISMMS and RenalytixAI, described in Section 7.2

1.32 "Jurisdiction" means a geographic area (e.g. country or region) in which any Licensed Product is Developed and/or Commercialized.

1.33 "License Fee" has the meaning ascribed to it in Section 4.1.

1.34 "Licensed Copyrights" means all copyrights (whether registered or not), applications therefor, moral rights and other rights associated with original works of authorship (whether by statute, common law or otherwise) in and to the Licensed Technology.

1.35 “Licensed Information” means, collectively, (a) patient health and medical records, (b) clinical records, (c) appointment, admission, transfer, discharge, observation, testing, treatment, medication, medical device and outcome data, (d) genetic or genomic data, and (e) related data and information, clinical annotations and other notes regarding any of the foregoing, in each case (i) regarding any Renal Indication, (ii) in de-identified form, and (iii) owned or controlled by ISMMS or its Affiliates on the Effective Date or any time thereafter through the end of the Access Period to the extent such foregoing data is within the ISMMS Data Warehouse, as described in greater detail pursuant to the Data Access Agreement. For clarity, the categories of data and information to be provided as Licensed Information are listed on Exhibit B.

1.36 “Licensed IP Rights” means the Licensed Copyrights, Licensed Know-How Rights, and Licensed Patent Rights.

1.37 “Licensed Know-How Rights” means all the know-how rights in and to the Licensed Technology.

1.38 “Licensed Patent Rights” means, collectively, (a) all United States or foreign patent applications (i) that claim or cover Licensed Technology conceived after the Effective Date and that are subject to an exercised RenalytixAI Option or (ii) those listed in Exhibit D; (b) any and all patents issuing from the foregoing, including utility models, petty patents, innovation patents, design patents and certificates of invention; and (c) including any and all claims of continuation-in-part applications that claim priority to the United States patent applications, but only where such claims are directed to inventions disclosed in the manner provided in the first paragraph of 35 U.S.C. § 112 in such United States patent applications, and such claims in any patents issuing from such continuation-in-part applications (d) all past, present or future United States or foreign patents heretofore or hereafter issued from any of the foregoing patent applications, including utility models, petty patents, innovation patents, design patents and certificates of invention, (e) all reissues, reexaminations, renewals, restorations, substitutions, extensions, divisionals, continuations and supplementary protection certificates of any of the foregoing patent applications or patents, (f) all confirmation patents, registration patents or patents of addition based on any of the foregoing patents, and (g) all foreign counterparts of any of the foregoing, or as applicable portions thereof.

1.39 “Licensed Product” means a product, service or process which (a) if made, used, offered for sale, sold, imported or practiced (absent the license granted hereunder) would infringe the Licensed Patent Rights, (b) embodies, contains, incorporates, uses, or is made by the use of either the Licensed Information or Licensed Technology, or (c) is derived in whole or in part through the use of the Licensed Information or Licensed Technology.

1.40 “Licensed Product Data” means data (including clinical utility data) that is possessed, owned or controlled by RenalytixAI, or Sublicensees directly relating to any Licensed Product and generated after the Effective Date.

1.41 “Licensed Technology” means all discoveries, inventions, developments, processes, procedures, methods, processes, protocols, techniques, systems, platforms, architecture, algorithms, software, works of authorship, and specifications in all foregoing cases (a) in the Field of Use that are conceived, in whole or in part, by ISMMS or its Affiliates on or after the Effective Date through the end of the Access Period or (b) are listed in Exhibit E.

1.42 “MSHS” means Mount Sinai Health System, Inc., a New York not for profit corporation.

1.43 “Net Sales” means, with respect to a Licensed Product, the Gross Sales of such Licensed Product less the following deductions to the extent they are included in the gross invoiced sale price of the Licensed Product or otherwise directly paid or incurred by RenalytixAI or its Sublicensees with respect to such sale of the Licensed Product:

[*].

1.44 “Patent Jurisdictions” means the list of Jurisdictions of Exhibit C, as may be amended by the parties through separate further written agreement signed by both parties.

1.45 “Predictor” means one or more of a supervised decision tree, supervised simulated annealing, a supervised artificial neural network, a supervised evolutionary algorithm, a supervised support vector machine, a supervised cluster algorithm, a supervised Naive Bayes classification algorithm, a supervised Baysesian Network algorithm, a supervised ensemble algorithm, a supervised reinforcement learning algorithm, or a supervised instance-based learning algorithm, known as of the Effective Date or that becomes known at any time during the Access Period, which will be discussed in good faith and added to this Agreement by mutual agreement of the parties after recommendation from the JSC pursuant to Section 7.2.2 during the Access Period.

1.46 “Prosecution” means the filing, preparation, prosecution (including any interferences, reissue proceedings, reexaminations, and oppositions), extension, term adjustment, and maintenance (including inter partes reviews) of Licensed Patents. When used as a verb, “Prosecute” means to engage in Prosecution.

1.47 “Quarterly Reports” has the meaning assigned in Section 4.6.1.

1.48 “Regulatory Approval” means, with respect to a particular country or regulatory jurisdiction, any and all approvals, clearances or other authorizations to develop, distribute, test, use, make, transport, store or commercialize a particular Licensed Product in the Field of Use in such country or regulatory jurisdiction, including all amendments and supplements thereto.

1.49 “Regulatory Authority” means any Governmental Authority (including the FDA) that is responsible for overseeing the development, testing, use, making, transport, Regulatory Approval, storage or commercialization of a Licensed Product.

1.50 “Regulatory Filings” means, with respect to a particular country or regulatory jurisdiction, any and all applications for, notifications or other submissions made to or with a Regulatory Authority that is necessary or reasonably desirable to develop, test, use, make, transport, store or commercialize a particular Licensed Product in the Field of Use in such country or regulatory jurisdiction, whether made before or after receipt of approval, clearance or other authorization in such country or regulatory jurisdiction, including all amendments and supplements thereto.

1.51 “Reimbursement Approval” means, (a) with respect to a particular country or regulatory jurisdiction, any and all pricing and reimbursement approvals of the applicable Regulatory Authority in such country or regulatory jurisdiction that are necessary or reasonably desirable to commercialize a Licensed Product in such country or regulatory jurisdiction, or (b) with respect to a third party insurer or payor (other than a Regulatory Authority), the establishment of a reimbursement rate by such third party for the purchase and use of a Licensed Product in any one or more jurisdiction.

1.52 “ Renal Indications” means any renal or kidney disease, state or condition (whether acute or chronic) in humans, excluding renal cell carcinoma (all types), transitional cell carcinoma, Wilms tumor (nephroblastoma), renal sarcoma, renal adenoma, oncocytoma and angiomyolipoma.

1.53 “RenalytixAI Option” has the meaning ascribed to it in Section 3.1.5.

1.54 “Royalty Term” means, on a Licensed Product-by-Licensed Product basis the period from the First Commercial Sale of such Licensed Product until the expiration of the last Valid Claim of a Licensed Patent covering such Licensed Product.

1.55 “Royalty Free Practitioner” means those individuals listed in Exhibit F, as may be amended by ISMMS from time to time through written notice to RenalytixAI, and any partner or associate who practices medicine with one or more of those individuals listed in Exhibit F, only for such time as he or she is engaged in a bona fide medical practice with one or more of those individuals listed in Exhibit F.

1.56 “Standard Accounting Practices” means, with respect to an entity, the standard internal accounting practices, policies and procedures, all in accordance with generally accepted accounting principles, applied on a consistent basis for such entity and its Affiliates.

1.57 “Sublicense Income” means any consideration that RenalytixAI receives, directly or indirectly, from any Sublicensee or other third party in consideration of a Sublicense or otherwise in consideration of any of the rights granted to RenalytixAI under this Agreement (including any option or contingent right to obtain a sublicense or other right), that is not an earned royalty a portion of which will be payable to ISMMS as provided in Section 4.3, including but not limited to any fixed fee, option fee, license fee, maintenance fee, milestone payment, unearned portion of any minimum royalty payment, equity in connection with the grant of a sublicense, joint marketing fee; intellectual property cross license, settlement agreement; research and development funding in excess of RenalytixAI’s reasonable cost of performing such research and development, in each case given or exchanged for a sublicense or otherwise in consideration of any of the rights granted to RenalytixAI under this Agreement, regardless of how RenalytixAI and Sublicensee characterize such payments or consideration. To the extent the Licensed Patent Rights are sublicensed together with any other technology OT intellectual property rights, Sublicense Income shall be reasonably apportioned to reflect the relative value of each.

1.58 “Sublicensee” means any entity that enters into an agreement or arrangement with RenalytixAI, or receives from RenalytixAI a sublicense grant, or an option for a sublicense grant, to exercise any of the rights granted to RenalytixAI by ISMMS hereunder (such agreement, arrangement, or license, or amendments thereto herein referred to as a “Sublicense”) to Commercialize or have Commercialized, or otherwise exploit a Licensed Product, subject to any then-current applicable article, item, service, technology, and technical data-specific requirements of the U.S. export Laws. For clarity, a sublicense to Commercialize or have Commercialized a Licensed Product may (but is not required to) include a sublicense to Develop or have Developed such Licensed Product.

1.59 “Term” means the term of this Agreement which will commence on the Effective Date and expire upon the later of (i) the Access Period or (ii) expiration of the last Royalty Term for the last Licensed Product, unless terminated earlier pursuant to Article 11.

1.60 “Territory” means worldwide.

1.61 “Test Data” means, on an iterative optimization step-by-iterative optimization step basis, Licensed information not used in the optimization of a Predictor.

1.62 “Training Data” means, on an iterative optimization step-by-iterative optimization step basis, Licensed Information used in the optimization of a Predictor.

1.63 "Valid Claim" means either (a) a claim of an issued and unexpired patent included within the Licensed Patent Rights, which has not been held permanently revoked, unenforceable or invalid by a decision of a court or other Governmental Authority of competent jurisdiction, unappealable or unappealed (except by petition for writ of certiorari to the Supreme Court of the United States or to the highest applicable court) within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise, or (b) a claim of a pending patent application included within the Licensed Patent Rights filed in good faith and pending for less than [*] from the first substantive office action on the merits of such patent application, and has not been abandoned or finally disallowed without the possibility of appeal or refiling of such application.

2. REPRESENTATIONS.

2.1 By Each Party. Each party represents and covenants to the other party as follows:

2.1.1 Organization. Such party is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized;

2.1.2 Authorization and Enforcement of Obligations. Such party (a) has the requisite power and authority and the legal right to enter into this Agreement and to perform its obligations hereunder; and (b) has taken all requisite action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder. This Agreement has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

2.1.3 Consents. All necessary consents, approvals and authorizations of all Governmental Authorities and other persons or entities required to be obtained by such party in connection with the execution and delivery of this Agreement have been obtained.

2.1.4 No Conflict. The execution and delivery of this Agreement and the performance of such party's obligations hereunder (a) do not conflict with or violate any requirement of applicable laws, regulations or orders of any Governmental Authority; and (b) do not conflict with, or constitute a default under, any contractual obligation of such party.

2.1.5 Health Care Law. Such party, and its Affiliates, agents, and employees who are or shall be involved in the performance of this Agreement, have not been, and during the Term of this Agreement shall not be, debarred, excluded or disqualified (or convicted of any crime or engaged in any conduct for which debarment, exclusion or disqualification is mandated) under any Health Care Law, including pursuant to 21 U.S.C. § 335a.

2.2 By RenalytixAI. RenalytixAI represents and covenants to ISMMS as follows:

2.2.1 RenalytixAI, and its Affiliates, agents, and employees involved in the performance of this Agreement, shall perform this Agreement in full compliance with all applicable Health Care Laws and RenalytixAI shall notify ISMMS in writing immediately in the event of a violation of any of the foregoing, and shall, remove the person or entity involved in such violation from performing any role under this Agreement.

2.3 By ISMMS. ISMMS represents and covenants to RenalytixAI, to its knowledge, as follows:

2.3.1 ISMMS, and its Affiliates, agents, and employees involved in the performance of this Agreement, shall perform this Agreement in full compliance with all applicable Health Care Laws and ISMMS shall notify RenalytixAI in writing immediately in the event of a violation of any of the foregoing, and shall, remove the person or entity involved in such violation from performing any role under this Agreement;

2.3.2 With the understanding that ISMMS has not sought opinion of counsel, it is the sole and exclusive owner of the Licensed Information, Licensed Technology and Licensed IP Rights, and except as explicitly provided for herein, has not directly or indirectly granted or permitted any rights therein that would conflict with the rights granted to RenalytixAI hereunder; and

2.3.3 As of the Effective Date, that (a) the Licensed IP Rights have not been held by a court of competent jurisdiction to be invalid or unenforceable, in whole or in part, (b) the Licensed IP Rights are not subject to any challenge regarding ownership, patentability, validity or enforceability, and (c) ISMMS is not aware of any pending challenge to any Licensed IP Right.

2.4 DISCLAIMER OF WARRANTIES. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS SECTION 2 THE LICENSED IP, LICENSED TECHNOLOGY AND LICENSED INFORMATION, AND ANY OTHER TECHNOLOGY OR INFORMATION PROVIDED OR LICENSED UNDER THIS AGREEMENT ARE PROVIDED ON AN "AS IS" BASIS; AND NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY REPRESENTATIONS OR WARRANTIES REGARDING VALIDITY, ACCURACY, COMPLETENESS, PERFORMANCE, ENFORCEABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, COMMERCIAL UTILITY, SCOPE, TITLE, OR NONINFRINGEMENT WITH RESPECT THERETO.

2.4.1 NOTWITHSTANDING ANY PROVISION IN THIS AGREEMENT TO THE CONTRARY, ISMMS'S AGGREGATE LIABILITY UNDER THIS AGREEMENT SHALL NOT EXCEED AN AMOUNT EQUAL TO THE MAXIMUM AMOUNT OF ALL PAYMENTS MADE BY RENALYTIXAI TO ISMMS PURSUANT TO ARTICLE4 DURING THE FULL CALENDAR YEAR DURING WHICH RENALYTIXAI PAID TO ISMMS THE HIGHEST AGGREGATE AMOUNT PURSUANT TO THAT ARTICLE 4.

2.4.2 WITHOUT LIMITING THE GENERALITY OF ANYTHING IN THIS ARTICLE 2, NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS: (A) A WARRANTY OR REPRESENTATION BY ISMMS THAT ANYTHING MADE, USED, SOLD, OFFERED FOR SALE, DISTRIBUTED, OR AS APPLICABLE PUBLICLY

PERFORMED, PUBLICLY DISPLAYED, DERIVED FROM, OR OTHERWISE DISPOSED OF PURSUANT TO ANY LICENSE GRANTED UNDER THIS AGREEMENT IS OR WILL BE FREE FROM INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF THIRD PARTIES; (B) AN OBLIGATION BY ISMMS TO BRING OR PROSECUTE ACTIONS OR SUITS AGAINST THIRD PARTIES FOR INFRINGEMENT, MISAPPROPRIATION, OR OTHER SIMILAR CAUSES OF ACTION RELATED TO THE LICENSED IP, LICENSED TECHNOLOGY OR LICENSED INFORMATION; OR (C) CONFERRING BY IMPLICATION, ESTOPPEL OR OTHERWISE ANY LICENSE OR RIGHTS UNDER ANY INTELLECTUAL PROPERTY RIGHTS OF ISMMS OTHER THAN AS AND TO THE EXTENT EXPRESSLY SET FORTH HEREIN.

3. LICENSE GRANT AND ACCESS.

3.1 License Grant. ISMMS, upon (i) payment by RenalytixAI to ISMMS of the License Fee in accordance with Section 4.2 and (ii) subject to the terms and conditions set forth herein shall grant RenalytixAI a worldwide, fee, milestone and royalty-bearing:

3.1.1 Exclusive, sublicensable license under the Licensed Patent Rights and registered Licensed Copyrights to Develop and Commercialize Licensed Product(s) in the Field of Use;

3.1.2 Non-exclusive License under the unregistered Licensed Copyrights and Licensed Know-How Rights to Develop and Commercialize Licensed Product(s) in the Field of Use;

3.1.3 License under the Licensed Information to Develop and Commercialize Licensed Product(s) in the Field of Use, which shall be exclusive during the Exclusivity Period, except with respect to Existing Third Party Agreements, and thereafter shall convert to a non-exclusive license automatically after the Exclusive Period; and

3.1.4 Non-exclusive, sublicenseable license under the Licensed Technology to Develop and Commercialize Licensed Product(s) in the Field of Use.

3.1.5 ISMMS grants to RenalytixAI a time-limited exclusive option to Mount Sinai's rights in Licensed Technology (i) conceived after the Effective Date, (ii) disclosed between the parties and (iii) discussed in good faith by the JSC pursuant to Section 7.2.2 and recommended thereby to the parties for patent filing (excluding any filing of a Licensed Patent) ("RenalytixAI Option"). RenalytixAI shall have one hundred twenty (120) days from receipt of notice of each such Licensed Technology to elect in writing to exercise its option to such Licensed Technology. Upon exercise of any RenalytixAI Option, the parties will amend the relevant exhibit of this Agreement to include the patent rights covering such patentable Licensed Technology as a Licensed Patent Right hereunder promptly after filing the relevant patent. Should RenalytixAI decline or otherwise fail to exercise its option during the applicable one hundred twenty (120) day option period, ISMMS will be free to dispose of its interest in the relevant technology and patent rights without further obligation to RenalytixAI, and such technology subject to such option shall no longer be considered Licensed Technology hereunder. ISMMS shall not knowingly grant to a third party any license to Licensed Technology prior to the expiry of the one hundred twenty (120) day option period.

3.1.6 It is the parties' intent that the total consideration received by ISMMS hereunder reflect fair market value for the licenses granted hereunder and that the parties mutually agree that the total consideration received by ISMMS hereunder, at the time of execution of this Agreement, will result in a fair market value transaction. In order to achieve the foregoing, the Applicable Royalty Rate for each Licensed Product shall be negotiated in good faith by the parties to reflect fair market value and comply with Internal Revenue Procedure Ruling 97-14 or successor IRS guidance after the Licensed Technology associated with any Licensed Product is actually conceived and subsequently optioned hereunder. With respect to the Licensed Product that shall be clinically validated by the parties pursuant to a further clinical validation agreement and subject to the Clinical Utility Study described in Section 4.14 such Applicable Royalty Rate is [*]. Further, for clarity, it is the intent of the parties that Licensed Products derived from Licensed Technology shall have patent protection and be covered, at least in part, by Licensed Patents and that ISMMS shall be entitled to royalty payments for sales of all Licensed Products.

3.2 Sublicensing. With respect to the licenses granted to RenalytixAI pursuant to Sections 3.1.1, 3.1.2 and 3.1.3, RenalytixAI shall have the right to grant sublicenses provided that, any and all such Sublicenses shall be:

(a) granted only pursuant to written agreements, which will be subject and subordinate to the terms and conditions of this Agreement;

(b) terminable automatically on termination of the Agreement; provided, however, in the event this Agreement was terminated by ISMMS and further provided that a Sublicensee is not in material breach of the terms of the Sublicense granted to it by RenalytixAI, and Sublicensees actions or inactions did not directly cause a material breach of this Agreement by RenalytixAI that led to the termination of this Agreement, then ISMMS will make reasonable efforts to negotiate and execute a direct license with the Sublicensee on the same or similar terms to either such Sublicense or this Agreement in the sole discretion of ISMMS.

(c) expressly identify ISMMS as a third-party beneficiary;

(d) obligate the Sublicensee to abide by and be subject to the applicable terms, conditions, and limitations of this Agreement;

(e) expressly prohibit the Sublicensee from granting further sublicenses and declare any such purported grant of a further sublicense to be invalid and unenforceable;

(f) prohibit Sublicensee from making payments in exchange for receipt of Sublicense rights, e.g. royalty payments, into an escrow or similar account or to any third party;

(g) cause the Sublicensee to comply with the provisions of Section 11.2.4 to the same extent RenalytixAI is required to comply and include a provision providing for the termination of the Sublicense, upon written request by ISMMS, in the event that the Sublicensee does not so comply;

(h) provide that, in the event of any inconsistency between the Sublicense and this Agreement, this Agreement shall control;

(i) obligate the Sublicensee to submit reports to ISMMS consistent with the reporting provisions of RenalytixAI provided for herein;

(j) be written in the English language (for clarity, this is a reference to the original Sublicense as executed; provision of a translation to ISMMS shall not satisfy this requirement);

(k) comply with any marking requirements of the intellectual property laws of the applicable countries in the Territory, and particularly agrees to permanently mark all Licensed Products made, used, reproduced, or sold under the terms of this Agreement, or their respective containers; and

(l) specify that New York law shall control any dispute arising under such Sublicense, and that jurisdiction for resolving any such dispute shall be New York City, New York State.

3.2.1 If RenalytixAI enters into any agreement, arrangement, or license purporting to grant rights to any Licensed Technology, Licensed Information or Licensed IP Rights, that does not comport with the requirements of this Section 3.2 or is otherwise inconsistent with the terms and conditions of this Agreement, such agreement, arrangement, or license shall be null and void. RenalytixAI acknowledges and agrees that entering into such an agreement, arrangement, or license constitutes a material breach of this Agreement.

3.2.2 RenalytixAI shall provide a draft copy of any proposed Sublicense to ISMMS at least [*] before execution to allow ISMMS to comment on the terms of the sublicense, and RenalytixAI will not enter into such Sublicense without ISMMS' written approval. RenalytixAI shall furnish ISMMS with a fully executed copy of such Sublicense agreement, within [*] after its execution, which copy may be redacted to exclude financial and other sensitive terms so long as ISMMS can, after such redaction, reasonably determine compliance of the Sublicense with the terms provided for herein and the previously provided draft sublicense, and shall be Confidential Information of RenalytixAI hereunder. ISMMS shall keep any such copies of sublicense agreement in its confidential files and shall use them solely for the purpose of monitoring RenalytixAI's and Sublicensee's compliance with their obligations hereunder and enforcing ISMMS's rights under this Agreement.

3.2.3 RenalytixAI hereby agrees to remain fully liable under this Agreement to ISMMS for the performance or non-performance under this Agreement and any relevant Sublicense. No such Sublicense or attempt to obtain a Sublicense shall relieve RenalytixAI of its obligations hereunder to exercise its Commercially Reasonable Efforts, directly or through a Sublicensee, to Develop and Commercialize Licensed Products, nor relieve RenalytixAI of its obligations to pay ISMMS any and all license fees, royalties and other payments due under this Agreement.

3.3 Retained Rights. Notwithstanding anything to the contrary in this Agreement, the grants provided hereunder are subject to and contingent upon RenalytixAI's compliance with all of its obligations hereunder including, but not limited to, the payment to ISMMS of all consideration required under this Agreement, and further ISMMS shall have, and hereby reserves all rights outside the Field of Use to practice Licensed IP Rights and Licensed Information. Further, within the Field of Use, ISMMS shall have and hereby reserves all rights to (i) the right to use the Licensed Information and Licensed Patent Rights and the right to grant other noncommercial entities the right to use Licensed Information, Licensed Technology and Licensed IP Rights for noncommercial research and educational purposes and in the care of patients of ISMMS, (ii) the right to use the Licensed Information, Licensed Technology and Licensed IP Rights in conducting clinical trials at ISMMS, and (iii) the right to conduct funded research, provided that ISMMS shall not (and shall not purport or attempt to) grant or permit any third party any right in the Field of Use conflicting with rights provided to RenalytixAI by ISMMS herein. Further, notwithstanding anything herein to the contrary, the licenses and other rights granted to RenalytixAI by ISMMS hereunder are subject to the Existing Third Party Agreements.

3.4 Government Rights. All rights and licenses granted by ISMMS to RenalytixAI under this Agreement are subject to (a) any limitations imposed by the terms of any grant, contract or cooperative agreement by any Governmental Authority applicable to the technology that is the subject of this Agreement, and (b) applicable requirements of 35 U.S.C. § 200 et seq., as amended, and implementing regulations and policies. Without limitation of the foregoing, RenalytixAI agrees that, to the extent required under 35 U.S.C. § 204, any Licensed Product used, sold, distributed, rented or leased by RenalytixAI or Sublicensees in the United States will be manufactured substantially in the United States. In addition, RenalytixAI agrees that, to the extent required by law including under 35 U.S.C. § 202(c)(4), the United States government is granted a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States any Licensed Patent throughout the world.

3.5 No Implied Licenses. Only licenses and rights expressly granted herein shall be of legal force and effect. No license or other right shall be created hereunder by implication, estoppel or otherwise.

3.6 Access. ISMMS shall aggregate, De-identify and transfer to RenalytixAI the Licensed Information, and maintain a traceability key to correlate Licensed Information to common patients, in accordance with the schedule and requirements set forth in Exhibit B and a mutually acceptable data access agreement to be negotiated and entered into between the parties [*] ("Data Access Agreement").

3.6.1 [*]

3.7 Cooperation. ISMMS shall cooperate with the reasonable requests of RenalytixAI, and provide such technical assistance as reasonably requested by RenalytixAI at RenalytixAI's expense, regarding the Licensed Information and Licensed Technology.

4. FINANCIAL TERMS.

4.1 License Fee. As partial consideration for the license and other rights granted under this Agreement, within thirty (30) days following the achievement of the milestone set forth in Section 5.1.2(a), RenalytixAI shall pay to ISMMS the nonrefundable and noncreditable license fee of Ten Million U.S. dollars ($10,000,000 USD) ("License Fee"). Notwithstanding anything herein to the contrary, if RenalytixAI fails to pay the License Fee within [*] following the date set forth above, ISMMS may terminate this Agreement effective immediately upon written notice to RenalytixAI.

4.2 Milestone Payments. As additional consideration for the license and other rights granted under this Agreement, within [*] following the first achievement of each of the following milestone events, RenalytixAI shall give written notice to ISMMS and shall pay to ISMMS the corresponding non-refundable and noncreditable milestone payments:

MILESTONE EVENT	MILESTONE PAYMENT
Worldwide Net Sales of Licensed Products in the aggregate reach Fifty Million U.S. Dollars ($50,000,000 USD)	One Million Five Hundred Thousand U.S. Dollars ($1,500,000USD)
Worldwide Net Sales of Licensed Products in the aggregate reach Three Hundred Million U.S. Dollars ($300,000,000 USD)	Seven Million Five Hundred Thousand U.S. Dollars ($7,500,000USD)

The above milestones are successive and not creditable against any other obligations of RenalytixAI.

4.3 Royalties.

4.3.1 Within [*] following the First Commercial Sale of a Licensed Product in any Jurisdiction, RenalytixAI shall give written notice to ISMMS thereof.

4.3.2 During the applicable Royalty Term, RenalytixAI shall pay to ISMMS royalties equal to the Applicable Royalty Rate times the Net Sales. In accordance with Section 3.1.6 the Applicable Royalty Rate for the Licensed Product that shall be clinically validated by the parties pursuant to a further clinical validation agreement and subject to the Clinical Utility Study described in Section 4.14 is [*].

4.3.3 If RenalytixAI, its sublicensees or their respective Affiliates is required to pay royalties to any third party in order to exercise its rights hereunder regarding a Licensed Product, then RenalytixAI shall have the right to credit [*] of such third party royalty payments against the royalties owing to ISMMS under Section 4.3.2 with respect to sales of such Licensed Product; provided, however, that RenalytixAI shall not reduce the amount of such royalties paid to ISMMS by reason of this Section 4.3.3, with respect to sales of such Licensed Product, by more than [*] and further, should application of this this Section 4.3.3 and Section 4.3.4 be applicable with respect to such Sales of such Licensed Product the amount of such royalties paid to ISMMS with respect to sales of such Licensed Product after application of both provisions, shall not be reduced by more than [*]. The parties further agree that any of the foregoing consideration does not and shall not take into account the volume or value of any business generated between the parties.

4.3.4 If a Licensed Product is sold in the form of a combination product or service containing one or more components (which may be a product or service) that itself is a Licensed Product and one or more other components that, were they not combined with such other components, is not a Licensed Product, then Net Sales of such combination shall be adjusted by multiplying the Net Sales of such combination by the fraction A/(A+B), where A is the weighted average gross invoiced price of the Licensed Products components of such combination, if sold separately, and B is the weighted average gross invoiced price of the other component(s) of such combination, if sold separately. If such other component(s) of such combination is not sold separately, then Net Sales of such combination shall be adjusted by multiplying the Net Sales of such combination by the fraction A/C, where A is the weighted average invoiced price of such Licensed Products components of such combination, and C is the weighted average invoiced price of such combination. If such Licensed Products components of such combination are not sold separately, then the parties shall discuss an appropriate allocation for the fair market value of the Licensed Product and the other components with which the Licensed Product is combined to mutually determine Net Sales relative contribution of each other component and the Licensed Product to such combination and the relative value to the end user of each component and the Licensed Product relative to each other.

4.4 Sublicense Fees. RenalytixAI shall pay to ISMMS a percentage of all Sublicense Income within [*] after receipt of such Sublicense Income.

All consideration received by RenalytixAI from any Sublicensee shall be fully auditable by ISMMS pursuant to the audit right in Section 4.9. RenalytixAI shall not receive from any Sublicensee anything of value in lieu of cash payments in consideration for any Sublicense without the express prior written consent of ISMMS. Any non-cash consideration, including, without limitation, equity in other companies or equity investments in RenalytixAI, received by RenalytixAI from any Sublicensee will be valued at its Fair Market Value as of the date of receipt by RenalytixAI for purposes of calculating Sublicense Income. RenalytixAI shall not sell or transfer, voluntarily or involuntarily, to a third party any of RenalytixAl's interest in any portion of any future sublicensing revenues under any Sublicense without the prior written consent of ISMMS. For clarity, any fees or payments paid to RenalytixAI by a Distributor as consideration for the license grant under this Agreement are deemed Sublicense Income.

4.5 The percentage of consideration of Sublicense Income paid to ISMMS that is received by RenalytixAI or its Affiliates shall be as follows:

Sublicense Income Event	**Percentage of Sublicense Income**
[*]	Twenty-Five Percent (25%)
[*]	Fifteen Percent (15%)

4.6 Royalty Reports.

4.6.1 Within [*] after the end of each calendar quarter following the First Commercial Sale of a Licensed Product by RenalytixAI, its sublicensees or their respective Affiliates, RenalytixAI shall prepare and provide ISMMS with a written report detailing the amount of Gross Sales from Commercial Sales of Licensed Products during the preceding quarter, the amount of Net Sales made during such quarter, Sublicense Income received during such quarter and the royalty payments due to ISMMS for such quarter pursuant to this Article 4.6.1 (each such report, a "Quarterly Report"). Each Quarterly Report shall include at least the following:

[*].

4.6.7 Each Quarterly Report shall be certified as true and correct by an officer of RenalytixAI and be in a form reasonably acceptable to ISMMS. With each Quarterly Report submitted, RenalytixAI shall pay to ISMMS the royalties and fees due and payable under this Agreement, to the extent not already paid. If no royalties or fees are due and payable RenalytixAI shall so report. RenalytixAI's failure to timely submit to ISMMS payment will constitute a material breach of this Agreement. RenalytixAI will continue to deliver payment and Quarterly Reports to ISMMS after the termination or expiration of this Agreement with respect to any quarter during which this Agreement remained in effect and until such time as all Licensed Product(s) permitted to be sold after termination have been sold.

4.7 Currency Conversion. With respect to sales of Licensed Product invoiced in United States dollars, all such amounts shall be expressed in United States dollars. With respect to sales of Licensed Product invoiced in a currency other than United States dollars, all such amounts shall be expressed both in the currency in which the sale is invoiced and in the United States dollar equivalent. The United States dollar equivalent shall be calculated using the conversion rate published in The Wall Street Journal (Eastern US Edition) conversion rate, or other industry standard conversion rate approved in writing by ISMMS for the last day of the quarter for which such royalty payment is due. All royalties payable hereunder shall be calculated based on Net Sales expressed in United States dollars.

4.8 Records. RenalytixAI shall and shall cause its Affiliates and Sublicensees to keep complete, true and accurate records in sufficient detail to enable the amounts payable hereunder to be determined and shall retain such records for a period of no less than [*].

4.9 Audits. Upon the written request of ISMMS and not more than once in each calendar year, RenalytixAI shall permit an independent certified public accounting firm of nationally recognized standing, selected by ISMMS and reasonably acceptable to RenalytixAI, at ISMMS's expense, to have access during normal business hours to such records of RenalytixAI to verify the accuracy of the payments due under the Quarterly Reports hereunder for any year ending not more than [*] prior to the date of such request. Mt. Sinai shall cause its accounting firm to retain all financial information subject to review under this Section 4.7 in strict confidence; provided, however, that RenalytixAI shall have the right to require that such accounting firm, prior to conducting such audit, enter into an appropriate non-disclosure agreement with RenalytixAI regarding such financial information. The accounting firm shall disclose to Mt. Sinai only whether the reports are correct or not and the specific details concerning any discrepancies. The accounting firm shall disclose to ISMMS only whether the reports are correct or not and the specific details concerning any discrepancies. No other information shall be shared. If such accounting firm concludes that additional payments were owed during the audited period, RenalytixAI shall pay such additional payments within [*] after the date ISMMS delivers to RenalytixAI such accounting firm's written report so concluding. The fees charged by such accounting firm shall be paid by ISMMS; provided, however, should such inspection lead to the discovery of at least a [*] discrepancy in reporting to ISMMS's detriment, RenalytixAI shall pay the reasonable fees and expenses charged by such accounting firm.

4.10 Annual Data Transfer Fee. Within thirty (30) days after the end of the Exclusive Period and each anniversary thereof during the remainder of the Access Period, RenalytixAI shall pay to ISMMS the nonrefundable and noncreditable annual data transfer fee of Fifty Thousand U.S. dollars ($50,000 USD).

4.11 Withholding Taxes. RenalytixAI shall not be entitled to deduct from the royalty payments otherwise due to ISMMS hereunder the amount of any withholding taxes, value-added taxes or other taxes, levies or charges with respect to such royalty payments that are required to be withheld by RenalytixAI, to the extent RenalytixAI pays to the appropriate Governmental Authority on behalf of ISMMS such taxes, levies or charges. ISMMS shall use reasonable efforts to assist RenalytixAI to minimize any such taxes, levies or charges. RenalytixAI promptly shall deliver to ISMMS proof of payment of all such taxes, levies and other charges, together with copies of all communications from or with such Governmental Authority with respect thereto.

4.12 Payment Method. All dollar amounts referred to in this Agreement are expressed in United States dollars. All payments by RenalytixAI to ISMMS hereunder shall (i) make reference to AGR-15250 and (i) be in United States dollars without deduction of exchange, collection, wiring fees, bank fees, or any other charges in immediately available funds and shall be made by wire transfer from a United States bank located in the United States to the following bank account of:

[*]

4.13 Late Payments. In the event royalty payments or other fees are not received by ISMMS when due hereunder, RenalytixAI shall pay to ISMMS interest charges that will accrue interest until paid at a rate equal to [*] percentage points above the U.S. Prime Rate, as reported in the Wall Street Journal, Eastern Edition from time-to-time (or the maximum allowed by law, if less), calculated on the number of days such payment is overdue. In the event that the interest rate is not allowable under law, the interest rate shall be the maximum rate allowable under the law.

4.14 Clinical Utility Study. In accordance with applicable law, and subject to (i) payment by RenalytixAI to ISMMS of the License Fee in accordance with Section 4.1, (ii) successful retrospective clinical validation, and (iii) negotiation in good faith and execution of a further written clinical utility study agreement executed by both parties, the parties shall carry out an IRB approved clinical utility study for a diagnostic test utilizing biomarker guided artificial intelligence techniques for detecting renal functional decline (“Clinical Utility Study”). It is the parties’ present intention that the Clinical Utility Study shall include a budget in accordance with all ISMMS rules and guidelines for same, including, without limitation appropriate overhead costs (the “Budget”). RenalytixAI shall be responsible funding the Budget of the Clinical Utility Study, currently estimated at [*]

net of ISSMS's obligation for diagnostic tests as provided for herein; and that ISMMS shall be responsible for purchasing diagnostic tests from RenalytixAI for the Clinical Utility Study at no more than the price that RenalytixAI will charge others [*]. It is expected that the final agreement between the parties regarding the Clinical Utility Study will address issues, including, but not limited to: (a) if at any time during the Term the diagnostic test associated with the Clinical Utility Study receives a Centers for Medicare and Medicaid national coverage decision, ISMMS's ongoing obligations with regard to payment or purchase of any such diagnostic test pursuant to this Section 4.14 shall terminate automatically without further notice; (b) if the Clinical Utility Study is completed or terminated prior to administration of [*] diagnostic tests on ISMMS Clinical Utility Study subjects, ISMMS shall have no obligation to purchase additional tests and RenalytixAI shall have no obligation to fund the remaining Budget; and/or (c) if appropriate ISMMS may seek reimbursement for the diagnostic tests from patients or third party insurers which it shall be entitled to retain. [*].

5. RENALYTIXAI COVENANTS.

5.1 Diligence.

5.1.1 RenalytixAI shall use no less than Commercially Reasonable Efforts to Develop and Commercialize Licensed Products in the Territory during the Term. RenalytixAI shall maintain such active diligent Commercially Reasonable Efforts to Develop and Commercialize the Licensed Products at all times throughout the Term.

5.1.2 Without limiting the generality of the foregoing, RenalytixAI shall achieve the following milestones as part of its Commercially Reasonable Efforts to Develop and Commercialize the Licensed Products:

(a) The closing of equity or convertible debt financing(s) of RenalytixAI with aggregate proceeds (net of commissions, finders' fees and the like) received by RenalytixAI of not less than $25,000,000 within six (6) month after the Effective Date;

(b) The First Commercial Sale of the first Licensed Product within thirty-six (36) months after achievement of the milestone set forth in Section 5.1.2(a); and

(c) The First Commercial Sale of the second Licensed Product within sixty (60) months after achievement of the milestone set forth in Section 5.1.2(a)

5.1.3 Additionally, with respect to each Licensed Patent Right obtained by RenalytixAI on or after the Effective Date of this Agreement pursuant to an exercised RenalytixAI Option, RenalytixAI shall use Commercially Reasonable Efforts to Develop and Commercialize a Licensed Product corresponding to such Licensed Patent Right, and shall achieve a First Commercial Sale of such Licensed Product within the time period presented by the JSC and mutually agreed by the parties at or prior to RenalytixAI exercising the applicable RenalytixAI Option.

5.1.4 Failure to Achieve Due Diligence Events. If RenalytixAI fails to exercise Commercially Reasonable Efforts to achieve the above due diligence obligations or, if despite consistent use of Commercially Reasonable Efforts, RenalytixAI is unable to achieve the due diligence event set forth in Article 5.1.2(a), then ISMMS at its option, in its sole discretion, may: (a) terminate this Agreement in whole or in in accordance with Section 11.2; (b) convert the Agreement in whole or in part to non-exclusive license status immediately upon providing notice to such effect to RenalytixAI (in such event no amendment or further writing will be required to convert the Agreement to non-exclusive status); (c) meet with RenalytixAI to arrange for revision of the due diligence events; or (d) require that RenalytixAI sublicense the Agreement in whole or in part to a party selected by ISMMS. It is agreed and understood that in the event RenalytixAI fails to achieve the due diligence events set forth above and has not consistently used Commercially Reasonable Efforts to do so, then ISMMS may exercise any and all remedies available at law or otherwise. Notwithstanding the foregoing, on a Licensed Product-by-Licensed Product basis, in the event that RenalytixAI (1) anticipates that it will be unable to achieve any due diligence event set forth in either (i) Section 5.1.2(b)-(c), or (ii) any due diligence event agreed to by the parties pursuant to 5.1.3 above, and (2) RenalytixAI notifies ISMMS in writing prior to the occurrence of same, and (3) if such anticipated failure is due to bona fide and documented scientific, technical or regulatory events or requirements that are unforeseen and out of control of RenalytixAI, and if (4) RenalytixAI has demonstrated Commercially Reasonable Efforts to achieve such due diligence event, then the parties shall negotiate in good faith, for a period not to exceed [*], to agree on a reasonable extension of time for RenalytixAI to achieve such due diligence events taking into account any recommendations suggested by the JSC. If the parties are unable to agree on the length of such reasonable extension within [*] of ISMMS's receipt of the notice described above, the parties agree that the dispute will be submitted for Baseball Arbitration pursuant to Section 5.15.

5.1.5 Baseball Arbitration

(a) Selection of Baseball Expert and Submission of Positions. The parties will select and agree upon a mutually acceptable independent third party expert who is neutral, disinterested and impartial, and has relevant experience for the applicable dispute (the "**Baseball Expert**"). If the parties are unable to mutually agree upon a Baseball Expert within [*] following the delivery of the request for Baseball Arbitration, then upon request by either Party, the Baseball Expert will be an arbitrator appointed by Judicial and Mediation Services ("**JAMS**"), which arbitrator need not have the above-described experience. Once the Baseball Expert has been selected, each party will within [*] following selection of the Baseball Expert provide the Baseball Expert and the other parties (as applicable) with a written report setting forth its position with respect to the substance of the dispute and may submit a revised or updated report and position to the Baseball Expert within [*] of receiving the other parties' report. If so requested by the Baseball Expert, each party will make oral submissions to the Baseball Expert based on such party's written report, and each party will have the right to be present during any such oral submissions.

(b) JAMS Supervision. In the event the Baseball Expert is a JAMS arbitrator selected by JAMS, the matter will be conducted as a binding arbitration in accordance with JAMS procedures, (including that the arbitrator will adopt as his or her decision the position of one party, and not the other parties, as described below). In such event, the arbitrator may retain a third party expert with the same experience for the Baseball Expert to assist in rendering such decision, and the expenses of any such expert will be shared by the parties as costs of the arbitration.

(c) Determination by the Baseball Expert. The Baseball Expert will, no later than [*] after the last submission of the written reports and, if any, oral submissions, select one party's position as his or her final decision, and will not have the authority to modify any party's position or render any substantive decision other than to so select the position of one party as set forth in their respective written report. The decision of the Baseball Expert will be the sole, exclusive and binding remedy between them regarding the dispute submitted to such Baseball Expert.

(d) Location; Costs. Unless otherwise mutually agreed upon by the parties in writing, the in-person portion (if any) of such proceedings will be conducted in New York, NY. The parties agree that they will share equally the costs and fees of the Baseball Expert in connection with any proceeding under this Agreement, including the cost of the arbitration filing and hearing fees, the cost of any independent expert retained by the arbitrator and the cost of the arbitrator and administrative fees of JAMS if applicable. Each party will bear its own costs and attorneys' and witnesses' fees and associated costs and expenses incurred in connection with any proceeding under this Agreement.

(e) Timetable for Completion in [*]. The parties will use, and will direct the Baseball Expert to use, reasonable efforts to resolve a dispute within [*] after the selection of the Baseball Expert, or if resolution within [*] is not reasonably achievable, as determined by the Baseball Expert, then as soon thereafter as is reasonably practicable.

5.2 Diligence Reports. Within [*], RenalytixAI shall prepare and provide Mt. Sinai with a written report summarizing the activities under this Agreement (whether by RenalytixAI and/or Sublicensees), through such date of such report to develop, obtain Regulatory Approval to market, and commercialize Licensed Products sufficient to demonstrate performance under Section 5.1; provided, however, to the extent RenalytixAI prepares and files public reports including the information described above then such publicly file reports shall satisfy the obligation under this Section 5.2.

5.3 Trademarks. RenalytixAI and its Sublicensees shall have the right to determine the names and trademarks to use in connection with the promotion, marketing and sale of Licensed Products.

6. ISMMS COVENANTS

6.1 Non-Contravention. ISMMS will not knowingly license, transfer, sell or otherwise permit access to a third party commercial entity, or enter into any agreement or understanding to do so, either (i) a substantial portion of Licensed Information or (ii) Licensed Technology in a manner that, with respect to either of the foregoing, frustrates the intent of the exclusive grants above in the Field of Use.

7. COLLABORATION MANAGEMENT.

7.1 Alliance Managers. Promptly following the Effective Date, each party shall appoint a person to act as its alliance manager to coordinate its day-to-day business activities under this Agreement (each such person, an "Alliance Manager"). Each party shall have the right to change such appointment, in its sole discretion, and shall notify in writing the other party as soon as practicable upon making, and changing, this appointment. The Alliance Managers shall be the primary day-to-day business contacts under this Agreement.

7.2 Joint Steering Committee.

7.2.1 The JSC shall comprise three (3) named representatives of ISMMS and three (3) named representatives of RenalytixAI Each party shall have the right to change such appointment, in its sole discretion, and shall notify in writing the other party as soon as practicable upon making, and changing, this appointment.

7.2.2 The JSC shall be responsible for (a) facilitating the exchange of information between the parties, (b) facilitating the transfer of the Licensed Information and Licensed Technology to RenalytixAI hereunder, (c) discussing patent strategy (with the input of outside patent counsel), (d) reviewing new projects in development, and (e) communicating between the parties regarding the activities contemplated by this Agreement.

7.2.3 The JSC shall meet not less than once each calendar quarter during the Access Period. Such meetings shall be held on such dates and at such times and places as mutually agreed by the parties. Upon the mutual agreement of the parties, any such meeting may be conducted by conference telephone or videoconference. Each party may permit such visitors to a meeting of the JSC as mutually agreed by the parties prior to such meeting. Each party shall be responsible for its own costs in connection with the meetings of the JSC.

7.2.4 The JSC will have solely the roles and responsibilities assigned to it in this Section 7.2. No decision by the JSC may: (i) amend, modify or waive compliance with this Agreement; or (ii) violate ISMMS's standard operating rules and procedures or laws.

8. INTELLECTUAL PROPERTY RIGHTS.

8.1 Prosecution and Maintenance.

8.1.1 Patent Prosecution. ISMMS shall control the Prosecution of Licensed Patent Rights and the selection of patent counsel using patent counsel reasonably acceptable to RenalytixAI. Except as otherwise mutually agreed in writing by the parties, ISMMS shall Prosecute the Licensed Patent Rights in the Patent Jurisdictions and no other Jurisdictions. ISMMS shall consider in good faith the interests of RenalytixAI in so doing. ISMMS will provide RenalytixAI with (a) an advance copy of any draft patent application (to the extent practicable under the circumstances) and other filing or submission; (b) a copy of each such application, filing or submission promptly after filing or submission; (c) copies of all correspondence and communications regarding Prosecution matters; and (d) prompt written notice of any interference, opposition, reexamination request, nullity proceeding, appeal or other similar action. ISMMS will

coordinate with RenalytixAI regarding all Prosecution matters and consider any comments from RenalytixAI in good faith; provided, however, that ISMMS shall have final authority regarding all Prosecution decisions. RenalytixAI acknowledges that ISMMS shall remain the sole client of such patent counsel and in every case shall retain the right to make the final decision with respect to any Prosecution matter.

8.1.2 Patent Expenses. RenalytixAI shall pay, within [*] of invoice, all expenses for Prosecuting the Licensed Patent Rights in Patent Jurisdictions, including without limitation, any taxes, annuities or maintenance fees on such Licensed Patent Rights. RenalytixAI agrees to receive such invoices directly from patent counsel, with ISMMS receiving a copy of such invoice. RenalytixAI shall pay such invoices directly to patent counsel with written confirmation of payment to ISMMS. Further, the parties agree to enter into a mutually acceptable common legal interest and billing agreement with patent counsel.

8.1.3 Patent Reimbursement. Within [*] after the Effective Date, RenalytixAI will reimburse ISMMS for all accrued attorneys' fees, expenses, official fees and all other charges accumulated prior to the Effective Date incident to the Prosecution of the Licensed Patent Rights, which amount is currently estimated at up to [*] as of May 1, 2018 that is subject to change. In addition to such accrued, unreimbursed patent expenses, RenalytixAI shall reimburse ISMMS for all ongoing patent prosecution expenses in all Patent Jurisdictions, regardless of the presence or absence of a Client and Billing Agreement, with [*] of invoice. To be clear, RenalytixAI will reimburse ISMMS for all relevant patent expenses after Effective Date and prior to execution of a Client and Billing Agreement.

8.1.4 Patent Extension. RenalytixAI shall, within [*] of the triggering event, notify ISMMS of any Regulatory Approval for any Licensed Product for which an application for patent term extension may be based, including with respect to any third party product, or any other event in any Jurisdiction that would enable ISMMS or RenalytixAI as appropriate to apply for patent term extension or other regulatory or marketing exclusivity or extension thereof in any Jurisdiction. The parties agree to cooperate fully with each other to provide any information or documentation necessary to support an application for patent term extension or other regulatory or marketing exclusivity.

8.1.5 Failure to Timely Pay Patent Expenses. Should RenalytixAI decline or fail to pay by the deadline set forth herein the costs and legal fees for the Prosecution of any Licensed Patent Rights in a Patent Jurisdiction payable under this Agreement, ISMMS may, at its sole discretion, elect to exclude by written notice the particular Licensed Patent Right from this Agreement.

8.2 Infringement.

8.2.1 Notice. In the event that either party becomes aware of any suspected infringement of any Licensed Patent Right or of any Infringement Action, such party shall promptly notify the other party thereof. RenalytixAI and ISMMS will consult each other in a timely manner concerning any appropriate response to such suspected infringement or Infringement Action.

8.2.2 Infringement Procedure.

(a) (i) As between the parties, RenalytixAI will have the first right to pursue any Infringement Action against an infringing third party at its own expense, and (ii) if, within [*] after becoming aware of any suspected infringement or Infringement Action, RenalytixAI has not elected not to initiate, defend, or otherwise resolve such Infringement Action, then ISMMS shall have the right, but not the obligation, to initiate, control, pursue, and/or defend such Infringement Action at its own expense.

(b) The party controlling any Infringement Action shall use reasonable efforts to: (i) inform the other party of the status of such Infringement Action on a regular basis; (ii) provide to the other party copies of any documents relating to the Infringement Action promptly upon receipt from any third party and/or, if practicable, prior to filing such documents; (iii) consult with the other party regarding such Infringement Action; and (iv) consider any comments from the other party in good faith. The party without primary control of an Infringement Action shall cooperate, at controlling party's expense, with the party controlling such Infringement Action to the extent reasonably possible, including joining the Infringement Action if necessary or desirable.

(c) No party may enter into a settlement of any Infringement Action that (i) adversely affects the scope, validity or enforceability of the Licensed Patent Rights, (ii) grants a license, covenant not to sue or other immunity under the Licensed Patent Rights, or (iii) includes admission of fault or wrongdoing on behalf of the other party, without the prior written consent of such other party. For clarity, if the settlement of any Infringement Action includes granting a Sublicense, RenalytixAI shall pay to ISMMS royalties on any Net Sales by such Sublicensee and a percentage of Sublicense Income, if applicable, in accordance with Article 4 in addition to any other share of recoveries due to ISMMS under this Section. For avoidance of doubt, if, for the purposes of an Infringement Action, a license granted as a non-revenue cross License shall be considered as a Sublicense and the Fair Market Value of such cross license shall be considered Sublicense Income.

8.2.3 Recoveries.

(a) Any recovery obtained by RenalytixAI as a result of any Infringement Action, by settlement or otherwise, shall be applied in the following order of priority: (i) first, to reimburse the parties for all litigation costs (including attorneys' fees) incurred in connection with such proceeding and not otherwise recovered; and (ii) second, the remainder of the recovery shall be shared equally between the parties.

(b) Any recovery obtained by ISMMS as a result of any Infringement Action, by settlement or otherwise, shall be applied in the following order of priority: (i) first, to reimburse the parties for all litigation costs (including attorneys' fees) incurred in connection with such proceeding and not otherwise recovered; and (ii) second, the remainder of the recovery shall be retained by ISMMS.

9. CONFIDENTIALITY.

9.1 "Confidential Information" means any and all information of a party (the "Disclosing Party"), or such information of such party's Affiliates or of third parties provided on behalf of such party to the other party ("Receiving Party"), that is disclosed in tangible form marked as " confidential" upon disclosure or, if disclosed in oral or other intangible form, is identified as confidential at the time of disclosure and summarized in a writing that is marked as "confidential" and provided to the Receiving Party within [*] of the intangible disclosure, provided however that failure to so mark, identify, or summarize shall not alter the status of such information as Confidential Information if a reasonable person would, based on the content and/or context of the disclosure, recognize such disclosure was intended as confidential. Notwithstanding the foregoing, Confidential Information shall not include information that the Receiving Party can demonstrate by written and/or electronic records: (i) is available to the public at the time of disclosure hereunder or, after disclosure, becomes a part of the public domain by publication or otherwise, through no breach by the Receiving Party; (ii) is already properly possessed by the Receiving Party prior to receipt from the Disclosing Party; (iii) was received by the Receiving Party without obligation of confidentiality or limitation on use from a Third party who had the lawful right to disclose such information; or (iv) was independently developed by or for the Receiving Party by any person or persons who had no knowledge or benefit of the Disclosing Party's Confidential Information, where the written or electronic records demonstrating such exception were created contemporaneously with such independent development.

9.2 Confidentiality. The Receiving Party shall maintain in confidence and not disclose to any third party any of Disclosing Party's Confidential Information, using the same degree of care it uses to protect its own confidential information of a similar nature but in no event using less than a reasonable degree of care. The Receiving Party will use Disclosing Party's Confidential Information solely for the purpose of exercising its rights and performing its obligations under this Agreement and only during the Term. For clarity, except as provided for herein, a Receiving Party shall not use a Disclosing Party's Confidential Information for regulatory or patent filing purposes, or for initiation or pursuit of any proceeding to challenge the patentability, validity, or enforceability of any patent application or issued patent (or any portion thereof) that is owned or controlled by Disclosing Party (including, e.g., via pre-issuance submissions, post grant review, or inter partes review). Any such excluded use is hereby deemed a material breach of this Agreement and in such event, notwithstanding anything to the contrary herein, the non-breaching party shall have the right to terminate this Agreement immediately upon notice to the breaching party and seek resolution of such dispute in any court of competent jurisdiction notwithstanding any provisions herein regarding resolution of disputes between the parties. The Receiving Party will cause its employees, independent contractors, Affiliates, and Sublicensees ("Recipient Individuals") have access to Disclosing Party's Confidential Information only on a need to know basis, are informed of the obligations attaching to such Confidential Information in advance of being given access to it, and are required to comply with such Receiving Party's obligations under this Agreement. The Receiving Party shall be fully responsible to Disclosing Party for such compliance by its Recipient Individuals. If such Recipient Individual is not an employee of a party hereto, then Recipient will cause each of its Recipient Individuals to enter into a legally binding confidentiality agreement or otherwise be bound by ethical obligations, at least as strict as the

confidentiality obligations and use restrictions herein, with such Recipient Individual prior to disclosing Disclosing Party's Confidential Information to such Recipient Individual, and Receiving Party will be fully responsible to Disclosing Party for compliance with such obligations and restrictions by such Recipient Individual.

9.3 Permitted Disclosures. Notwithstanding Sections 9.2 and 9.4, the Receiving Party may disclose Disclosing Party's Confidential Information to the limited extent (i) required by the regulations and rules of any relevant stock exchange or automated quotation systems, or (ii) required by Law, court order, other Governmental Authority with jurisdiction, provided that the Receiving Party in the case of disclosure under point (ii) (a) uses reasonable efforts the Disclosing Party, to the extent legally permissible, with written notice of such requirement, (b) uses no less than reasonable efforts to obtain confidential treatment of such Disclosing Party's Confidential Information by such court or Governmental Authority, and (c) cooperates, at the Disclosing Party's written request and expense, with the Disclosing Party's reasonable legal efforts to prevent or limit the scope of such required disclosure; the Receiving Party shall in all other respects continue to hold such Confidential Information as confidential and subject to all obligations of this Article 9. The Receiving Party's obligations of confidentiality and non-use restrictions as set forth in this Article 9 shall remain in effect for a period of [*] from receipt of the Confidential Information from the Disclosing Party.

9.4 Terms of this Agreement. Each party agrees to treat the terms and conditions of this Agreement as the Confidential Information of the other party, provided however that in addition to the above exceptions, each party shall be free to disclose any of the terms of this Agreement (i) to the extent that a party is advised by its counsel that it is required to do so by the regulations or rules of any relevant stock exchange or automated quotation system, (ii) to actual or prospective Sublicensees, (iii) to its accountants, attorneys and other professional advisors, or (iv) in connection with a potential or actual financing, merger, consolidation, acquisition or a permitted assignment of this Agreement; provided that in the case of any disclosure under clause (ii), (iii), or (iv) above, the recipient(s) are obligated and do so undertake to keep such terms of this Agreement confidential to the same extent as said party (said party being fully responsible to the other party for such recipients' compliance). Except as otherwise set forth in this Agreement, the parties may issue a press release regarding entering into, or the terms and conditions of, this Agreement only upon mutual written agreement and, if so, will cooperate to determine the timing and content of such press release.

9.5 Use of Either Party's Name. Except to the extent required by Law, court order, other Governmental Authority with jurisdiction or the regulations or rules of any relevant stock exchange or automated quotation system, each party and its Affiliates, Sublicensees, employees and agents may not use the name, logo, seal, trademark, or service mark of the other party, including any school or organization of ISMMS, or, any faculty member, student, employee, officer, director, trustee, or other representative of such other party (or any adaptation of any of the foregoing) without the prior written consent of such other party, which consent will be granted or denied in that party's sole discretion.

9.6 Publications. The parties recognize the interest of scientists to publish and present the results of their research and development in order to obtain recognition within the scientific community and to advance the state of scientific knowledge. The parties also recognize that patent rights can be jeopardized by public disclosure prior to the filing of appropriate patent applications. Therefore, prior to submission to a publisher or other public disclosure, ISMMS shall submit to RenalytixAI for review each proposed publication or other public disclosure of Licensed Technology disclosed to RenalytixAI pursuant to Section 3.1.5 ("Manuscript"). RenalytixAI shall have [*] from the date submitted to review such Manuscript. If within such [*] period, RenalytixAI notifies ISMMS in writing that the Manuscript includes RenalytixAI Confidential Information, specifically pointing out where such Confidential Information appears in the Manuscript, then ISMMS shall cause such Confidential Information to be removed from the Manuscript prior to submission for publication or making any other public disclosure of the Manuscript. If within such [*] period, RenalytixAI requests in writing a delay of publication to allow for patent application filing, then ISMMS shall delay submission for publication or other public disclosure until the later of (a) [*] from the date of the initial submission of the Manuscript to RenalytixAI (or such longer period as mutually agreed by the parties), or (b) the filing of such patent application.

10. INDEMNIFICATION AND INSURANCE.

10.1 By RenalytixAI. RenalytixAI shall indemnify, defend and hold harmless ISMMS, and its trustees, directors, officers, faculty, employees and agents, from and against all losses, liabilities, damages and expenses, including reasonable attorneys' fees and costs (collectively, "Liabilities"), resulting from any claims, demands, actions or other proceedings by any third party to the extent resulting from (a) any breach of RenalytixAI under this Agreement; (b) the use of the Licensed Information, Licensed Technology or Licensed IP Rights by RenalytixAI, its sublicensees, assignees, vendors, service providers, or respective Affiliates of any of the foregoing; (c) the Development or Commercialization of Licensed Products by or on behalf of RenalytixAI, its Sublicensees or their respective Affiliates, customers or end-users; or (d) the use of the Confidential Information of ISMMS by RenalytixAI, its Sub licensees or their respective Affiliates, except in each foregoing case to the extent such Liabilities result from the gross negligence or willful misconduct of ISMMS.

10.2 By ISMMS. ISMMS shall indemnify, defend and hold harmless RenalytixAI, and its directors, officers, employees and agents, from and against all Liabilities resulting from any claims, demands, actions or other proceedings by any third party to the extent resulting from the gross negligence or willful misconduct of ISMMS.

10.3 Procedure. If a party (the "Indemnitee") intends to claim indemnification under this Section 10, it shall promptly notify the other party (the "Indemnitor") in writing of any claim, demand, action or other proceeding for which the Indemnitee intends to claim such indemnification, and the Indemnitor shall have the right to participate in., and, to the extent the Indemnitor so desires, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an Indemnitee shall have the right to retain its own counsel, with the fees and expenses to be paid by the Indemnitor, if representation of such Indemnitee by the counsel retained by the Indemnitor would be inappropriate due to actual or potential differing interests between the Indemnitee and any other party represented by such counsel in such proceeding. The obligations of this Article 10 shall not apply to amounts paid in settlement of any claim, demand, action or other proceeding if such settlement is effected without the consent of the Indemnitor, which consent shall not be unreasonably withheld, delayed or conditioned. The failure to deliver written notice to the Indemnitor within a reasonable time after the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve the Indemnitor of any

obligation to the Indemnitee under this Article 10, but the omission to so deliver written notice to the Indemnitor shall not relieve it of any obligation that it may have to any party claiming indemnification otherwise than under this Article 10. The Indemnitee, its employees and agents, shall reasonably cooperate with the Indemnitor and its legal representatives in the investigation of any claim, demand, action or other proceeding covered by this Article 10. Indemnitor shall not settle or compromise any claim or action in any manner that may impose restrictions or obligations on any Indemnitee, or that grants any rights to the Licensed Information, Licensed IP Rights, Licensed Technology, Licensed Products, or that concedes any fault or wrongdoing on the part of Indemnitee, without Indemnitee's prior written consent. If Indemnitor fails or declines to assume the defense against any claim or action within [*] after notice thereof, then Indemnitee may assume and control the defense of such claim or action for the account and at the risk of Indemnitor, and any liabilities related to such claim or action will be conclusively deemed a liability of Indemnitor. The indemnification rights of the parties under this Article 10 are in addition to all other rights that a party may have at law, in equity or otherwise.

10.4 Insurance. Each party shall maintain insurance with respect to its activities under this Agreement regarding Licensed Products in such amount as such party customarily maintains with respect to similar activities for its other products, but not less than such amount as is reasonable and customary in the industry. Without limiting the foregoing, RenalytixAI will procure and maintain insurance policies during the Term and a period thereafter corresponding to longest statute of limitations for any potential claim thereunder for: (a) comprehensive general liability with minimum limits of [*] per occurrence/ [*] in the aggregate, covering bodily injury and personal injury to any person, property damage, and contractual liability, naming ISMMS as additional insured on a primary and non-contributory basis; (b) professional liability insurance, with minimum limits of [*] per occurrence/ [*] in the aggregate, covering the RenalytixAI and its professional employees or other personnel for claims, including claims for bodily injury and emotional distress, arising out of or in connection with the rendering of diagnostic tests for Renal Indications and related professional services to patients/customers, naming ISMMS as additional insured on a primary and non-contributory basis; (c) directors and officers liability insurance, with minimum limits of [*] per occurrence/ [*] in the aggregate, covering RenalytixAI and its individual insureds including, but not limited to, all directors, officers, medical/clinical services directors, employees, volunteers, and committee members, for any alleged or actual managerial or other wrongful act, error or omission committed or performed in the course of or in connection with RenalytixAI's operations; (d) cyber liability insurance, with minimum limits of [*] per occurrence/ [*] in the aggregate; coverage shall be sufficiently broad to cover the services and operations of RenalytixAI and shall include, but not be limited to, (i) defense costs and indemnity coverage for third party claims arising out of cyber-attack, cyber terrorism, privacy breach, virus transmission, denial of service, transmission of viruses/malware, information theft, release of private information, damage to or destruction of electronic information or data (including costs to restore such information or data), extortion and network security (including ransomware and social engineering) and any related regulatory investigation or proceeding, including regulatory fines, penalties, and defense costs, and (ii) first party coverage for privacy breach response expenses (for forensic investigation, notification of potentially affected parties, credit/identity monitoring, and any related regulatory fines, penalties and defense costs), and other first party loss resulting from cyber-attack, cyberterrorism, privacy breach, virus transmission, denial of service, transmission of viruses/malware, information theft, release of private information, damage to or destruction of electronic information or data (including costs to restore such information or data), and extortion and network security (including ransomware and social engineering); and (e) errors and omissions (E&O) insurance, with minimum limits of [*] per occurrence/ [*] in the aggregate, covering losses from any acts, errors, omissions, negligence, breach of duty or misrepresentations relating to RenalytixAI's operations or its obligations under this Agreement.

10.5 ISMMS may review periodically the adequacy of the minimum amounts of insurance for each type of coverage required by this Article 10, and ISMMS reserves the right to require RenalytixAI to adjust the limits accordingly.

11. TERM AND TERMINATION.

11.1 Term. This Agreement shall commence on the Effective Date and shall continue for the Term unless earlier terminated as provided for herein. Upon expiration of the Royalty Term with respect to a Licensed Product and payment in full of all amounts owed hereunder with respect to such Licensed Product, RenalytixAI shall have a non-exclusive, fully paid up, perpetual license for such Licensed Product in such Jurisdiction.

11.2 Termination by ISMMS.

11.2.1 Failure to Pay License Fee. Notwithstanding anything else herein to the contrary, If RenalytixAI fails to pay the License Fee in accordance with Section 4.1, ISMMS shall have the right to terminate this Agreement as provided in Section 4.1.

11.2.2 For Cause. ISMMS may give written notice of default to RenalytixAI, if RenalytixAI: (i) materially breaches any obligation, covenant, condition, or undertaking of this Agreement to be performed by it hereunder (including e.g. if RenalytixAI should cease or fail to undertake Commercially Reasonable Efforts with respect to Licensed Products, fail to make any payment at the time such payment is due, fail to maintain the insurance coverage required hereunder, or fail to timely and sufficiently submit any Quarterly Report or Annual Progress Report); (ii) fails to achieve any diligence event described in Section 5.1.2. If RenalytixAI should fail to cure such default within sixty (60) days of such notice, this Agreement, and all of the rights, privileges, and license granted hereunder, shall automatically terminate at the end of such sixty (60) days provided however, that prior to ISMMS providing RenalytixAI with a written notice of default starting such cure period as provided for by this Article 11.2.2, the parties shall first attempt in good faith to resolve such dispute by negotiation and consultation between themselves for a period not to exceed thirty (30) days.

11.2.3 Immediate Termination. If RenalytixAI experiences an Event of Bankruptcy then RenalytixAI shall notify ISMMS immediately. For purposes of this provision, the term "Event of Bankruptcy" means, with respect to a party: (a) filing by such party in any court or agency pursuant to any statute or regulation of any state or country, a petition in bankruptcy or insolvency or for reorganization or for an arrangement or for the appointment of a receiver or trustee of the party or of its assets; (b) such party being served with an involuntary petition against such party, filed in any insolvency proceeding, where such petition has not been dismissed within sixty (60) days after the filing thereof; (c) such party proposing or being a party to any dissolution or liquidation of such party; or (d) such party making a general assignment for the benefit of creditors. ISMMS has the right to immediately terminate this Agreement after sixty (60) days of such notice of an Event of Bankruptcy provided that RenalytixAI has not provided to ISMMS sufficient documentation that demonstrates RenalytixAI is no longer under an Event of Bankruptcy.

11.2.4 Challenge of Patents. RenalytixAI acknowledges and agrees that nothing herein shall be construed as preventing it from challenging the validity or enforceability of the Licensed Patent Rights at any time. In the event that RenalytixAI, its Affiliate or Sublicensee shall, however, challenge the validity or enforceability of any of the Licensed Patent Rights in any forum through any means, or otherwise indicate the remittance of any payment due under this Agreement is made under protest or with any objection, RenalytixAI agrees that ISMMS shall have the right, but not the obligation, in addition to any other remedy it may have available to it at law and/or in equity, to terminate this Agreement immediately upon providing written notice of the same to RenalytixAI. ISMMS in response to such challenge by RenalytixAI or following termination by ISMMS under this subsection may seek redress in any court of competent jurisdiction in its sole discretion notwithstanding Section 12.1 or any other provision of this Agreement.

11.3 Termination by RenalytixAI. RenalytixAI may terminate this Agreement at any time upon ninety (90) days prior written notice to ISMMS.

11.4 Effect of Termination.

11.4.1 Continuing Obligations of RenalytixAI. Termination shall not relieve RenalytixAI of any monetary or any other obligation or liability accrued hereunder prior to the effective date of such termination, or rescind or give rise to any right to rescind any payments made or other consideration given to ISMMS hereunder prior to the effective date of such termination; nor shall such termination affect in any manner any rights of ISMMS arising under this Agreement prior to the date of such termination. RenalytixAI shall pay all attorneys' fees and costs incurred by ISMMS in enforcing any obligation of RenalytixAI or accrued right of ISMMS including, but not limited to, attorney's fees.

11.4.2 Termination of this Agreement shall be without prejudice to any rights which shall have accrued to the benefit of a party prior to such termination. Without limiting the foregoing, Sections 1, 3.2-3.5, 4, 9, 10, 11.4 and 12 shall survive any termination of this Agreement.

11.4.3 Upon any termination of this Agreement, RenalytixAI shall have the right to retain, use and exploit improvements to RenalytixAI owned software or RenalytixAI owned algorithms generated through the use, in whole or in part, of the Licensed Information during the Access Period.

11.4.4 Except as otherwise expressly set forth in this Agreement, promptly upon the termination of this Agreement, each party shall return to the other party all tangible items regarding the Confidential Information of the other party and all copies thereof; provided, however, that each party shall have the right to retain one (1) copy for its legal files for the sole purpose of determining its obligations hereunder.

11.4.5 Upon expiration or termination (except termination for cause) of this Agreement by either party, RenalytixAI shall provide ISMMS with a written inventory of all Licensed Products in process of manufacture, in use, or in stock.

11.4.6 RenalytixAI may dispose of any such Licensed Products within the ninety (90) day period following such expiration or termination; provided, however, that RenalytixAI shall pay royalties and render reports to ISMMS thereon in the manner specified herein as if this Agreement were still in effect.

11.4.7 Licensed Product Data. A copy of all Licensed Product Data must be transferred to ISMMS within forty-five (45) days of termination of this Agreement for any reason, and shall become the sole property of ISMMS and shall owe RenalytixAI no further duty or accounting with respect to same.

12. MISCELLANEOUS.

12.1 Governing Law: Venue. This Agreement shall be governed by, interpreted and construed in accordance with the laws of the State of New York, without regard to the conflicts of law principles thereof. Except with respect to termination pursuant to Section 11.2.4, the federal and state courts located in the State of New York shall have jurisdiction over the parties hereto in all matters arising hereunder, and the exclusive venue for any such action shall be a state or federal court located in New York, New York.

12.2 Waiver. No waiver by a party hereto of any breach or default of any of the covenants or agreements herein set forth shall be deemed a waiver as to any subsequent and/or similar breach or default. Unless otherwise specified, all remedies are cumulative.

12.3 Assignment. Neither this Agreement nor any right or obligation hereunder may be assigned or delegated, in whole or part, by either party without the prior express written consent of the other; provided, however, that either party may, without the written consent of the other, assign this Agreement and its rights and delegate its obligations hereunder in connection with the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under this Agreement. Any permitted assignment will not relieve RenalytixAI of responsibility for performance of any obligation of RenalytixAI that has accrued at the time of the assignment. Any assignment granted, or purported assignment in violation of this Section 12.3 shall be void.

12.4 Independent Contractors. The relationship of the parties hereto is that of independent contractors. The parties hereto are not deemed to be agents, partners or joint venturers of the others for any purpose as a result of this Agreement or the transactions contemplated thereby.

12.5 Further Actions. Each party shall use reasonable efforts in (a) execution, acknowledgment and delivery of such further documents and instruments and (b) in performance of all such other acts as may be reasonably necessary in order to carry out the purposes and intent of this Agreement.

12.6 Notices. All requests and notices required or permitted to be given to the parties hereto shall be given in writing, shall expressly reference the section(s) of this Agreement to which they pertain, and shall be delivered to the other party personally or by globally recognized express delivery service, charges prepaid, at the appropriate address as set forth below or to such other addresses as may be designated in writing by the parties from time to time during the term of this Agreement. Any such notice provided under this Section 12.6 shall be effective upon the earlier of: (a) receipt; or (b) if provided by a globally recognized express delivery service, five (5) days from transmittal by ISMMS.

If to ISMMS: Icahn School of Medicine at Mount Sinai
One Gustave L. Levy Place, Box 1675
New York, New York 10029
Attn: Senior Vice President

With a copy
of legal notices to: Icahn School of Medicine at Mount Sinai
One Gustave L. Levy Place, Box 1099
New York, NY 10029
Attn: Office of General Counsel

If to RenalytixAI: Renalytix AI, plc
Avon House
19 Stanwell Road, Penarth
Cardiff, UK CF64 2EZ
Attn: President

With a copy to: Cooley LLP
1114 Avenue of the Americas
New York, NY 10036
Attention: Ivor Elrifi

12.7 Force Majeure. Nonperformance of a party (other than with respect to any obligation for payments provided hereunder) shall be excused to the extent such nonperformance is caused by circumstances reasonably outside of the control of the nonperforming party, including, without limitation, acts of war, acts of terrorism, strike, fire, earthquake, flood, governmental acts or orders or restrictions, failure of suppliers or contractors; provided, however, that the nonperforming party shall use reasonable efforts to resume performance as soon as reasonably practicable.

12.8 LIMITATION OF LIABILITY. IN NO EVENT SHALL A PARTY BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS AGREEMENT OR THE EXERCISE OF ITS RIGHTS HEREUNDER, INCLUDING LOST PROFITS ARISING FROM OR RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF ANY NOTICE OF SUCH DAMAGES. NOTHING IN THIS SECTION 12.8 IS INTENDED TO LIMIT OR RESTRICT THE RIGHTS OR LIABILITIES OF EITHER PARTY UNDER SECTIONS 9 AND 10 ABOVE.

12.9 Complete Agreement. This Agreement, together with all attached Exhibits, constitutes the entire agreement between the parties regarding the subject matter hereof, and all prior representations, understandings and agreements regarding the subject matter hereof, either written or oral, expressed or implied, are superseded and shall be void and of no effect.

12.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and together shall be deemed to be one and the same agreement. Execution of this Agreement may be accomplished via facsimile or via email exchange of signed PDF execution copies.

12.11 Severability and Reformation. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Agreement will remain in full force and effect. Such invalid or unenforceable provision shall be revised by such court to be a valid or enforceable provision that comes as close as permitted by law to the parties' original intent.

12.12 Compliance with Laws. RenalytixAI must comply with all prevailing laws that apply to its activities or obligations under this Agreement. For example, RenalytixAI will comply with applicable United States export laws. The transfer of certain technical data and commodities may require a license from the applicable agency of the United States government and/or written assurances by RenalytixAI that RenalytixAI will not export data or commodities to certain foreign countries without prior approval of the agency. ISMMS does not represent that no license is required, or that, if required, the license will issue.

12.13 Marking. RenalytixAI shall, and agrees to require its Affiliates and Sublicensees to, comply with any marking requirements of the intellectual property Laws of the applicable countries in the Territory to the extent any failure to do so would materially and adversely affect the Licensed Patent Rights or any Licensed Product, or either party's ability to avail itself of all potential remedies for any infringement of the Licensed Patent Rights, and particularly agrees to permanently and legibly mark all Licensed Products made, used, reproduced, or sold under the terms of this Agreement, or their respective containers.

12.14 Construction. The captions or headings to the several sections hereof are not a part of this Agreement, but are included merely for convenience of reference only and shall not affect its meaning or interpretation. This Agreement shall be interpreted without regard to any presumption or rule requiring construction against the party causing this Agreement to be drafted. Except as otherwise explicitly specified to the contrary in this Agreement, (a) the words " hereof," " herein," "hereby," "hereunder" and words of similar import shall refer to this Agreement as a whole and not to any particular section or subsection of this Agreement and reference to a particular section of this Agreement shall include all subsections thereof, (b) references to a section or exhibit means a section of, or exhibit to, this Agreement, (c) definitions shall be equally applicable to both the singular and plural forms of the terms define, d and references to the masculine, feminine or neuter gender shall include each other gender, (d) the words "include," " includes" and " including"

shall be deemed to be followed by the words “without limitation,” “inter alia” or words of similar import (e) references to a rule, statute or regulation include all rules and regulations thereunder and any successor statute, rule or regulation, in each case as amended or otherwise modified from time to time, (f) references to a particular Governmental Authority include any successor agency or body to such Governmental Authority, (g) references to “dollars” or “$” means United States dollars, (h) the word “ will” shall be construed to have the same meaning and effect as the word “shall,”, (i) provisions that require that a party or the parties “agree,” “consent” or “approve” or the Like shall require that such agreement, consent or approval be specific and in writing. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly-authorized representatives as of the Effective Date.

ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI

By: /s/ Erik Lium
Name: Erik Lium
Title: Senior Vice President
5/30/2018 | 7:26 PM EDT

RENALYTIX AI, plc

By: /s/ James McCullough
Name: James McCullough
Title: Chief Executive Officer
5/30/2018 | 7:29 PM EDT

Amendment No. 1 to EXCLUSIVE LICENSE AND COLLABORATION AGREEMENT
between
Icahn School of Medicine at Mount Sinai and Renalytix AI, plc

This Amendment No.1 (the "Amendment"), effective as of September 1, 2018, is entered into by and between Icahn School of Medicine at Mount Sinai, a New York not-for-profit education corporation, having a principal place of business at One Gustave L. Levy Place, New York, NY 10029 ("ISMMS") and RENALYTIX AI, plc., a United Kingdom public limited company ("RenalytixAI"), having a place of business at Avon House, 19 Stanwell Road, Penarth, Cardiff, UK CF64 2EZ.

WHEREAS, ISMMS and RenalytixAI entered into an exclusive license and collaboration agreement (Agr. No. 15250) with an effective date of May 30, 2018 (the "Agreement");

WHEREAS, the parties intend to amend the Agreement for the purpose of clarifying rights and obligations thereunder;

NOW THEREFORE, in consideration of the mutual obligations in this Amendment and for other good consideration, the receipt and sufficiency of which are hereby acknowledged, ISMMS and RenalytixAI hereby agree as follows:

1. All capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Agreement.

2. Section 1.4 of the Agreement shall be deleted and hereby replaced in its entirety with the following:

"1.4 "Applicable Royalty Rate" means the percentage, which shall not be less than (a) [*] and shall not be more than five and one-half percent (5½%) with respect to a Licensed Product covered by a Valid Claim, or (b) three and one-half percent (3½%) and shall not be more than [*] with respect to a Licensed Product not covered by a Valid Claim negotiated in good faith by the parties."

3. Section 1.39 of the Agreement is hereby amended to add, as the final sentence, the following:

"By way of non-limiting examples, a Licensed Product may be a(n) (i) LDT prognostic and/or diagnostic product, (ii) IVD prognostic and/or diagnostic product, (iii) companion diagnostic product or (iv) clinical management, selection of treatment and work-flow support product.

4. Section 1.54 of the Agreement shall be deleted and hereby replaced in its entirety with the following:

"1.54 "Royalty Term" means, on a Licensed Product-by-Licensed Product basis the period from the First Commercial Sale of such Licensed Product until the later of (a) expiration of the last Valid Claim of a Licensed Patent covering such Licensed Product; or (b) on a Jurisdiction-by-Jurisdiction basis, twelve (12) years from the First Commercial Sale of such Licensed Product in such Jurisdiction."

5. Section 3.1.5 of the Agreement shall be deleted and hereby replaced in its entirety with the following:

“ISMMS grants to RenalytixAI a time-limited exclusive option to license ISMMS’s rights in technology (i) conceived after the Effective Date and prior to the end of the Exclusivity Period, (ii) within the Field of Use, (iii) disclosed between the parties, and (iv) reviewed in good faith by the JSC pursuant to Section 7.2.2, with such review specifically including (a) participation of all ISMMS inventors of such technology and (b) preparation of a preliminary development for such technology, including, without limitation, financial terms for such license that reflect the fair market value of the technology mutually agreed upon by the parties and by all associated ISMMS inventors. including, without limitation, a thorough fair market value analysis in accordance with Section 3.1.6 (“RenalytixAI Option”), and provided further, that such option shall convert to a non-exclusive option after the Exclusivity Period for the duration of the Access Period. RenalytixAI shall have one hundred twenty (120) days from receipt of notice of each such technology to elect in writing to exercise its option to such technology. Upon exercise of any RenalytixAI Option, the parties shall (i) amend the relevant exhibit of this Agreement to include the patent rights covering such patentable technology as a Licensed Patent Right promptly after filing the relevant patent, (ii) include the technology as Licensed Technology hereunder, and (iii) incorporate within the Agreement the initial development plan and all applicable terms therein. Should RenalytixAI decline or otherwise fail to exercise its option during the applicable one hundred twenty (120) day option period, ISMMS will be free to dispose of its interest in the relevant technology and patent rights without further obligation to RenalytixAI, and such technology subject to such option shall no longer be considered Licensed Technology hereunder. During the Exclusivity Period, ISMMS shall not knowingly grant to a third party any license to technology subject to the aforementioned option right prior to the expiry of the one hundred twenty (120) day option period.”

6. Second sentence of Section 3.1.6 of the Agreement shall be deleted and hereby replaced in its entirety with the following:

“In order to achieve the foregoing, the Applicable Royalty Rate and/or other consideration for each Licensed Technology shall be negotiated in good faith by the parties to reflect fair market value and comply with Internal Revenue Procedure Ruling 97-14 or successor IRS guidance (i) after any such Licensed Technology is conceived, and (ii) prior to exercise by RenalytixAI of a RenalytixAI Option to such Licensed Technology.”

7. Section 3.6 of the Agreement shall be deleted and hereby replaced in its entirety with the following:

“3.6 Access. ISMMS shall aggregate, De-identify and transfer to RenalytixAI the Licensed Information, and maintain a traceability key to correlate Licensed Information to common patients, in accordance with the schedule and requirements set forth in Exhibit B and a mutually acceptable data access agreement to be negotiated and entered into between the parties prior to beginning retrospective clinical validation (“Data Access Agreement”)

3.6.1 [*]

8. Section 4.3.2 of the Agreement shall be deleted and hereby replaced in its entirety with the following:

“4.3.2 During the applicable Royalty Term, RenalytixAI shall pay to ISMMS royalties equal to the Applicable Royalty Rate times the Net Sales. In accordance with Section 3.1.6 the Applicable Royalty Rate for any Licensed Product that shall be clinically validated by the parties pursuant to a further clinical validation agreement and subject to the Clinical Utility Study described in Section 4.14 is (a) five percent (5%) if and when covered by a Valid Claim of a Licensed Patent, and (b) four percent (4%) if and when not covered by a Valid Claim of a Licensed Patent.”

9. Section 4.3.3 of the Agreement shall be deleted and hereby replaced in its entirety with the following:

“4.3.3 If RenalytixAI, its sublicensees or their respective Affiliates become required to pay royalties to any third party in order to exercise its rights hereunder regarding a Licensed Product not contemplated or reasonably foreseen prior to the Effective Date, then RenalytixAI shall have the right to credit [*] of such third party royalty payments against the royalties owing to ISMMS under Section 4.3.2 with respect to sales of such Licensed Product; provided, however, that RenalytixAI shall not reduce the amount of such royalties paid to ISMMS by reason of this Section 4.3.3, with respect to sales of such Licensed Product, by more than [*] and further, should application of this this Section 4.3.3 and Section 4.3.4 be applicable with respect to such Sales of such Licensed Product the amount of such royalties paid to ISMMS with respect to sales of such Licensed Product after application of both provisions, shall not be reduced by more than [*]. Notwithstanding the foregoing, with respect to any Licensed Product that requires third party rights granted to RenalytixAI by the Joslin License, RenalytixAI shall not reduce the amount of such royalties paid to ISMMS by reason of this Section 4.3.3, with respect to sales of any such Licensed Product, by more than [*] (“Stacking Floor”) and further, should application of this this Section 4.3.3 and Section 4.3.4 be applicable with respect to such Sales of any such Licensed Product the amount of any such royalties paid to ISMMS with respect to sales of any such Licensed Product after application of both provisions, shall not be reduced by more than [*]; provided, also, that if RenalytixAI is able to cause a reduction to the amount of such royalty payments by RenalytixAI to Joslin in accordance with the Joslin License, the Stacking Floor for any Licensed Product requiring the use of intellectual property of the Joslin License shall be raised by a percentage equal to [*] of the royalty payment reduction obtained by RenalytixAI from Joslin. RAI shall provide ISMMS of notice of any such Joslin royalty payment reduction within five (5) business days of receipt.” The parties further agree that any of the foregoing consideration does not and shall not take into account the volume or value of any business generated between the parties. For the purposes of this Section 4.3.3 the “Joslin License” means that RenalytixAI license for certain intellectual property and know-how related to the use of TNFR and TNFR2 from Joslin and “Joslin” means the Joslin Diabetes Center, an independent, non-profit institution affiliated with the Harvard Medical School.”

10. Section 7.2.2 of the Agreement shall be deleted and hereby replaced in its entirety with the following:

“7.2.2 The JSC shall be responsible for (a) facilitating the exchange of information between the parties, (b) facilitating the transfer of the Licensed Information and Licensed Technology to RenalytixAI hereunder, (c) discussing patent strategy (with the input of outside patent counsel), (d) reviewing new projects in development, (e) discussing potential uses of Licensed Information and/or Licensed Product Data outside of the Field of Use on a project-by-project basis, which for clarity, shall not be undertaken absent further written, signed agreement between the parties, and (f) communicating between the parties regarding the activities contemplated by this Agreement. For clarity, with respect to Section 7.2.2 (e), RAI acknowledges that certain uses of Licensed Information or Licensed Product Data may be inconsistent with the Data Access Agreement, ISMMS obligations, ISMMS policies, protocols, informed consents, or applicable law, and as such ISMMS’s discussion of any project pursuant to this Section 7.2.2 (e). shall not in any way be construed as a waiver of any rights hereunder nor a grant of any right whatsoever unless and until it receives ISMMS’s explicit approval for same through further written mutual agreement duly executed by the parties.”

11. Exhibit D “Licensed Patent Rights” of the Agreement shall be deleted and hereby replaced in its entirety with the following:

“Exhibit D”

Licensed Patent Rights

All other terms and conditions to the Agreement remain unchanged and in full force and effect except to the extent modified by the terms and conditions of this Amendment. The Agreement, as modified by this Amendment, contains the entire understanding of the parties with respect to the subject matter contemplated herein.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this Amendment.

ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI

By: /s/ Erik Lium
Name: Erik Lium
Title: Executive Vice President
Date: 10/2/2018

RENALYTIX AI

By: /s/James McCullough
Name: James McCullough
Title: CEO
Date: October 5, 2018

AMENDMENT NO. 2 TO EXCLUSIVE LICENCE AND COLLABORATION AGREEMENT

BETWEEN

Icahn School of Medicine at Mount Sinai and Renalytix AI, plc

This Amendment No. 2 (the "Amendment"), effective as of September 2, 2018, is entered into by and between Icahn School of Medicine at Mount Sinai, a New York not-for-profit education corporation, having a principal place of business at One Gustave L. Levy Place, New York, NY 10029 ("ISMMS") and RENALYTIX AI, plc., a United Kingdom public limited company ("Renalytix AI"), having a place of business at Avon House, 19 Stanwell Road, Penarth, Cardiff, UK CF64 2EZ.

WHEREAS, ISMMS and Renalytix AI entered into an exclusive license and collaboration agreement (Agr. No. 15250) with an effective date of May 30, 2018 and amended such agreement by entering into the Amendment No. 1 with an effective date of September 1, 2018 (Agr. No. 15250A1) (collectively, the "Agreement");

WHEREAS, the parties intend to amend the Agreement for the purpose of clarifying rights and obligations thereunder;

NOW THEREFORE, in consideration of the mutual obligations in this Amendment and for other good consideration, the receipt and sufficiency of which are hereby acknowledged, ISMMS and Renalytix AI hereby agree as follows:

1. All capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Agreement.
2. Section 2.2 of the Agreement shall be amended by including an additional subsection as follows:

"2.2.2 During the period ending no earlier than the first anniversary of the admission of the ordinary shares of Renalytix AI to trading on AIM, the market operated by London Stock Exchange plc, Renalytix AI shall not, and shall cause any Affiliates of Renalytix AI not to, engage as its Principal Business in the provision of Outreach Testing Services in the Restricted Territory. For purposes of this Section 2.2.2, the following terms have the indicated meanings:

"Outreach Testing Services" means all clinical laboratory testing services except molecular biology testing, genetic testing, pathology and flow cytometry (other than as related to CT/NG, HPV and GYN cytopathology).

"Principal Business" means a subsidiary, division or segment of Renalytix AI that is engaged in providing Outreach Testing Services with annual net revenues (excluding any revenue derived from providing Outreach Testing Services to nursing home facilities) in excess of [*]% of the aggregate net revenues of Renalytix AI.

"Restricted Territory" means the boroughs of Brooklyn, Queens, Bronx, Staten Island and Manhattan in New York, New York and the counties of Nassau and Suffolk in the state of New York."

3. Section 5.1.2(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

"(a) The closing of equity or convertible debt financing(s) of Renalytix AI with aggregate proceeds of not less than $25,000,000 within six (6) month after the Effective Date."

4. Exhibit D "Licensed Patent Rights" of the Agreement shall be deleted and hereby replaced in its entirety with the following:

"Exhibit D

Licensed Patent Rights

[Intentionally left blank]"

All other terms and conditions to the Agreement remain unchanged and in full force and effect except to the extent modified by the terms and conditions of this Amendment. The Agreement, as modified by this Amendment, contains the entire understanding of the parties with respect to the subject matter contemplated herein.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this Amendment.

ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI

By: /s/ Erik Lium
Name: Erik Lium
Title: Executive Vice President
Date: 10/11/2018 | 8:01 AM EDT

RENALYTIX AI

By: /s/ James McCullough
Name: James McCullough
Title: CEO
Date: 10-11-2018

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted because Renalytix AI plc has determined it is not material and would be competitively harmful if publicly disclosed.

JOSLIN Diabetes Center, Inc.

and

EICF Diagnostics Holdings Plc

LICENSE AGREEMENT

THIS AGREEMENT ("**Agreement**") is made on the [ ] 2017 ("**Effective Date**")

BETWEEN:

(1) JOSLIN Diabetes Center, Inc,
1 Joslin Place, Boston,
Massachusetts 02216,
USA (hereinafter 'JOSLIN')
Attention: Dr Nandan Padukone; and,

(2) EKF Diagnostics Holdings Plc
Avon House
19 Stanwell Road
Penarth
CF64 2EZ (hereinafter 'EKF')
Attention: Mr Julian Baines

WHEREAS:

(A) JOSLIN has developed a novel methodology of diagnosing and predicting renal disease, using one, two, or more biomarkers, including sTNFR1, sTNFR2, sFAS, TNF, and IL-6 (only as defined and covered in Intellectual Property under this License Agreement) and has the legal right to dispose over said technology and to grant the license below;

(B) EKF wishes to receive and JOSLIN is willing to grant a license on the terms and conditions hereinafter set forth.

IT IS AGREED as follows:

1. DEFINITIONS

1.1. In this Agreement the following words shall have the following meanings unless the context requires otherwise:

Confidential Information:	Any and all scientific, technical, financial, operational, marketing, economic, business or other information in whatever form (written, oral or visual) that is furnished or made available to one party (a "Recipient") by or on behalf of the other party (a "Discloser"), and that (i) if in tangible form, is labelled in writing as proprietary or confidential; (ii) if in oral or visual form, is identified as proprietary or confidential by the Discloser at the time of disclosure or within [*] days thereafter; or (iii) whether or not labelled or otherwise identified by Discloser as confidential or proprietary, should be deemed to be confidential or proprietary by a reasonable person given the nature of the information and/or the circumstances under which it was disclosed. Confidential information includes, without limitation, trade secrets, plans, compilations, programs, devices, formulas, designs, prototypes, methods, techniques, processes, procedures, know-how, inventions, codes, software, data and databases, product names, marks marketing materials and programs, specification and materials.

Effective Date:	The Effective Date shall the latest date of execution by a Party hereto.
EKF Associate Company:	Any business entity, present or future, which: (1) controls EKF; (2) EKF controls, directly or indirectly; (3) is also controlled by the entity qualifying under (1) above, where control means ownership directly or indirectly of more than 50% of the voting stock.
EKF Licensees:	A company or other entity (other than an EKF Associate Company) to whom EKF grants a sub-license to manufacture, sale or supply Licensed Products and Licensed Processes as a sub-license under the terms of clause 2.2 of this Agreement.
EKF Net Selling Price:	The actual net selling price as received by EKF, or by any EKF Associate Company of EKF on the performance of Licensed Processes or sales of Licensed Products from the entity to whom EKF or any EKF Associate Company directly sold such Licensed Processes or Licensed Products net of any: • discounts or rebates, in cash or in kind; • taxes and duties billed on the invoice; • carriage billed on the invoice,
EKF Royalty:	The ongoing royalty payments received by EKF or by any EKF Associate Company from each EKF Licensee in respect of the performance of Licensed Processes or sales of Licensed Products by such EKF Licensee by reference to the EKF Licensee Net Selling Price of the EKF Licensee.
Existing License Agreement:	The agreement between JOSLIN and [*] (a subsidiary of EKF) dated 1st June 2012 relating to the Intellectual Property.
EKF Licensee Net Selling Price:	The actual net selling price as received by an EKF Licensee, on the performance of Licensed Processes or sales of Licensed Products from the entity to which such Licensed Processes or Licensed Products were sold net of any: • discounts or rebates, in cash or in kind; • taxes and duties billed on the invoice; • carriage billed on the invoice,

Intellectual Property.	The Joslin Patent and any conversions, continuation, division or substitution thereof, any patents issuing thereon, any reissues, re-examinations or extensions of the patents and any foreign counterparts of the patent application and patents and all related and relevant Know-How as defined hereinafter.
The Joslin Patent	The Joslin Patent Application, as listed in Appendix 1, including Unites States patent application USSN [*] filed [*]
Know-How:	Any and all trade secrets, proprietary or similar confidential information owned or controlled by JOSLIN and not publicly known or otherwise known to EKF prior to disclosure to EKF by JOSLIN, including without limitation, all technical data, manufacturing data, designs, skills, methods, procedures or Information regarding the manufacture, use or sale of Licensed Products or Licensed Processes.
Licence Fee:	A fee paid to EKF by an EKF Licensee, net of any costs, charges or taxes, for the grant to that EKF Licensee of a sublicense under the terms of this Agreement.
Licensed Products:	Products manufactured or sold by EKF and/or any EKF Associate Company and/or EKF Licensees which are covered by claims in the Intellectual Properly.
Licensed Processes:	Processes practiced, performed or sold by EKF and/or any EKF Associate Company and/or EKF Licensees which are covered by the Intellectual Property.
Net Sales:	The sales by EKF and EKF Associate Companies of Licensed Products and Licensed Processes at the EKF Net Selling Price.
Patent Holder:	Joslin Diabetes Center, Inc., Boston, MA (US).
Territory:	All countries of the world.
Valid Claim:	A claim of an unexpired patent or pending patent application that has not been held unpatentable, invalid or unenforceable pursuant to a final and unappealable decision of a court or other applicable administrative agency with appropriate Jurisdiction.

2. GRANT

2.1. License and Conditions of License

Subject to the terms of this Agreement, JOSLIN grants, and EKF accepts, an exclusive, royalty-bearing, fee-bearing, world-wide license, to make, have made, use, offer for sale and sell Licensed Products, and to perform, practice, offer for sale and sell Licensed Processes, under and utilising the Intellectual Property and the Know-How, in the Territory. JOSLIN will not for the duration of this Agreement, make or sell products based on the Intellectual Property in the Territory, except for non-commercial research purposes. For its research purposes, JOSLIN agrees to use, as it deems appropriate, Licensed Products from EKF or an EKF Associate Company and reflect this in any further publications relating to the licensed Intellectual Property. EKF agrees to provide JOSLIN with Licensed Products manufactured by EKF or any EKF Associate Company in such amounts and at such times as reasonably requested by JOSLIN, at no charge to JOSLIN.

2.2. Sub-License

JOSLIN grants to EKF the right to grant sub-licenses, under the Agreement in the Territory for the manufacture, sale or supply of Licensed Products and Licensed Processes and use of the Intellectual Property.

2.3. Clause 2.2 is subject to the following:

(i) All sub-licenses will be granted only pursuant to written agreements, which will be subject and subordinate to the terms and conditions of this Agreement;

(ii) All sub-licenses shall be terminable automatically on termination of the Agreement;

(iii) All sub-licensees being an EKF Licensee shall agree to be bound by similar obligations as are imposed on EKF in the Agreement, subject to clause 4.3, and will include all provisions necessary to ensure sub-licensee's ability to perform its obligations under this Agreement;

(iv) All sub-licenses shall include a section substantially the same as clause 10 (Indemnification), which also will state that the Indemnitees (as defined in clause 10) are Intended third party beneficiaries of such sub-license agreement for the purpose of enforcing such indemnification and insurance provisions;

(v) All sub-licenses shall provide that in the event of termination of this Agreement by JOSLIN pursuant to clause 6.3, (in whole or in part (e.g., termination in a particular country)), any existing sub-license will terminate; provided, however, that, such sub-license will not terminate if, as of the effective date of such termination by JOSLIN pursuant to Clause 6.3, a sub-licensee is not in material default of its obligations to EKF under its sub-license agreement, and within [*] days of such termination the sub-licensee agrees in writing to be bound directly to JOSLIN under license agreement substantially similar to this Agreement with respect to the rights sub-licensed hereunder, substituting such sub-licensee for EKF;

(vi) All sub-licenses shall Include a prohibition of assignment of the sub-license without the express, written and discretionary consent of EKF and JOSLIN;

(vii) Notwithstanding anything to the contrary in clauses 2.3 (i)—(vi) above, (a) EKF shall provide a draft copy of any proposed sub-license to JOSLIN at least [*] days before execution to allow JOSLIN to comment on the terms of the sub-license, and EKF will not enter into such sub-license without JOSLIN's written approval; (b) EKF shall furnish JOSLIN with a fully executed copy of such sub-license agreement, within [*] days after its execution, which copy may be redacted to exclude financial and other sensitive terms and shall be treated as Confidential Information of EKF hereunder. JOSLIN shall keep any such copies of sub-license agreement in its confidential files and shall use them solely for the purpose of monitoring EKF' and sublicensees' compliance with their obligations hereunder and enforcing JOSLIN's rights under this Agreement;

(viii) During the term of this Agreement, EKF shall be responsible for any breach of a sublicense agreement by any sub-licensee that results in a material breach of this Agreement. EKF may elect (a) to cure such breach in accordance with clause 10.3 of this Agreement or (b) to enforce ifs rights by terminating such sub-license agreement in accordance with the terms thereof.

2.4. Distributors / Agents

EKF may appoint one or more distributors and/or sales agents for the purpose of selling Licensed Products and may disclose to the distributors and/or sales agents such Confidential Information relating to Licensed Products that they need to know for the successful marketing and sale of Licensed Products; provided, however, that before providing any distributor or sales agent with any Confidential Information of EKF or JOSLIN, EKF shall require any such distributor or sales agent to enter Into a confidentiality or non-disclosure agreement for the protection of the Confidential Information with the same degree of care EKF uses to protect EKF's own Confidential Information but in no event with less than a reasonable degree of care.

3. MATERIAL TRANSFER

3.1. EKF acknowledges that prior to the Effective Date JOSLIN supplied EKF with certain materials as set forth in the Research Services Agreement entered into as of January 27, 2012.

4. PAYMENTS

4.1. Upfront Payments

Under the Existing License Agreement EKF paid a fee of [*] which comprises historic patent application costs and an upfront license fee.

Future Patent Expenses. EKF shall pay ail out-of-pocket patent expenses Incurred or paid by JOSLIN on or after the Effective Date for filing, prosecuting, and maintaining Patent Rights according to clause 9. EKF shall pay JOSLIN within [*] days after JOSLIN sends EKF an invoice that documents the out-of-pocket expenses incurred or paid by JOSLIN during the period being Invoiced and states the total amount owned to JOSLIN.

4.2. Royalties on sales by EKF and EKF Associate Companies

Subject to clause 4.6 below, EKF shall pay royalties to JOSLIN in respect of the Licensed Products and Licensed Processes sold by EKF and EKF Associate Companies. The royalty is at the rate of five per cent (5%) of the EKF Net Selling Price of Licensed Products and Licensed Processes.

4.3. Royalties on sales made by EKF Licensees

Subject to clause 4.6 below, EKF shall pay royalties to JOSLIN in respect of Licensed Products and Licensed Processes sold by EKF Licensees. The royalty is at the rate of twenty five percent (25%) of the EKF Royalty received by EKF from the EKF Licensee which is based on the EKF Licensee Net Selling Price of EKF Licensees for Licensed Products and Licensed Processes.

4.4. Milestone Payments

4.4.(i) EKF will pay a once-off sum of US$300,000 at the first point in time when total Net Sales by EKE and its Associate Companies reach a level of US$2 million in any one year.

4.4.(ii) EKF will pay a once-off sum of US$1 million at the first point in time when total Net Sales by EKF and its Associate Companies reach a level of US$10 million in any one year.

4.4.(iii) EKF and JOSLIN agree that only one payment will be made by EKF in respect of clause 4.4.(i) above and only one payment will be made by EKF in respect of clause 4.4.(ii) above. Those payments will be made in respect of the first year in which the relevant milestone sales are achieved. If that milestone is achieved in subsequent years then no further payment will be due under this clause 4.4.

4.5. Payments under Sub-license

In the event that EKF grants a sub-license under clause 2.2 of this Agreement, JOSLIN shall be entitled to receive twenty five percent (25%) of any License Fee received by EKF or any EKF Associate Company from an EKF Licensee in respect of the grant to it of such a sublicense.

4.6. Frequency of Payment

The royalties to be paid under the Agreement by EKF to JOSLIN under clause 4.2 and 4.3 of this Agreement shall be payable every [*] within [*] of the start of each [*] based on a calendar year of January 1-December 31st, in respect of sums invoiced during the [*] period ending on this date, unless the Agreement is terminated in which case outstanding royalties will be paid within [*].

4.7. Payment Terms

All sums due under this Agreement shall be made in US Dollars. Conversion Into US Dollars shall be calculated at the exchange rate published in The Wall Street Journal on the last business day of the relevant twelve-month period. For the avoidance of doubt, all royalty, license and milestone payments are subject to the successful grant of the Joslin Patent in the relevant countries in the Territory to which the relevant Licensed Products and Licensed Processes are being supplied.

4.8. Territory-Wide Royalties

EKF and JOSLIN agree that the royalty obligations shall only apply in jurisdictions within the Territory where there is a Valid Claim of the patents and patent applications or issued patent licensed pursuant to clause 2 of this Agreement, and further pursuant to clause 4.2 of this Agreement. In any Territory where such Valid Claim is inapplicable or disallowed, and where EKF and any EKF Associates or its sublicencees receive payments for the grant of the License, EKF will pay [*]% of any payments due under sections 4.1 to 4.6.

5. RECORDS

5.1. Maintain Records

5.1.(i) EKE shall keep, and shall cause each of the EKF Associate Companies and the EKF Licensees to keep, correct and complete records of account containing all information required for the computation and verification of the EKE Net Selling Price, EKF Licensee Net Selling Price as the case may be and of the royalties to be paid under this Agreement. EKF, each of the EKF Associate Companies and each of the EKF Licensees, as applicable, shall retain such records for at least [*] years.

5.1.(ii) During the term of this Agreement and within a period of [*] years after its termination JOSLIN shall have the right to have such records of account inspected and examined at its own cost during ordinary business hours through an independent, mutually agreed auditor, on giving reasonable advance written notice of such an inspection, The parties shall reconcile any underpayment or overpayment within [*] days after the auditor delivers the results of the audit. In the event that any audit performed reveals an underpayment in excess of [*] percent ([*]%) in any applicable reporting period, the audited entity shall reimburse JOSLIN for the amounts charged by the auditor.

5.2. Royalty and License Fee Statements

EKF shall within [*] days after the first day of January and July of each year deliver to JOSLIN a true and accurate report, giving such particulars of the business conducted by EKE during the preceding six (6) calendar months under this Agreement. These shall include at least the following:

(a) the number of Licensed Products sold by EKF and EKE Associate Companies during the relevant royally period;

(b) revenues from Net Sales of Licensed Products sold by EKF and EKF Associate Companies;

(c) the aggregate amount of the EKF Royalties received from EKE Licensees in respect of sales of Licensed Products and Licensed Processes by EKF Licensees;

(d) the calculation of total royalties payable to JOSLIN;

(e) the amount of any License Fees received by EKF and the amount payable to JOSLIN by EKF in respect of such fees in accordance with clause 4.5.

6. COMMENCEMENT, DURATION AND TERMINATION

6.1. Commencement Precondition to Commencement and Duration

The Agreement shall be deemed to have come Into force on the Effective Date and shall remain in effect for a [*] year period (**Initial Term**). Unless terminated in accordance with clause 6.2, this Agreement shall automatically extend for [*] (**Extended Term**) unless either party has given written notice to the other party not less than [*] prior to the expiration of the Initial Term of its desire not to renew this Agreement EKF and Joslin may mutually agree to extend the Extended Term.

6.2. Termination

Notwithstanding any provision herein contained, the Agreement may be terminated by either party by notice in writing if any of the following events occur:

6.2.(i) upon an adjudication of either party as bankrupt or if either party files a petition for its moratorium or shall enter into any liquidation (other than for the purpose of reconstruction or amalgamation) or shall cease to carry on business;

6.2.(ii) if either party shall at any time be in serious default under the Agreement and shall fail to remedy such default within [*] from receipt of notice in writing from the other party specifying such default;

6.2.(iii) If either party is by any cause (other than a cause directly attributable to the other party) prevented from performing its obligations hereunder for a period of [*] or for a period of [*] in any period of [*];

6.3. If EKF notifies JOSLIN in writing that it has or will on a date specified in such notice abandon sale of Licensed Products and performance of Licensed Processes then JOSLIN may provide EKF with written notice that it will terminate the Agreement on the date specified in the notice provided by EKF.

6.4. EKF may terminate this Agreement and the license granted hereunder by notifying JOSLIN in writing [*] in advance of its intention to abandon sale of Licensed Products and performance of Licensed Processes.

6.5. Consequences of Termination

Upon termination of the Agreement for any reason:

6.5.(i) EKF will return to JOSLIN any materials held by EKF under the Agreement and Information relating thereto and will make no further use of the same;

6.5.(ii) unless the Agreement is terminated as set forth in clause 6.4, EKF shall continue to have a right to offer for sale and sell Licensed Products produced or in progress prior to the termination date. The provisions of clause 4 shall continue to apply to such sales but all other licenses granted hereunder will automatically cease;

6.5.(iii) outstanding royalties will be paid within [*];

6.5.(iv) the provisions of clause 8 shall continue to apply for a further period of [*];

6.5.(v) the provision of clauses 9.1 and 9.2 shall continue to apply.

7. DILIGENCE

7.1. EKF will use reasonable endeavours to deliver a written Development Plan to JOSLIN within [*] of the Effective Date (the "**Development Plan**"), which Development Plan will summarize EKF' plans to utilise the Intellectual Property for the development and commercialization of Licensed Products and Licensed Processes.

7.2. EKF shall use commercially reasonable efforts, and shall cause its Associate Companies and sub-licensees to use commercially reasonable efforts: (a) to develop Licensed Products and Licensed Processes in accordance with the Development Plan; (b) to undertake research and/or development activities directly related to the commercialization of a Licensed Product and Licensed Process; (c) to introduce Licensed Products and Licensed Processes into the commercial market; and (d) to market Licensed Products and Licensed Processes following such introduction into the market. EKF shall also:

(a) for each Licensed Product or Licensed Process that requires the approval of the FDA or any regulatory authority, EKF shall use diligent efforts in preparing and filing the appropriate application(s).

(b) within [*] after each anniversary of the Effective Date, unless otherwise agreed by the parties, EKF will furnish JOSLIN with a written report on the progress of its efforts during the prior year to develop and commercialize Licensed Products and Licensed Processes, including without limitation research and development efforts, efforts to obtain approval from the FDA or any other regulatory authority, marketing efforts and sales figures. The written report will contain a sufficient level of detail to assess whether EKF is in compliance with its obligations under this clause 7 and shall also contain a discussion of intended efforts and sales projections for the then current year.

(c) the parties will meet at least [*] times during the first [*] years following the Effective Date, and at least on an annual basis thereafter, or as otherwise agreed by the parties, at such times as are agreed by the parties, Such meetings may be in-person, via videoconference, or via teleconference, provided that at least [*] meeting per [*] will be held in person. During such meetings, EKF will provide JOSLIN with a summary of its efforts to develop and commercialize Licensed Products and Licensed Processes as detailed in the annual repot discussed in clause 7(b) above and since submission of the annual report and/or since the last meeting.

7.3. If JOSLIN determines that EKF has not fulfilled its obligations under this clause 7, JOSLIN shall furnish EKF with written notice of the determination. Within [*] after receipt by EKF of the notice described in the preceding sentence, EKF shall either (i) fulfil the relevant obligation or (ii) negotiate with JOSLIN a mutually acceptable schedule of revised commercialization obligations. Should EKF be unable to fulfil the relevant obligations within the abovementioned [*] or should the parties be unable to agree a revised schedule of commercialization obligations JOSLIN may, immediately upon written notice to EKF, terminate this Agreement under clause 6 or convert the exclusive license into a non-exclusive license, and grant additional licenses to third parties to the Intellectual Property. Notwithstanding the foregoing, JOSLIN shall not have the right to terminate this Agreement under clause 7 as described in the immediately foregoing sentence if EKF shows progress, as represented by the milestones described in clause 4, in development or commercialization of at least one Licensed Product or Licensed Process during the preceding [*] period.

7.4. EKF will be entitled, from time to time, to make such adjustments to the then applicable Development Plan as EKF believes, in its good faith judgment, are needed in order to improve EKF's ability to meets its diligence obligations set forth in clause 7. EKF shall provide JOSLIN with copies of any such adjusted Development Plans.

8. CONFIDENTIALITY

8.1. **Obligations**. Each party ("Recipient"), when receiving Confidential Information of the other party ("Discloser"), agrees to (a) hold in confidence all of Discloser's Confidential Information and, except as expressly provided in clause below, not disclose such Confidential Information without the prior written consent of Discloser; (b) use Discloser's Confidential Information solely for the purposes permitted under this Agreement; (c) treat Discloser's Confidential Information with the same degree of care Recipient uses to protect Recipient's own Confidential Information but in no event with less than a reasonable degree of care; and (d) reproduce Discloser's Confidential Information solely to the extent necessary to accomplish the purposes permitted under this Agreement, with all such reproductions being considered Discloser's Confidential Information. Each party, shall consistent with its own internal procedures, maintain a log of all Confidential Information it discloses hereunder.

8.2. **Permitted disclosures**. Recipient may provide disclosed Confidential Information (including any of Discloser's Confidential Information included in derivative information) solely to its employees or consultants and the employees and consultants of EKF Associate Companies and EKF Licensees on a need-to-know basis; provided, however that (a) any such employees and consultants are bound by written obligations of confidentiality at least as restrictive as those set forth in this Agreement, and (b) Recipient remains liable for the compliance of such employees and consultants with such obligations. In addition to the foregoing, EKF may disclose Confidential Information of JOSLIN as and to the extent reasonably necessary or convenient in connection with the exercise of EKF's rights hereunder, including without limitation, through the disclosure to actual and potential contract service providers and sub-licensees, provided that such disclosure shall be subject to confidentiality obligations that-are similar in scope to the terms set forth in this clause 8.

8.3. **Exceptions**. Recipient's obligations of non-disclosure and non-use under this Agreement, will not apply to any portion of Discloser's Confidential Information that Recipient can demonstrate by competent proof:

(a) Is generally known to the public at the time of disclosure or becomes generally known through no wrongful act on the part of Recipient;

(b) Is in Recipient's possession at the time of disclosure other than as a result of Recipient's breach of any legal obligation;

(c) Becomes known to Recipient on a non-confidential basis through disclosures by sources other than Discloser having the legal right to disclose such Confidential Information; or

(d) Is independently developed by Recipient without reference to or reliance upon Discloser's Confidential Information.

If Recipient is required by a governmental authority or by order of a court of competent jurisdiction to disclose any of Discloser's Confidential Information, Recipient will give Discloser prompt written notice thereof and Recipient will take all reasonable and lawful actions to avoid or minimize the degree of such disclosure. Recipient will cooperate reasonably with Discloser in any efforts to seek a protective order.

8.4. **Survival**. The obligations in this clause 8 shall survive for a period of [*] years following the expiration or termination of this agreement; provided, however, that the non-disclosure and non-use obligations imposed by this Agreement with respect to trade secrets included in the Confidential Information will continue for as long as Discloser continues to treat such Confidential Information as a trade secret. Upon the expiration or termination of this Agreement, Recipient will promptly, at Discloser's option, either destroy or return to Discloser any and all of Discloser's Confidential Information as follows. If Discloser elects to have Recipient destroy Discloser's Confidential Information, Recipient will destroy Discloser's Confidential Information (which will include removing and destroying any of Discloser's Confidential Information included in derivative information) and will provide a written certification to Discloser certifying that all of Discloser's Confidential Information has been destroyed. If Discloser elects to have Recipient return Discloser's Confidential Information, Recipient will return all of Discloser's Confidential Information (which will include returning any of Discloser's Confidential Information included in derivative information, with Recipient's Confidential Information or third party Confidential Information redacted) and will provide a written certification to Discloser certifying that all of Discloser's Confidential Information has been returned. Recipient may, however, retain one (1) copy of Discloser's Confidential Information in its confidential files, solely for the purpose of monitoring its continuing obligations of confidentiality and non-use under this Agreement.

8.5. **Remedies**. Recipient agrees that (a) Discloser may be irreparably injured by a breach of this Agreement by Recipient; (b) money damages would not be an adequate remedy for any such breach; (c) as a remedy for any such breach Discloser will be entitled to seek equitable relief, including injunctive relief and specific performance, without being required by Recipient to post a bond; and (d) such remedy will not be the exclusive remedy for any breach of this Agreement.

9. Patent Preparation and Enforcement

9.1. **Responsibility**. JOSLIN, is responsible for preparing, filing, prosecuting and maintaining the patent applications and patents included within the Intellectual Property. For purposes of this Agreement, patent prosecution includes ex parte prosecution, interference proceedings, reissues, re-examinations and oppositions. JOSLIN shall use independent out-side patent counsel and instruct such patent counsel to furnish EKF with copies of all correspondence relating to the Licensed Patents from the United States Patent and Trademark Office (USPTO) and any other patent office, as well as copies of all proposed responses to such correspondence and give EKF reasonable opportunity to advise JOSLIN or JOSLIN's counsel on such matters. EKF designates the following individual or department for receiving the patent-related correspondence:

Chief Executive Officer
EKF Diagnostics Holdings Pic
Avon House
19 Stanwell Road
Penarth
CF64 2EZ

Upon EKF' request, JOSLIN shall be available to consult with EKF on matters relating to preparing, filing, prosecuting or maintaining any of the applications or patents within Intellectual Property, which matters may be of particular interest to EKF. JOSLIN, shall consider the legitimate interests of EKF in performing its responsibility under this clause 9.1. JOSLIN designates the following individual or department to receive such requests by EKF. Director, Technology Transfer, Office of Sponsored Research, Joslin Diabetes Center, Inc., One Joslin Place, Boston, MA 02215.

9.2. Cooperation. EKF shall use reasonable endeavours to cooperate with JOSLIN in preparing, filing, prosecuting and maintaining the patent applications and patents within Intellectual Property. EKF shall provide prompt notice to JOSLIN of any matter that comes to its attention that may affect the patentability, validity or enforceability of any patent application or patent within Intellectual Property.

9.3. **Agreement by the Parties for EKF to Assume Patent Responsibility**. The parties may agree that EKF will assume full responsibility for preparing, filing, prosecuting and maintaining the patent applications referred to herein. In such case, ownership of such patents within the Intellectual Property shall remain with Joslin.

9.4. **Relinquishing Rights**. EKF may surrender its licenses under any, of the patents or patent applications within Intellectual Property in any country of the licensed Territory ("**Surrender**") by giving ninety (90) days advance written notice to JOSLIN. If EKF so surrenders its rights, it will remain responsible for all patent-related expenses Incurred by JOSLIN during the applicable notice period. Thereafter, EKF will have no further obligation to pay any patent expenses for the patents or patent applications that it Surrendered. In the event of EKF' Surrender of any Intellectual Property, any license granted by JOSLIN to EKF hereunder with respect to such Surrendered Intellectual Property will terminate, and EKF will have no rights whatsoever to exploit such Surrendered Intellectual Property. JOSLIN will then be free, without further notice or obligation to EKF, to grant rights in and to such Surrendered Intellectual Property to third parties. The claims of any Surrendered intellectual Properly will cease to constitute Valid Claims and such Intellectual Property will cease to be part of the Licensed Patents. Notwithstanding the foregoing, if such Surrender results in termination of all rights under this agreement, then the termination notice provision in clause 9.4, below, shall apply.

9.5. **Notice**. If at any time during the term of this Agreement, EKF becomes aware of an apparent Substantial Infringement (as defined in clause 9.5) in a particular country of a patent within Intellectual Property, it will promptly notify JOSLIN.

9.6. **Action by JOSLIN – Procedure**. JOSLIN is responsible for enforcing its Intellectual Property and prosecuting apparent infringers when, in its judgment, such action may be reasonably necessary and justified, EKF may request JOSLIN to take steps to protect the Intellectual Property from an apparent infringement covering an Invention. However, before JOSLIN must respond to the request, EKF shall supply JOSLIN (i) an option of qualified legal counsel demonstrating to JOSLIN's reasonable satisfaction that an infringement of the Intellectual Property exists in a particular country and (Ii) written evidence demonstrating to JOSLIN's reasonable satisfaction that a Substantial Infringement of the Intellectual Property exists in a particular country ("**Substantial Infringer**").

9.7. JOSLIN has [*] from the date of receiving satisfactory written evidence from EKF of a Substantial Infringement to decide whether it will seek to terminate the Substantial Infringement. JOSLIN shall give EKF notice of its decision by the end of this [*] period. If JOSLIN notifies EKF that it intends to prosecute the alleged infringer, then JOSLIN has [*] from the date of its notice to EKF to either (a) cause the Substantial Infringement to terminate or (b) initiate legal proceedings against the alleged infringer. If any such suit is brought by JOSLIN in its own name, or jointly with EKF if required by law, it will be at JOSLIN's expense and on its own behalf, but JOSLIN shall not be obligated to bring more than one such suit at a time.

9.8. If JOSLIN notifies EKF that it does not intend to prosecute an alleged Substantial Infringer and there is not at least one suit pending against an alleged infringer of the intellectual Property then in such case, EKF shall be relieved of the obligation to pay [*] percent ([*]%) of royalties that would otherwise accrue from the time of notice until the day JOSLIN shall bring suit against the alleged infringer or shall obtain discontinuance of said infringement, with respect only as to the Intellectual Property as alleged to be Substantially Infringed.

9.9. **Cooperation**. EKF shall cooperate with and supply all assistance reasonably requested by JOSLIN, at JOSLIN's request and expense.

9.10. **EKF's Right to Join**. EKF independently has the right to join any legal proceeding brought by JOSLIN and fund up to [*] percent ([*]%) of the cost of the legal proceeding from the date of joining. If EKF elects to join as a party plaintiff pursuant to this paragraph, EKF may jointly participate in the action with JOSLIN, JOSLIN's counsel will be lead counsel.

9.11. **Declaratory Judgment Actions**. In the event that any third party initiates a declaratory judgment action alleging the invalidity or unenforceability of the Intellectual Property, or if any third party brings an infringement action against EKF or its Affiliates or sub-licensees because of the exercise of the rights granted EKF under this Agreement, then EKF shall have the right to defend such action under its own control and at its own expense; provided, however, that JOSLIN shall have the right to intervene and assume sole control of such defence, at its own expense. Neither party shall enter into any settlement, consent judgment or other voluntary final disposition of any action under this clause 9.10 without the consent of the other party, which consent shall not be unreasonably withheld unless the settlement includes any express or implied admission of liability or wrongdoing on JOSLIN's part, in which case JOSLIN's right to grant or deny consent is absolute and at its sole discretion.

9.12. **Distribution of amounts Paid by Third parties**. In any legal proceeding brought by JOSLIN under clause 9 and funded solely by JOSLIN, any damages or other amounts recovered as a result of the proceeding will be retained by JOSLIN. In any legal proceeding brought by JOSLIN under clause 9.5 and funded jointly by JOSLIN and EKF, any damages or other amounts will first be used to reimburse each party pro rata for any out of pocket expenses it may have incurred with respect to defence of such action. The balance, if any, will be divided equally between the parties.

10. INDEMNIFICATION AND INSURANCE

10.1. EKF shall indemnify, defend and hold harmless JOSLIN and its trustees, officers, medical and professional staff, employees and agents JOSLIN and their respective successors, heirs and assigns (the "**Indemnitees**"), against any liability, damage, loss or expense (including reasonable attorney's fees and expenses of litigation) incurred by or imposed upon the Indemnitees or any one of them in connection with any third party claims, suits, actions, demands or judgments: arising out of any theory of product liability (including, but not limited to, actions in the form of contract, tort, warranty, or strict liability) concerning any product, process or service made, used or sold or license granted under this Agreement.

10.2. EKF' indemnification shall not apply to liability, damage, loss or expense to the extent that it is directly attributable to the negligent activities, reckless misconduct or intentional misconduct of the indemnitees.

10.3. Liability under the indemnity contained in clause 10.1 is conditional on JOSLIN discharging the following obligations. If any third party makes a claim, or notifies an intention to make a claim, against JOSLIN which may reasonably be considered likely to give rise to a liability under this Indemnity (a Claim), JOSLIN shall:

10.3.1. as soon as reasonably practicable, give written notice of the Claim to EKF, specifying the nature of the Claim in reasonable detail;

10.3.2. not make any admission of liability, agreement or compromise in relation to the Claim without the prior written consent of EKF (such consent not to be unreasonably conditioned, withheld or delayed) provided that JOSLIN may settle the Claim (after giving prior written notice of the terms of settlement (to the extent legally possible) to EKF, but without obtaining EKF's consent) if JOSLIN reasonably believes that failure to settle the Claim would be prejudicial to it in any material respect;

10.3.3. give EKF and its professional advisers access at mutually agreed reasonable times (on reasonable prior notice) to its premises and its officers, directors, employees, agents, representatives or advisers who have direct knowledge of the matter, and to any relevant assets, accounts, documents and records within the power or control of JOSLIN, so as to enable EKF and its professional advisers to examine them and to take copies for the purpose of assessing the Claim; and

10.3.4. be deemed to have given to EKF authority to avoid, dispute, compromise or defend the Claim.

10.4. Nothing in this Agreement shall restrict or limit JOSLIN's general obligation at law to mitigate a loss it may suffer or Incur as a result of an event that may give rise to a claim under this Agreement.

10.5. **Insurance**. Beginning no later than the time any such product, process or service is being commercially distributed or sold (other than for the purpose of obtaining regulatory approvals) by EKF or by a sub-licensee, affiliate or agent of EKF, EKF shall, at its own cost and expense procure and maintain Commercial General Liability (CGL) insurance or other coverage acceptable to JOSLIN in amounts not less than $[*] per incident or occurrence and $[*] annual aggregate and naming Joslin as an additional insured under such insurance policies. Such CGL or other insurance shall provide: (a) Product liability coverage, and (b) Contractual liability coverage for EKF' Indemnification under this Agreement. The amount of insurance coverage required under this clause 10 shall not be construed to create a limit of EKF's liability with respect to its obligation of indemnity under this Agreement.

10.6. If EKF elects to self-insure all or parts of the limits described above (including deductibles or retentions which are in excess of $[*] annual aggregate) such self-insurance program must be acceptable to JOSLIN. EKF shall provide JOSLIN with written evidence or such insurance upon the request of JOSLIN. EKF shall provide JOSLIN with written notice at least [*] prior to the cancellation, non-renewal or material change in such Insurance, if:

10.7. EKF shall maintain such CGL or other insurance during (i) the period that any such product, process or service is being commercially distributed or sold (other than for the purpose of obtaining regulatory approvals) by EKF or by a sub-licensee, affiliate or agent of EKF; and (ii) a reasonable period after the period referred to in (i) above, which in no event shall be less than [*] years.

10.8. JOSLIN warrants that, as of the Effective Date and to the best of its knowledge, it is the exclusive owner of the Intellectual Property and is not prevented by any other agreement or license in place from entering into the Agreement.

11. Limitation of Liability

11.1. Nothing in this agreement shall limit or exclude either party's liability for:

(i) death or personal injury caused by its negligence, or the negligence of its personnel,

(ii) agents or subcontractors; or

(iii) fraud or fraudulent misrepresentation.

11.2. Subject to clause 11.1 neither party to this Agreement shall have any liability to the other party, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profits, loss of business, loss of goodwill or any indirect or consequential loss arising under or in connection with this Agreement.

12. MISCELLANEOUS

12.1. Legal

12.1.(i) Dispute Resolution. Disputes arising under or in connection with this Agreement shall be resolved pursuant to this clause 12.1(i); provided, however, that in the event a dispute cannot be resolved without an adjudication to the rights or obligations of a third party (other than an Indemnitee), the dispute procedures set forth in this clause 12.1(ii) shall be inapplicable as to such dispute.

(a) In the event or a dispute between the parties, the parties shall first attempt in good faith to resolve such dispute by negotiation and consultation between themselves. In the event that such dispute is not resolved on an informal basis within [*], any party may, by written notice to the other, have such dispute referred to each of the parties' respective senior officers, who shall attempt in good faith to resolve such dispute by negotiation and consultation for a [*] period following receipt of such written notice.

(b) In the event the parties' senior officers are not able to resolve such dispute, either party may at any time after such [*] period submit such dispute to be finally settled by arbitration administered in accordance with the Rules of Arbitration of the International Chamber of Commerce ("**ICC**") in effect at the time of submission. Such arbitration shall take place in Boston, Massachusetts. The arbitration award so given shall be a final and binding determination of the dispute, shall be fully enforceable in any court of competent jurisdiction.

(c) Except in a proceeding to enforce the results of the arbitration or as otherwise required by law, neither party nor any arbitrator may disclose the existence, content or results of any arbitration hereunder without the prior written consent of both parties.

(d) Each party shall continue to perform its obligations under this Agreement pending final resolution of any dispute arising out of or relating to this Agreement. However, a party may suspend performance of its obligations during any period in which the other party fails or refused to perform its obligations.

(e) Although the procedures specified in this clause 12.10 are the exclusive procedures for resolution of disputes arising out of or relating to this Agreement, either party may seek a preliminary injunction or other provisional equitable relief if, in its reasonable judgment, that action is necessary to avoid irreparable harm to itself or to preserve its rights under this Agreement.

(f) The parties agree that all applicable statutes of limitation and time-based defenses (such as estoppel and laches) are tolled while the procedures set forth in this clause 12.1(i) are pending. The parties shall take any actions necessary to effectuate this result.

The validity and interpretation of this Agreement and the legal relations of the parties to it are governed by the laws of the State of New York, USA without regard to any choice of law principle that would dictate the application of the law of another jurisdiction.

12.2. Assignment

12.2.(i) Subject to clause 12.2(ii) below, neither of the parties may assign the Agreement;

12.2.(ii) In the event that EKF or a substantial part of its business is acquired by a third party EKF shall have the right to assign this license from JOSLIN, provided that such third party unconditionally agrees in writing to JOSLIN to accept all the rights and duties of EKF under this Agreement.

12.3. Waiver

No waiver or modification of any of the terms of the Agreement shall be valid unless in writing and signed by an authorised representative of both parties hereto or by the party against whom the enforcement thereof may be sought. Failure by either party to enforce any rights under the Agreement shall not be construed as a waiver of such rights nor shall a waiver by either party in one or more Instances be construed as constituting a continuing waiver or as a waiver in other instances.

12.4. Invalid Clauses

In the event that any one or more of the provisions of the Agreement should for any reason be held by a court or authority having jurisdiction over the Agreement, or either of the parties hereto, to be invalid, illegal or unenforceable, such provision shall be reformed to approximate as nearly as possible the intent of the parties, and if unreformable, shall be divisible and deleted in such jurisdiction; elsewhere, the Agreement shall not be affected.

12.5. Notices

Any notices or communications to be delivered by either party to the other party may be sent by internationally reputable courier, and will be deemed to have been delivered upon signed receipt confirmation by the courier or by pre-paid registered post and shall be deemed to have been delivered [*] from the date on which it was sent. All communications will be sent to the address of the party as appearing on page 2 unless a change in address is notified to the other party.

12.6. Improvements

Any Improvements to the Intellectual Property, including but not limited to the technology contained in the Joslin Patent, which is invented by either party, then the inventing party shall promptly disclose the invention to the other party.

12.6.(i) If the improvement is made by EKF, JOSLIN shall permit EKF to use the Intellectual Property to the extent necessary to allow EKF to exploit the improvement without variation of the royalty rate;

12.6.(ii) If the improvement is made by JOSLIN, JOSLIN shall offer EKF a license to use the improvement on the same terms as are contained herein. If EKF accepts such offer the improvement shall be considered as if it had always formed part of the Intellectual Property hereby Licensed. If the improvement is made and patented by JOSLIN, the patent shall be considered to be part of the Intellectual Property.

12.7. Use of Name

Neither party to this Agreement shall use the name of the other party or of any staff member, employee, student, or agent of the other party or any adaptation, acronym or name by which the other party is commonly known, in any advertising, promotional or sales literature or in any publicity without the prior written approval of the party or individual whose name is to be used.

12.8. Existing License Agreement

JOSLIN and EKF acknowledge and agree that the Existing License Agreement is a valid subsisting agreement governing their relationship for the period up to the Effective Date. JOSLIN and EKF further acknowledge and agree that with effect from the Effective Date this Agreement shall supersede and replace the Existing License Agreement to govern the arrangements between them in respect of the matters the subject of this Agreement.

12.9. No Other Terms

The Agreement constitutes the entire agreement between the parties and supersedes all previous communications, representations or understandings, either oral or written between the parties relating to the subject matter hereof.

In witness hereof the parties have caused the Agreement to be executed by ,their authorised representatives:

Mr. Julian Baines, **Director,** **Chief Executive Officer** **EKF Diagnostics Holdings Plc**	**Ms. Sharon Harpel** **Vice President, Office of Sponsored Research** **Joslin Diabetes Center, Inc.**
Signature: /s/ Julian Baines	**Signature /s/ Sharon Harpel**
Date: July 25, 2017	**Date: July 24, 2017**
Witnessed by: /s/ Colin Anderson	**Witnessed by: /s/ Sally A. Kolodkin**
Name of Witness: COLIN ANDERSON **(Block Capitals)**	**Name of Witness: SALLY A. KOLODKIN** **(Block Capitals)**

JOSLIN Diabetes Center, Inc.

and

EKF Diagnostics Holdings Plc

Amendment
THE LICENSE AGREEMENT
DATED 27TH JULY 2017

THIS AMENDMENT AGREEMENT ("Amendment") is made on the September 5, 2018 ("Amendment Effective Date")

BETWEEN:

(1) JOSLIN Diabetes Center, Inc.
1 Joslin Place, Boston,
Massachusetts 02215,
USA (hereinafter 'JOSLIN')
Attention: Ms. Sharon Harpel;

and,

(2) EKF Diagnostics Holdings Plc
Avon House
19 Stanwell Road
Penarth
CF64 2EZ (hereinafter 'EKF')
Attention: Mr Julian Baines

WHEREAS:

(A) JOSLIN and EKF entered into a license agreement dated 25th July 2017 (the License Agreement);

(B) EKF and JOSLIN wish to amend modify and restate certain of the provisions of the License Agreement in accordance with the terms of this Amendment Agreement.

IT IS AGREED as follows:

Definitions.

Any capitalized term not separately defined in this Amendment shall have the meaning ascribed to it in the License Agreement.

Amendment Effective Date

This Amendment shall become effective on the Amendment Effective Date.

1. VARIATION TO CLAUSE 2.1 OF THE LICENSE AGREEMENT

Clause 2.1 of the License Agreement shall be deleted in its entirety and replaced by the following wording:-

2.1(i) License and Conditions of License

Subject to the terms of this Agreement, JOSLIN grants, and EKF accepts, an exclusive, royalty-bearing, fee-bearing, world-wide license, to make, have made, use, offer for sale and sell Licensed Products, and to perform, practice, offer for sale and sell Licensed Processes, under and utilizing the Intellectual Property and the Know-How, in the Territory. JOSLIN will not for the duration of this Agreement, make or sell

products based on the Intellectual Property in the Territory, except for research purposes. For its research purposes, JOSLIN agrees to use EKF Licensed Products and reflect this in any further publications relating to the licensed Intellectual Property. EKF agrees to provide JOSLIN with Licensed Products manufactured by EKF or any EKF Associate Company in such amounts and at such times as reasonably requested by JOSLIN, at no charge to JOSLIN.

2.1 **(ii)** Reserved Rights.

The license granted by Joslin is subject to the following reserved rights.

(a) The rights of the United States of America, as set forth in Public laws 96-517 and 98-620, the regulations promulgated thereunder, and the policy of any funding agencies. Any rights granted hereunder, which are greater than permitted by Public Laws 96-517 and 98-620, are subject to modification as required to conform to the provisions of those statutes.

(b) JOSLIN's right to make and use the Licensed Intellectual Property and Know-How for education and non-commercial research purposes.

2. VARIATION TO CLAUSE 6.1 OF THE LICENSE AGREEMENT

Clause 6.1 of the License Agreement shall be deleted in its entirety and replaced by the following wording:-

6.1 Commencement and Duration.

The Agreement shall be deemed to have come into force on the Effective Date and shall remain in effect for the eight (8) year period ending 31st July 2025 (**Initial Term**). Unless terminated in accordance with clause 6.2, this Agreement shall automatically extend for one further period of [*] (**Extended Term**) unless either party has given written notice to the other party not less than [*] prior to the expiration of the Initial Term of its desire not to extend this Agreement. EKF and JOSLIN may mutually agree to extend the Extended Term.

3. VARIATION TO CLAUSE 6.3 OF THE LICENSE AGREEMENT

Clause 6.3 of the License Agreement shall be deleted in its entirety and replaced by the following wording:

6.3 Termination by JOSLIN

6.3(i) If EKF notifies JOSLIN in writing that it has or will, on a date specified in such notice, abandon sale of Licensed Products and performance of Licensed Processes then JOSLIN may provide EKF with written notice that it will terminate the Agreement on the date specified in the notice provided by EKF.

6.3(ii) JOSLIN may terminate this Agreement immediately if EKF ceases to develop and/or commercialize the Licensed Intellectual Property either through itself or a third party

6.3(iii) JOSLIN may terminate this Agreement immediately, with no further notice obligation or opportunity to cure if EKF defaults in its obligations to procure and maintain insurance under Clause 10.5.

6.3(iv) JOSLIN may terminate this Agreement immediately if EKF defaults in its obligations to pay patent expenses under the terms of clause 4.1 (Future Patent Expenses) within [*] after Joslin sends EKF an invoice and remains in default for no more than an additional [*].

4. VARIATION TO CLAUSE 6.5 OF THE LICENSE AGREEMENT

Section 6.5 (v) of the License Agreement shall be deleted in its entirety and replaced by the following wording:

6.5(v) No release. Upon termination of this Agreement for any reason, nothing in this Agreement may be construed to release either party from any obligation that matured prior to the effective date of the termination.

6.5(vi) Survival. The provisions of Section 1 (definitions), Section 4 (payments), Section 5 (Records) Section 12.7 (Use of Name), Sections 10 (Indemnification and Insurance), Section 11.3 (Disclaimer of Warranty), Section 12.1 (Dispute Resolution), and Section 12.7 (Use of Name) survive termination or expiration of this Agreement.

5. VARIATION TO CLAUSE 8.5 OF THE LICENSE AGREEMENT

Clause 8.5, Remedies" of the License Agreement shall be deleted in its entirety".

6. VARIATION TO CLAUSE 10.1 OF THE LICENSE AGREEMENT

Clauses 10.1 and 10.2 of the License Agreement shall be deleted in their entirety and replaced by the following wording:-

10.1 EKF shall indemnify, defend and hold harmless JOSLIN and its trustees, officers, medical and professional staff, employees and agents JOSLIN and their respective successors, heirs and assigns (the "Indemnitees"), against any liability, damage, loss or expense (including reasonable attorney's fees and expenses of litigation) incurred by or imposed upon the Indemnitees or any one of them in connection with any third party claims, suits, actions, demands or judgments (a) arising out of any theory of product liability (including, but not limited to, actions in the form of contract, tort, warranty, or strict liability) concerning any product, process or service made, used or sold or license granted under this Agreement or (b) b) arising out of any other activities to be carried out pursuant to this Agreement.

10.2. (i) Licensee's indemnification under Section 10.1 (a) does not apply to liability, damage, loss or expense to the extent that it is attributable to the negligent activities of the Indemnitees. Licensee's indemnification under 10.1 (b) does not apply to any liability, damage, loss or expense to the extent that it is directly attributable to the negligent activities, reckless misconduct or intentional misconduct of the Indemnitees.

10.2. (ii) EKF shall require any EKF Associate Company or EKF Licensees to indemnify, hold harmless and defend JOSLIN and to maintain insurance in favour of JOSLIN and the Indemnitees under the same terms set forth in this Clause 10.

10.2(iii) EKF shall, at its own expense, provide attorneys reasonably acceptable to Institute to defend against any actions brought or filed against any party indemnified hereunder with respect to the subject of indemnity contained herein, whether or not such actions are rightfully brought.

7. VARIATION TO CLAUSE 11 OF THE LICENSE AGREEMENT

Clause 11 of the License Agreement shall be amended to add the following section 11.3

11.3 Disclaimer of Warranty

11.3(i) JOSLIN MAKES NO WARRANTY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO ANY PATENT, OR OTHER INFORMATION LICENSED OR OTHERWISE PROVIDED TO EKF HEREUNDER AND HEREBY DISCLAIMS THE SAME.

11.3(ii) JOSLIN DOES NOT WARRANT THE VALIDITY OF THE INTELLECTUAL PROPERTY LICENSED HEREUNDER AND MAKES NO REPRESENTATION WHATSOEVER WITH REGARD TO THE SCOPE OF THE INTELLECTUAL PROPERTY OR THAT SUCH INTELLECTUAL PROPERTY MAY BE EXPLOITED BY EKF, EKF ASSOCIATE COMPANY OR SUBLICENSEE WITHOUT INFRINGING OTHER PATENTS.

8. VARIATION TO CLAUSE 12.1 OF THE LICENSE AGREEMENT

Clause 12.1 of the License Agreement shall be deleted in its entirety and replaced by the following wording:-

12.1. Legal

12.1(i) Dispute Resolution. Disputes arising under or in connection with this Agreement, outside of execution of the termination provisions of clauses 6.2, 6.3 and 6.4, shall be resolved pursuant to this clause 12.1(i); provided, however, that in the event a dispute cannot be resolved without an adjudication to the rights or obligations of a third party (other than an Indemnitee), the dispute procedures set forth in this clause 12.1(i) shall be inapplicable as to such dispute.

(a) In the event of a dispute between the parties, the parties shall first attempt in good faith to resolve such dispute by negotiation and consultation between themselves the event that such dispute is not resolved on an informal basis within [*], any party may, by written notice to the other, have such dispute referred to each of the parties' respective senior officers, who shall attempt in good faith to resolve such dispute by negotiation and consultation for a [*] period following receipt of such written notice.

(b) In the event the parties' senior officers are not able to resolve such dispute controversy the parties may resort arbitration, litigation or any resolution available in law or equity.

12.1 (ii) Governing Law The validity and interpretation of this Agreement and the legal relations of the parties to it are governed by the laws of the State of New York, USA without regard to any choice of law principle that would dictate the application of the law of another jurisdiction.

9. VARIATION TO CLAUSE 12.2 OF THE LICENSE AGREEMENT

Clause 12.2 of the License Agreement shall be deleted in its entirety and replaced by the following wording:-

12.2 Assignment

12.2(i) Subject to clauses 12.2(ii), 12.2(iii) and 12 (iv) below, EKF may not assign the License Agreement without JOSLIN's written permission.

12.2(ii) The assignment right granted under clauses 12.2 (iii) and 12.2(iv) is conditional upon Renaltyx AI Inc., no later than [*] prior to the assignment date, paying JOSLIN the sum of $[*] as a down-payment on future patent expenses and Joslin will provide invoices per the terms of Clause 4.1 crediting the costs to the down-payment. Any outstanding balance of the down-payment remaining after [*] following assignment will be refunded to the then current assignee.

12.2(iii) EKF shall have the right to assign all rights, title and interest licensed to EKF in the License Agreement to Renalytix AI Inc., a wholly owned subsidiary of EKF, which is incorporated and registered in Delaware USA and whose registered office is at 251 Little Drive, Wilmington, New Castle, Delaware, USA, zip code 19808 (INC.), provided that such assignment to INC. must be (i) in writing:: (ii) EKF warrants the License Agreement assigned to INC. is without modification and remains on the terms contained within; and (iii) INC. has the financial solvency and technical expertise to develop and/or commercialize the Licensed Intellectual Property. EKF will, provide written notice to Joslin at the time of assignment.

12.2(iv) Joslin further agrees that INC shall have the right to subsequently make a one-time assignment of the License Agreement to Renalytix AI PLC, (PLC) which, at the time, owns more than 50% of the total number of voting shares in INC provided that such assignment must be (i) in writing: (ii) INC. warrants the License Agreement assigned to PLC is without modification and remains on the terms contained within and (iii) PLC has the financial solvency and technical expertise to develop and/or commercialize the Licensed Intellectual Property assigned to them hereunder. EKF will provide written notice to Joslin at the time of Assignment.

12.2 (v) For the avoidance of doubt, any attempted assignment of less than the entire License Agreement that does not meet the above conditions, is void.

10. VARIATION TO CLAUSE 12.6 OF THE LICENSE AGREEMENT

Clause 12.6 of the License Agreement shall be deleted in its entirety "Improvements."

LICENSE AGREEMENT

JOSLIN and EKF acknowledge and agree that save as expressly set out above in this Amendment Agreement, the terms of the License Agreement remain unchanged and the License Agreement is a valid subsisting agreement governing their relationship.

In witness hereof the parties have caused the Amendment to be executed by their authorised representatives as of the Amendment Effective Date first above written.

Mr Julian Baines, **Director,** **Chief Executive Officer** **EKF Diagnostics Holdings Plc**	**Mr. Eliot M. Lurier, CPA** **Chief Financial Officer** **Chief Operating Officer** **Joslin Diabetes Center**
Signature: /s/ Julian Baines	**Signature: /s/ Eliot M. Lurier**
Date:	**Date: 9/10/18**
Witnessed by: /s/ Colin Anderson	**Witnessed by: Anne M. Bradley**
Name of Witness: COLIN ANDERSON **(Block Capitals)**	**Name of Witness: ANNE M. BRADLEY** **(Block Capitals)**

THIS AMENDMENT # 2 (“Amendment #2”)
BETWEEN:

(1) JOSLIN Diabetes Center, Inc., 1 Joslin Place, Boston, Massachusetts 02215, USA (hereinafter ‘JOSLIN’)

and,

(2) EKF Diagnostics Holdings Plc (a company registered in England and Wales no 0434937) whose registered office is at Avon House, 19 Stanwell Road, Penarth, CF64 2EZ (hereinafter ‘EKF’)

Attention: Mr Julian Baines

Amendment #2 of License Agreement

1. We refer to the license agreement between you and us (the **Parties**) for the license of certain intellectual property rights dated 25th July 2017, as amended by the Parties on 5th September 2018 (the **License Agreement**). A copy of the License Agreement is attached to this letter agreement.

2. We wish to further amend the License Agreement with effect from the date of the last signature of this letter agreement (the **Amendment #2 Date**).

3. Expressions defined in the License Agreement and used in this letter agreement have the meaning set out in the License Agreement.

4. It is intended that the payment referred to in paragraph 5.2 below will be made on or around [*] [*] (and in any event prior to the relevant assignment).

5. With effect from the Amendment #2 Date the Parties agree the following amendments to the License Agreement:

   5.1 Clause 2.1 shall be amended to read the following:

   “License and Conditions of License

   Subject to the terms of this Agreement, JOSLIN grants EKF an exclusive, royalty-bearing, fee-bearing, world-wide license, to make, have made, use, offer for sale and sell Licensed Products, and to perform, practice, offer for sale and sell Licensed Processes, under and utilising the Intellectual Property and the Know-How, in the Territory. JOSLIN will not for the duration of this Agreement, make or sell products based on the Intellectual Property in the Territory, except for research purposes. For its research purposes, JOSLIN agrees to use EKF Licensed Products and will reflect this in any further publications relating to the licensed Intellectual Property. EKF agrees to provide JOSLIN with Licensed Products manufactured by EKF or any EKF Associate Company in such amounts and at such times as reasonably requested by JOSLIN for research purposes only, at no charge to JOSLIN.”

   5.2 Clause 12.2 (ii) shall be amended to read the following:

   “The assignment right granted under clause 12.2 (iii) is conditional upon EKF, prior to the assignment date, paying JOSLIN the sum of $[*] as a down-payment on future patent expenses and JOSLIN will provide invoices per the terms of Clause 4.1 crediting the costs to the down-payment. Any outstanding balance of the down-payment remaining after [*] following assignment will be refunded to the then current assignee.”

5.3 Cause 12.2 (iii) shall be amended to read the following:

"EKF shall have the right to assign all rights, title and interest licensed to EKF in the License Agreement to Renalytix AI PLC provided that such assignment must be (i) in writing: (ii) EKF warrants the License Agreement assigned to Renalytix Al PLC is without modification and remains on the terms contained within; and (iii) Renalytix AI PLC has the financial solvency and technical expertise to develop and/or commercialize the Licensed Intellectual Property. EKF will, provide written notice to JOSLIN at the time of assignment. Following any valid assignment, references in this License Agreement to "EKF" shall be construed as references to Renalytix AI PLC."

5.4 Clause 12.2 (iv) shall be deleted and will he replaced with the following:

"Not used"

LICENSE AGREEMENT

JOSLIN and EKF acknowledge and agree that save as expressly set out above in this Amendment #2, the terms of the License Agreement remain unchanged and the License Agreement is a valid subsisting agreement governing their relationship.

In witness hereof the parties have caused the Amendment to be executed by their authorised representatives as of the Amendment #2 Date.

Julian Baines	**Ms. Sharon Harpel** **Vice President** **Office of Sponsored Research**
EKF Diagnostics Holdings Plc	**Joslin Diabetes Center, Inc.**
Signature: */s/ Julian Baines*	**Signature:** */s/ Julian Baines*
Date: October 11, 2018	**Date:** October 11, 2018
Witnessed by: */s/Colin Anderson*	**Witnessed by:** */s/Shelly Taylor Kelly*
Name of Witness: Colin Anderson **(Block Capitals)**	**Name of Witness:** Shelly Taylor Kelly **(Block Capitals)**

Exhibit 10.4

KANTARO BIOSCIENCES LLC

OPERATING AGREEMENT

Dated as of May 4, 2020

KANTARO BIOSCIENCES LLC

OPERATING AGREEMENT

This Operating Agreement dated as of May 4, 2020 (this "Agreement"), by and between Icahn School of Medicine at Mount Sinai, a New York educational corporation ("ISMMS"), and Renalytix AI, Inc., a Delaware corporation ("Renalytix"), each as Members of Kantaro Biosciences LLC, a Delaware limited liability company (the "Company"). Capitalized terms used and not defined elsewhere in this Agreement have the meanings set forth in Article I of this Agreement.

W I T N E S S E T H:

WHEREAS, on February 4, 2020, pursuant to Section 564(b)(1)(C) of the FDC Act, the Secretary of the Department of Health and Human Services ("HHS") determined that there is a public health emergency (the "Public Health Emergency") that has a significant potential to affect national security or the health and security of United States citizens living abroad, and that involves the virus that causes Severe Acute Respiratory Syndrome Coronavirus 2 ("SARS-CoV-2");

WHEREAS, pursuant to Section 564 of the FDC Act, and on the basis of the determination by the Secretary of the HHS, the Secretary of HHS declared that circumstances exist justifying the authorization of emergency use of *in vitro* diagnostics for detection and/or diagnosis of the virus that causes COVID-19 subject to the terms of an EUA;

WHEREAS, ISMMS developed the MS Lab Test in response to the Public Health Emergency, and on April 15, 2020, the FDA issued the MS Lab Test EUA;

WHEREAS, ISMMS and Renalytix have undertaken discussions with Bio-Techne contemplating the formation of the Company and the vesting in the Company of the rights necessary for the Company to enter into the DSCA with Bio-Techne and to enable the Company to (i) collaborate with Bio-Techne to co-Develop the Co-Developed Test that is based on the MS Lab Test, (ii) obtain the necessary authorizations to commercialize the Co-Developed Test as described in the DSCA, and (iii) engage Bio-Techne to provide services in collaboration with the Company to manufacture and commercialize Co-Developed Test Kits containing the necessary components, labeling and instructions and meeting the other requirements of the DSCA so as to enable providers and reference laboratories to conduct testing that will rapidly and effectively support societal efforts to respond to the Public Health Emergency and advance public health;

WHEREAS, ISMMS has formed the Company by the filing of the Certificate of Formation in the State of Delaware under the Act as of the date hereof, and ISMMS has amended the Certificate of Formation of the Company to reflect the name of the Company as Kantaro Biosciences LLC (such Certificate of Formation as so amended, the "Certificate");

WHEREAS, concurrently with the execution and delivery of this Agreement, the Company is entering into the ASA, the ISMMS IP License Agreement and the ISMMS TM License Agreement in order to enable the Company to enter into the DSCA (and potentially agreements with other manufacturers) and fulfill certain of its obligations under the DSCA (and such other agreements);

WHEREAS, the Company plans to have internal support staff and expects that over time certain functions that may initially be provided by Renalytix will be internalized as staff functions of the Company; and

WHEREAS, the Members wish to enter into this Agreement to provide for the organization, capitalization and governance of the Company.

NOW, THEREFORE, in consideration of the covenants and agreements made herein, the Members agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. The following terms shall have the meanings indicated:

"Act" means the Delaware Limited Liability Company Act as in effect in the State of Delaware and as amended from time to time and any successor to such statute.

"Additional Capital Contribution" has the meaning set forth in Section 3.4(b).

"Additional Units" has the meaning set forth in Section 3.4(b).

"Additional Unit Purchase Price" has the meaning set forth in Section 3.4(d).

"Adjusted Capital Account Balance" has the meaning set forth in Section 7.4(a).

"Advancement of Expenses" has the meaning set forth in Section 11.3.

"Affiliate" means a person, entity or organization, directly or indirectly, through one or more intermediaries, Controlling, Controlled by, or under common Control with the person, entity or organization in question; and a living natural person's spouse, parents, children, grandchildren, brothers, sisters or trusts for the sole benefit of one or more of such persons and/or such natural person.

"Agreement" has the meaning set forth in the preamble.

"Approved Manufacturer Agreements" means the DSCA, any Approved Other Manufacturer Agreements, and the RUO Addendum (to the extent an RUO Addendum has been entered into).

"Approved Other Manufacturer Agreements" means an agreement or agreements between the Company and a manufacturer other than Bio-Techne for the exploitation of the MS Background IP that have been approved by the Board of Managers.

"ASA" means the advisory services agreement, dated as of the date hereof, entered into by the Company and Renalytix for the provision by Renalytix to the Company of certain advisory services, a copy of which is attached hereto as Exhibit A.

"Available Cash" means, at any time, cash of the Company available for distribution to the Members (not including the proceeds of the Capital Contributions of the Members or the proceeds of any indebtedness incurred by the Company) after giving effect to the provisions of Section 4.5 which is, in the absolute discretion of the Board of Managers, not required or desirable to be retained by the Company for the expenses or financial needs, reserves or contingencies of the Company.

"Bio-Techne" means Bio-Techne Corporation, a Minnesota corporation.

"Board Member" means a member of the Board of Managers.

"Board of Managers" or "Board" means the board of managers of the Company appointed pursuant to Section 4.2 and having the authority prescribed by this Agreement.

"Business" means to enable the development of commercializable versions of the MS Lab Test to promote public health and respond to the COVID-19 pandemic in such ways that in each case are approved by the Board of Managers, including by entering into the Approved Manufacturer Agreements and that in each case are consistent with and advance the charitable mission of ISMMS.

"Capital Account" has the meaning set forth in Section 3.3(a).

"Capital Contribution" means the cash and the fair market value of property other than cash (net of liabilities which the Company assumes or takes the property subject to) contributed to the capital of the Company by a Member.

"Certificate" has the meaning set forth in the recitals.

"Change of Control" means, with respect to the Company, (i) a sale, conveyance or other disposition of all or substantially all of the Company's assets, property or business, on a consolidated basis, (ii) a merger, consolidation or other capital reorganization or business combination transaction of the Company with or into another corporation, limited liability company or other entity, or (iii) the consummation of a transaction, or series of related transactions, in which any Person other than ISMMS or Renalytix becomes the beneficial owner, directly or indirectly, of a majority of the Company's then outstanding voting securities.

"Class A Profits Interest Liquidating Distribution" means, with respect to each Class A Profits Interest Unit issued to a Class A Unit Holder and that (if forfeitable) has not been forfeited as of the applicable determination date, an amount equal to such Class A Unit Holder's Profits Interest Liquidating Distribution Percentage multiplied by the Value Increase attributable to such Class A Profits Interest Unit deemed issued as of such determination date.

"Class A Profits Interest Unit" or "Class A Unit" means a Unit designated as such pursuant to this Agreement and having the attributes described in this Agreement, and "Class A Unit Holder" means a holder of Class A Profits Interest Units.

"Class A Unit Holder Liquidation Distribution Amount" means the aggregate of Class A Profits Interest Liquidating Distributions for all Class A Profits Interest Units deemed issued to such Class A Unit Holder and that has not been forfeited (if forfeitable) as of such determination date.

"Class A Unit Holder's Percentage Interest" for any Class A Unit Holder as of any date means the percentage determined by dividing the number of Class A Profits Interest Units held by such Class A Unit Holder and that has not been forfeited (if forfeitable) as of such date by the aggregate number of Issued and Outstanding Units as of such date.

"CLIA HC Lab" means a laboratory that is certified under Clinical Laboratory Improvement Amendments of 1988 (CLIA), 42 U.S.C. § 263a to perform high complexity tests.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Co-Developed Test" means a serologic test or tests to detect and/or measure the presence of antibodies to the COVID-19 virus each of which is based on the MS Lab Test, and which in the case of any particular test has the applicable specifications and performance characteristics set forth in the DSCA.

"Co-Developed Test Kits" means one or more assemblies of the Components and material that an End User needs to administer the Co-Developed Test, as developed by Bio-Techne in accordance with the DSCA.

"Company" has the meaning set forth in the preamble.

"Company Interest" means the ownership interest of a Member in the Company.

"Company Minimum Gain" has the meaning set forth in Section 7.4(a).

"Company ROFR Notice Period" has the meaning set forth in Section 9.3(a).

"Components" means any raw material, substance, piece, part, software, firmware, labeling, or assembly which is intended to be included as part of or used in the manufacture of the finished, packaged, and labeled Co-Developed Test Kits.

"Control" means, with respect to an entity that is a corporation, the right to exercise, directly or indirectly, whether by ownership of securities or by contract, more than 50% of the voting rights attributable to the shares of such corporation and, with respect to a person or organization that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person or organization.

"COVID-19" means Coronavirus Disease 2019.

“Distributions” means distributions of Available Cash that the Board elects to make to the Members.

“Drag-Along Notice” has the meaning set forth in Section 6.5(b).

“Dragging Party” has the meaning set forth in Section 6.5(a).

“DSCA” means the development, supply, and commercialization agreement the Company enters into with Bio-Techne, a draft of which has been reviewed by the Members, and the final version of which has been approved by the Board of Managers.

“Electing Member” has the meaning set forth in Section 9.3(b).

“End User” means with respect to the Co-Developed Test Kit, a healthcare provider, clinical laboratory or other authorized Person that orders the Co-Developed Test Kit to detect if there has been an immune response to COVID-19 in the diagnosis of individuals suspected of prior SARS-CoV-2 infection; provided that the applicable healthcare provider, clinical laboratory, or other Person has satisfied any qualification requirements established by the FDA or other applicable Governmental Authority to purchase and utilize the applicable Co-Developed Test Kit..

“Enterprise Value” for purposes of Section 6.4 and Section 6.5 shall be determined by multiplying the per Unit price payable for the Class A Units in the transaction that makes Section 6.4 or Section 6.5 applicable by the aggregate number of Issued and Outstanding Units.

“Entity” means any general partnership, limited partnership, limited liability partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association or investment company.

“ERISA” means the Employee Retirement Income Security Act of 1974 as amended and as such act may be amended from time to time hereafter.

“EUA” means an Emergency Use Authorization for emergency use of a product pursuant to Section 564 of the FDC Act and/or any equivalent authorization promulgated that pertains to a serological antibody test, in each case as the same may have been amended or supplemented as of the time of any reference thereto.

“FDA” means the United States Food and Drug Administration or any successor Entities thereto.

“FDC Act” means the Federal Food, Drug and Cosmetic Act (21 U.S.C. § 301 et seq.), as amended as of the time of any reference thereto.

“Governmental Authority” means any supranational, national, federal, state, provincial, local or foreign Person of any nature exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any governmental authority, agency, department, board, commission, court, tribunal, judicial body or instrumentality of any union of nations, federation, nation, state, municipality, county, locality or other political subdivision thereof, whether of the United States or any other country.

"Health Care Law" means all applicable Laws relating in any way to patient care and human health and safety, including such Laws pertaining to: (a) the development, manufacture and commercialization of drugs, serologic tests and medical devices, including, without limitation, the FDC Act, the Public Health Service Act, 42 U.S.C. § 201 et seq., the regulations, rules, policies, orders, and guidance of the FDA administered, issued, or promulgated thereunder, and equivalent applicable Laws of other Governmental Authorities; (b) the reimbursement and payment for health care products and services, including any United States federal health care program (as such term is defined in 42 U.S.C. § 1320a-7b(f)), and programs and arrangements pertaining to providers of health care products or services that are paid for by any Governmental Authority or other Person, including the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)), the civil False Claims Act (31 U.S.C. § 3729 et seq.), the administrative False Claims Law (42 U.S.C. § 1320a-7b(a)), 42 U.S.C. § 1320a-7 and 42 U.S.C. § 1320a-7a, and the regulations promulgated pursuant to such statutes, Medicare (Title XVIII of the Social Security Act) and the regulations promulgated thereunder, Medicaid (Title XIX of the Social Security Act) and the regulations promulgated thereunder, and equivalent applicable Laws of other Governmental Authorities; (c) the privacy and security of patient-identifying information, including, without limitation, the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.) and the regulations promulgated thereunder and equivalent applicable Laws of other Governmental Authorities; (d) to the extent required, registration and reporting of clinical trials in accordance with 42 U.S.C. § 282(j) in each of the foregoing (a) through (d), as may be amended from time to time and (e) state health care laws including those corresponding to the federal laws described in (a) through (d).

"HHS" has the meaning set forth in the recitals.

"ISMMS" has the meaning set forth in the preamble.

"Indemnified Person" means each Member and any Representative of a Member (whether such Member or Representative is acting on behalf of the Company or serving at the request of the Company as the Representative of another enterprise).

"Indemnitee" has the meaning set forth in Section 11.1(a).

"Initial Loans" has the meaning set forth in Section 3.10(b)(ii).

"Intellectual Property" means all intellectual property, intangible property and proprietary rights, title, interests and protections, however arising, pursuant to the Laws of any jurisdiction throughout the world, including all United States, foreign and international: (a) inventions (whether or not patentable), patents, patent applications and statutory invention registrations, utility models, reissues, divisionals, continuations, continuations-in-part, extensions and reexaminations thereof; (b) trademarks, service marks, trade dress, logos, trade names and corporate names, uniform resource locator addresses, symbols, slogans, and other indicia of source or origin, including the goodwill of the business symbolized thereby or associated therewith, common law rights, registrations and applications thereof; (c) internet domain names,

website content, social media handles, tags, hashtags, social media accounts, or any other online indicia of source; (d) original works of authorship in any medium of expression (whether or not published), copyrights and copyrightable works, registrations and applications for registration of such copyrights, and all issuances, extensions and renewals of such registrations and applications; (e) trade secrets, formulas, designs, devices, technical data, technology, know-how, research and development, advertising and promotional materials, inventions and invention disclosures, methods or processes, and other confidential or proprietary technical, business and other information; (f) computer software (including source and object code) and computer programs and databases in any form, including firmware, development tools, algorithms, data, data files, records, database management code, utilities, graphic user interfaces, internet web sites, all versions, updates, corrections, enhancements and modifications of any of the foregoing, and all related documentation; (g) all rights and remedies against past, present and future infringement, misappropriation or any other violations relating to any of the foregoing; and (h) all tangible embodiments of any of the foregoing.

"ISMMS IP License Agreement" means that certain IP License Agreement, dated as of the date hereof, entered into by and between ISMMS and the Company, a copy of which is attached hereto as Exhibit B, pursuant to which ISMMS grants to the Company a non-exclusive license to use the Intellectual Property described in the ISMMS IP License for the purposes contemplated by the Approved Manufacturer Agreements.

"ISMMS Loan" has the meaning set forth in Section 3.10(b)(i).

"ISMMS TM License Agreement" means that certain Trademark License Agreement, dated as of the date hereof, entered into by and between ISMMS and the Company, a copy of which is attached hereto as Exhibit C, pursuant to which ISMMS grants to the Company a non-exclusive license to use the Licensed Marks (as such term is defined in the ISMMS TM License Agreement) for the purposes contemplated by the Approved Manufacturer Agreements.

"Issued and Outstanding Units" as of any date means the sum as of such date of the issued and outstanding Class A Units that (if subject to forfeiture) have not been forfeited as of such date.

"Jeopardy Event" has the meaning set forth in Section 2.4(d).

"Lending Member" has the meaning set forth in Section 12.1.

"Laws" means all active governmental constitutions, laws, statutes, ordinances, treaties, rules, common laws, rulings, regulations, orders, chargers, directives, determinations, executive orders, writs, judgments, injunctions, decrees, restrictions or similar legally effective pronouncements of any Governmental Authority, including, without, limiting the generality of the foregoing, Health Care Laws.

"Liquidating Event" means the sale or exchange of all or substantially all of the assets of the Company, or other transaction which, individually or together with any similar transaction or transactions, results in the disposition of all or substantially all of the assets of the Company or occurs in the course of liquidation of the Company or upon and with respect to which event the Company is dissolved and wound up and all payments, including payments on any promissory notes, have been received.

“Liquidating Event Valuation” means the value of the Company at the time of a Liquidating Event, using a methodology that values the Company net of any third party debt for borrowed money and that is otherwise determined by the Board of Managers.

“Majority in Interest” of the Members means Members who in the aggregate own Company Interests that represent at least a simple majority of the Percentage Interests.

“Majority Vote” of the Board of Managers means the vote of Board Members having the authority to cast at least a majority of the votes held by all Board Members.

“Mandatory Additional Capital Contribution” with respect to any Member means a capital contribution that by the terms of this Agreement is required to be made to the Company by such Member after the date of such Member’s admission to the Company.

“Member Nonrecourse Debt” has the meaning set forth in Section 7.4(a).

“Member Percentage Interest” as of any date for any Member means as of such date a percentage determined by dividing (i) the number of Units held by such Member as of such date by (ii) the aggregate number of Issued and Outstanding Units as of such date.

“Members” means the Class A Unit Holders. “Member” means any one of the Members.

“Mount Sinai Entities” means Mount Sinai Health System, Inc. and the Affiliates of Mount Sinai Health System, Inc., including, without limitation, The Mount Sinai Hospital, Beth Israel Medical Center, St. Luke’s-Roosevelt Hospital Center, The New York Eye and Ear Infirmary, South Nassau Communities Hospital and ISMMS.

“MS Background IP” means all Intellectual Property of the Mount Sinai Entities embodying the MS Lab Test and any improvements thereto made by ISMMS and/or any Affiliates of ISMMS utilizing a 98-well plate ELISA technology, including without limitation, the Intellectual Property described in the “Authorized Product Details” set forth in the MS Lab Test EUA and the document entitled “Accelerated Emergency Use Authorization (EUA) Summary COVID-19 ELISA IgG Antibody Test (Mount Sinai Laboratory)” submitted by the MS Lab in connection with the obtaining of the MS Lab Test EUA and any future versions of the MS Lab Test developed by ISMMS and/or Affiliates of ISMMS utilizing a 98-well plate ELISA technology.

“MS Lab” means the Mount Sinai Laboratory, Center for Clinical Laboratories, a division of the Department of Pathology, Molecular, and Cell-Based Medicine, New York, New York that is certified as a CLIA HC Lab.

“MS Lab Test” means the qualitative test for the detection of IgG antibodies against SARS-CoV-2 in serum and plasma specimens collected from individuals suspected of prior infection with the virus that causes COVID-19 by their healthcare provider as described in the MS Lab Test EUA.

“MS Lab Test EUA” means the EUA issued by the FDA to the MS Lab on April 15, 2020, with respect to the use of the MS Lab Test in the MS Lab, subject to the terms and conditions of such EUA.

“Nonrecourse Debt” has the meaning set forth in Section 7.4(a).

“Nonrecourse Deduction” has the meaning set forth in Section 7.4(a).

“Non-Selling Member(s)” has the meaning set forth in Section 9.3(b).

“Non-Selling Member ROFR Notice Period” has the meaning set forth in Section 9.3(b).

“NPCL” means the New York Not-for-Profit Corporation Act, as amended.

“Offer” has the meaning set forth in Section 9.3(a).

“Offeror” has the meaning set forth in Section 9.3(a).

“Offered Interest” has the meaning set forth in Section 9.3(a).

“Operations” means all activities of the Company not constituting a Liquidating Event.

“Partnership Representative” has the meaning set forth in Section 4.15(a).

“Percentage Interest” means the Class A Unit Holder’s Percentage Interest of such Class A Unit Holder at the time of reference thereto.

“Person” means any individual or Entity, and the heirs, executors, administrators, legal representatives, successors and assigns of such Person where the context so admits.

“Policy on Institutional Leader Conflicts of Interest” means the Mount Sinai Health System Policy on Institutional Leaders Conflicts of Interest dated December 16, 2019.

“Proceeding” has the meaning set forth in Section 11.1(a).

“Proposed Transferee” has the meaning set forth in Section 6.4(a).

“Proxy” has the meaning set forth in Section 6.5(c).

“Public Health Emergency” has the meaning set forth in the recitals.

“Renalytix” has the meaning set forth in the preamble.

“Renalytix Loan” has the meaning set forth in Section 3.10(b)(ii).

“Representative” means a person serving as a member, director, officer, proprietor (including any stockholder so serving), trustee, employee, or agent of an enterprise or serving a similar function for an enterprise.

"RUO Addendum" has the meaning set forth in the DSCA.

"SARS-CoV-2" has the meaning set forth in the recitals.

"Securities Act" means the Securities Act of 1933, as amended.

"Selling Member" has the meaning set forth in Section 9.3(a).

"Supermajority Vote" of the Board Members having the authority to cast at least a simple majority of the votes held by all Board Members provided that such Board Members include the Board Member appointed by Renalytix pursuant to the Voting Agreement.

"Tagging Member" has the meaning specified in Section 6.4(a).

"Third Party" has the meaning specified in Section 3.4(b).

"Transfer" means the sale, transfer, conveyance, assignment or disposition of all or any part of a Company Interest, but not a pledge, hypothecation, mortgage or encumbrance thereof to the extent permitted by this Agreement.

"Treasury Regulations" means the Income Tax Regulations promulgated under the Code, as amended from time to time.

"Units" means a unit of limited liability company interest in the Company having the attributes assigned thereto by this Agreement or by the Board of Managers in accordance with this Agreement.

"Value Increase" means, with respect to a Class A Profits Interest Unit that has not been forfeited (if forfeitable) as of the applicable determination date, the increase in the value of the Company, if any, from the time such Class A Profits Interest Unit was deemed issued to the time of a Liquidating Event (as determined by the Liquidating Event Valuation), net of any third party debt for borrowed money.

"Voting Agreement" means the voting agreement, dated as of the date hereof, entered into by the Members to memorialize certain agreements of the Members with respect to the voting of their Units, a copy of which is attached hereto as Exhibit D.

1.2 Number and Gender. Whenever the context requires, references in this Agreement to the singular number include the plural, and the plural number include the singular, and words denoting gender include the masculine, feminine and neuter.

ARTICLE II

ORGANIZATION, NAME, PLACE OF BUSINESS, PURPOSE, AND TERM

2.1 Organization. Pursuant to the provisions of the Act and this Agreement, the Members hereto hereby organize the Company on the terms and conditions set forth herein and

in accordance with the Act. To the extent that the laws of jurisdictions other than the State of Delaware shall be applicable, the Company is intended to be qualified as a foreign limited liability company under such laws.

2.2 Name; Registered Office; Registered Agent for Service of Process. The Company business shall be conducted under the name and style of the Kantaro Biosciences LLC. However, in the discretion of the Board of Managers, the Company business may be conducted, upon compliance with all applicable laws and the terms of this Agreement, under any other name or names selected by the Board of Managers provided that such name contains the words "limited liability company", or the abbreviations "LLC" or L.L.C. The principal office, place of business and registered office of the Company shall be 1460 Broadway, New York, New York 10036, or at such other location as the Board of Managers shall determine. The address of the registered agent of the Company for service of process in the State of Delaware is 850 New Burton Road, Suite 201, City of Dover, County of Kent, Delaware 19904. The name of its registered agent at such address is Cogency Global Inc. The registered office and agent may be changed from time to time pursuant to the Act by the Board of Managers.

2.3 Purpose. The purpose and character of the business of the Company is to enable the development of commercializable versions of the MS Lab Test to promote public health and respond to the COVID-19 pandemic in such ways that in each case are approved by the Board of Managers, including by entering into the Approved Manufacturer Agreements, and that in each case are consistent with and advance the charitable mission of ISMMS.

2.4 Charitable Purposes.

(a) The Company shall at all times be operated and managed in a manner that furthers ISMMS's charitable mission. ISMMS's charitable mission shall take precedence over the duty of the Company or the Board of Managers of the Company to operate for the financial benefit of the Members of the Company. In the event of a conflict between the ISMMS's charitable mission and any duty of the Company's Board of Managers to operate for the financial benefit of the Members, the Company shall operate in furtherance of ISMMS's charitable mission without regard to the consequences with respect to the profitability of the Company.

(b) The Company shall be operated and managed in a manner that will not, in the reasonable opinion of ISMMS, on advice of its legal and/or tax counsel, cause the Company to (i) act other than in furtherance of the tax-exempt purposes of ISMMS, or (ii) act in any manner that would adversely affect ISMMS's tax exempt status under Section 501(c)(3) of the Code.

(c) Notwithstanding any power vested in the Board of Managers by applicable law or by the provisions of this Agreement, the Board of Managers shall not take any action that would conflict with the provisions of this Section 2.4.

(d) In the event ISMMS determines in good faith, based on written advice of legal and/or tax counsel, that this Agreement or any operations or activities of the Company could reasonably be expected to result in, or present a material risk of, revocation or threat of revocation of the US federal, state or local tax-exempt status of ISMMS or any of its Affiliates (a

"Jeopardy Event"), ISMMS may elect to renegotiate this Agreement by giving written notice thereof to Renalytix. If such notice is provided, ISMMS and Renalytix shall negotiate in good faith during the sixty (60) day period after the date the written notice is given, in an effort to develop a revised agreement or modify the activities or operations of the Company, that, to the extent reasonably practicable, when implemented will adequately resolve and avoid the Jeopardy Event, in the reasonable discretion of ISMMS, while at the same time keeping ISMMS and Renalytix in a position that is substantially similar to the position in which each was in prior to such renegotiation.

(e) In the event ISMMS and Renalytix are unable in good faith to develop a revised agreement, or to otherwise correct the offending conduct, upon expiration of the sixty (60) day period described above, unless such period is extended by the mutual agreement of the parties, ISMMS shall have the option to redeem its interests in the Company, terminate the ISMMS IP License Agreement and ISMMS TM License Agreement, assign the Approved Manufacturer Agreements to ISMMS or an Affiliate of ISMMS, and withdraw.

(f) Upon request of ISMMS, the Company and Renalytix, as applicable, shall immediately cease and desist any and all activities deemed to be the cause of the Jeopardy Event.

2.5 Applicability of Certain NPCL Provisions. ISMMS and Renalytix acknowledge and agree that the Company will be subject to the provisions of Section 715 of the NPCL. Accordingly the Board of Managers shall adopt and implement policies and procedures to implement the provisions of Section 715 of the NPCL. Until such policies and procedures are adopted, the Company shall adhere to and abide by the Policy on Institutional Leader Conflicts of Interest.

2.6 Perpetual Existence. The Company shall continue in full force and effect until dissolved and terminated pursuant to this Agreement or by law.

ARTICLE III

CAPITALIZATION OF THE COMPANY, ISSUANCE OF UNITS OF LIMITED LIABILITY COMPANY INTEREST AND ADMISSIONS OF MEMBERS

3.1 Authorization of Issuance of Units. The Company shall have the authority to issue 1,000 shares of Class A Units at fair market value as determined by the Board of Managers in its reasonable discretion and having such attributes as the Board of Managers shall determine, in each case, with any approval of the Board as shall be required by this Agreement. The Board of Managers is authorized to accept Capital Contributions from Members from time to time in its discretion in order to capitalize the Company with Capital Contributions that are in the judgment of the Board of Managers sufficient to enable the Company to undertake and operate the Business. Each such Member shall be deemed admitted to the Company when the Board of Managers has accepted its Capital Contribution.

3.2 Issuance of Profits Interests.

(a) The Company hereby issues 250 Class A Profits Interests Units to Renalytix in respect of the services to be rendered under the ASA. The Company hereby issues

750 Class A Profits Interests Units to ISMMS as partial consideration for the rights granted by ISMMS to the Company under the ISMMS IP License Agreement. For purposes of the determination of the Value Increase for all Class A Profits Interest Units issued pursuant to this Section 3.3(a), the value of the Company as of the date hereof shall be deemed to be $0.00 (Zero Dollars).

(b) Of the 250 Class A Profits Interest issued to Renalytix pursuant to Section 3.2(a), sixty-three Class A Profits Interests shall not be subject to forfeiture. The remaining one hundred eighty-seven Class A Profits Interest Units issued to Renalytix pursuant to Section 3.2(a) (the "Unvested Units") shall be subject to forfeiture as follows: if prior to December 31, 2020, the Company shall terminate the ASA in accordance with the terms of the ASA as a result of Renalytix's material breach of the ASA (after giving the notice and affording the opportunity to cure that is contemplated by the ASA) or pursuant to Section 12.1(b)(iii) of the ASA, then Renalytix shall retain a percentage of such Unvested Units determined by dividing the number of full calendar months commencing with May 1, 2020, and ending December 31, 2020, for which the ASA was in effect prior to such termination by eight, and the balance of the Unvested Units shall be deemed to have been forfeited as of the date of such termination. If as of December 31, 2020, the ASA has not been terminated by the Company in accordance with the terms of the ASA as a result of Renalytix's material breach of the ASA (after giving the notice and affording the opportunity to cure that is contemplated by the ASA) or pursuant to Section 12.1(b)(iii) of the ASA, then thereafter none of such one hundred eighty-seven Class A Profits Interest Units issued to Renalytix pursuant to Section 3.2(a) shall be subject to forfeiture. Even if any Class A Profits Interest Units issued to Renalytix pursuant to Section 3.2(a) shall be forfeited, Renalytix shall not as a result of such forfeiture be required to return any distributions of Available Cash that have theretofore been made by the Company to Renalytix in respect of such forfeited Class A Profits Interest Units.

(c) If there occurs a Change of Control at any time while the Unvested Units are subject to forfeiture as prescribed in Section 3.2(b) hereof, such Unvested Units shall become fully vested and no longer subject to forfeiture upon the entry into the definitive agreement governing such Change of Control. No Class A Profits Interests issued to Renalytix pursuant to Section 3.2(a) that have not been forfeited as of the date of a Change of Control shall be subject to forfeiture from and after the date of a Change of Control.

(d) The 750 Class A Profits Units Interests issued to ISMMS pursuant to Section 3.2(a) shall not be subject to forfeiture.

(e) The Class A Profits Interest Units are intended to be treated as "profits interests" in the Company as defined in Revenue Procedure 93-27. A Class A Unit Holder may make an election pursuant to Section 83(b) of the Code upon the grant of any Class A Profits Interest Units. In the event of a change of law in respect of the tax treatment of the grant of a "profits interest" to a service provider, the Board of Managers and each Member shall take all actions as may reasonably be required to maintain, to the extent possible, the tax treatment of grants of "profits interests" in return for services provided to, or for the benefit, of the Company as contemplated by Revenue Procedures 93-27 and 2001-43. For the avoidance of doubt, such actions shall include necessary or advisable amendments of this Agreement. Notwithstanding anything to the contrary contained herein, the Company and the Members agree to treat each

holder of Class A Profits Interest Units, even if subject to forfeiture, as the owner of the Class A Profits Interest Units issued to such holder from the date such Class A Profits Interest Units are issued to such holder, within the meaning of Section 4.01 of Rev. Proc. 2001-43, 2001-2 C.B. 191. Each holder of Class A Profits Interest Units will take into account its distributive share of Company income, gain, loss, deduction and credit associated with the Class A Units issued to each such holder from the date such Class A Units are issued in computing each such holder's income tax liability for the entire period during which such holder holds such Class A Profits Interest Units, as provided for in Article III of this Agreement. Neither the Company nor any Members will deduct the fair market value of the Class A Profits Interest Units as wages, compensation or otherwise, at the time Class A Profits Interest Units are issued or at any other time. By executing this Agreement, each holder of Class A Profits Interest Units acknowledges that it is responsible for determining the income tax consequences to it of acquiring or holding its Class A Profits Interest Units.

3.3 Capital Accounts.

(a) The Company established and shall maintain a capital account ("Capital Account") for each Member in accordance with Section 704(b) of the Code and Treasury Regulations Section 1.704-1(b)(2)(iv). There shall be credited to the Capital Account of each Member the Capital Contribution made by such Member, which upon the formation of the Company the Members acknowledge and agree shall be zero for each Member. Except as otherwise provided in this Agreement, and in any event pursuant to the requirements of Treasury Regulations Section 1.704-1(b)(2)(iv), the Capital Account balance of each Member shall be credited (increased) by (i) the amount of money contributed by such Member to the capital of the Company as a Capital Contribution or as an Additional Capital Contribution, (ii) the fair market value of property contributed by such Member to the capital of the Company net of liabilities secured by such property that the Company assumes or takes subject to, and (iii) such Member's allocable share of Company income and gain (or items thereof), including income and gain exempt from taxation; and the Capital Account balance of each Member has been and shall be debited (decreased) by (x) the amount of cash distributed to such Member, (y) the fair market value of property distributed to such Member (net of liabilities secured by such property that the Member assumes or takes subject to), and (z) such Member's share of Company losses, depreciation and other deductions, including such Member's share of expenditures of the Company described in Section 705(a)(2)(B) of the Code. Notwithstanding the foregoing, a Member's Capital Account shall not be adjusted to reflect gain or loss attributable to the disposition of property contributed by such Member to the extent such Member's Capital Account reflected such inherent gain or loss in the property on the date of its contribution to the Company.

(b) Upon the Transfer of a Company Interest, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest, except to the extent provided in Treasury Regulations Section 1.704-1(b)(2)(iv)(m).

(c) In the absolute discretion of the Board of Managers, the property of the Company shall be revalued in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(f) and the Capital Accounts of all Members shall be adjusted upon occurrence of any of the events set forth in Treasury Regulations Section 1.704-1(b)(2)(iv)(f)(5) to reflect the manner in which

the unrealized income, gain, loss and deduction inherent in all the Company's property (that has not previously been reflected in the Capital Accounts) would be allocated among the Members if there was a taxable disposition of all such property on the date of the occurrence of any such event.

3.4 Issuance of Additional Units.

(a) If after the initial capitalization of the Company the Board of Managers determines in its absolute discretion that it is in the best interest of the Company to raise additional capital, then, the Board of Managers may in its absolute discretion, and is hereby granted all requisite authority to, raise additional capital for the Company by issuing additional Units pursuant to the terms of this Section 3.4.

(b) If the Board of Managers determines to issue additional Units (the "Additional Units") in accordance with the provisions of Section 3.4(a), then prior to offering the Additional Units to any Person (a "Third Party") other than the Members and their Affiliates, the Board of Managers shall offer such Additional Units to the Members in writing. The Members shall have the right for ten (10) days following the giving of notice of such offer in writing to purchase all or any portion of such Additional Units for a purchase price equal to the Additional Units Purchase Price. Each Member that elects to purchase Additional Units shall be entitled to purchase, for a pro rata portion of the Additional Unit Purchase Price (such pro rata portion for each electing Member, its "Additional Capital Contribution"), a portion of the Additional Units equal to the Additional Units to be issued multiplied by a fraction, the numerator of which shall be the Member Percentage Interest of such Member, and the denominator of which shall be the sum of the Percentage Interests of all the Members electing to purchase Additional Units. To the extent a Member does not elect to purchase all the Additional Units to which such Member is entitled, then other Members may purchase such excess Additional Units in the same proportion that each such other Member's Percentage Interest bears to the aggregate Member Percentage Interests of all the other Members that elect to purchase such excess Additional Units.

(c) Any Additional Units not purchased by the Members under subsection (b) above may, if the Board of Managers so elects in its absolute discretion, be offered and sold to Third Parties for the Additional Unit Purchase Price. The Board of Managers shall determine whether to refuse or admit any such Third Party to the Company and such determination shall be conclusive and binding upon the Company and the Members. Each Third Party offeree that the Board of Managers determines to admit as a Member shall become a Member and be reflected as such on the records of the Company at such time as such individual or entity (i) makes the representations set forth in Section 3.7 of this Agreement, (ii) subject to Section 3.4(d), pays the Company cash in the amount of the portion of the Additional Units Purchase Price payable upon admission that is allocable to the Additional Units to be acquired by such Third Party, (iii) executes and delivers a counterpart of this Agreement or an instrument of joinder to this Agreement that is approved by the Board of Managers, and (iv) performs or satisfies such other conditions as the Board of Managers may in its absolute discretion deem appropriate.

(d) The "Additional Unit Purchase Price" and the Percentage Interest to be assigned to the Additional Investor Unit shall each be based on the fair market value of the Additional Investor Unit, as determined by the Board of Managers in its reasonable discretion on

the date of its decision to issue Additional Units on the basis of its determination of the fair market value of the assets of the Company and the Percentage Interests of the Members, subject to Section 3.4(f). The Additional Unit Purchase Price shall be payable in cash at the time of the issuance of the Additional Units and/or in installments and at times as determined by the Board of Managers in its absolute discretion.

(e) Upon the issuance of any Additional Units, the Board of Managers is authorized to reflect the Capital Contributions of each of the additional Members and to restate the Percentage Interests of each of the Members. Upon the issuance of any Additional Units, the Board of Managers is authorized to restate the Capital Accounts of the Members to reflect their respective shares of the fair market value of the assets of the Company as determined pursuant to this Section 3.4.

(f) The determinations of the fair market value of the Additional Units and of the deemed fair market value of the Company described in this Section 3.5 shall lie within the reasonable discretion of the Board of Managers, it being recognized by the Members that there will be no market for the Units.

3.5 Other Matters Relating to Capital Contributions.

(a) Loans by a Member to the Company shall not be considered Capital Contributions.

(b) Subject to Article X and subject to Section 2.4, no Member shall be entitled to withdraw, or to obtain a return of, any part of his contribution to the capital of the Company, or to receive Company property or assets other than cash in return thereof, and no Member shall be liable to any other Member for a return of his contributions to the capital of the Company.

(c) No Member shall be entitled to priority over any other Member, either with respect to a return of his contributions to the capital of the Company, or to allocations of taxable income, gains, losses or credits, or to distributions, except as provided in this Agreement.

(d) No interest shall be paid on any Member's Capital Contribution.

(e) Subject to Article X, the Board of Managers shall have no liability to any Member to return such Member's Capital Contribution.

3.6 Deficit Capital Account Balances. Upon liquidation of a Member's Company Interest, no Member with a deficit balance in its Capital Account shall have any obligation to restore such deficit balance, or to make any contribution to the capital of the Company.

3.7 Investment Representation of Members. Each Member represents and warrants to, and agrees with, the Company as follows:

(a) that such Member is acquiring its Company Interest for its own account solely for investment and not with a view to distribution thereof;

(b) that such Member has participated in the development of the business plan of the Company, is fully familiar with the risks and opportunities associated with an investment in the Company and is not relying on the other Member(s) in making a decision to invest in the Company;

(c) that such Member understands that the Company Interests have not been registered under the Securities Act or the securities statutes of any state, and accordingly may not be sold, transferred, pledged, hypothecated or otherwise disposed of without first complying with the provisions of Section 9.2(e) hereof;

(d) that such Member shall indemnify and hold the Company harmless from and against all of the costs and expenses, including reasonable attorneys' fees, incurred by the Company as a result of such Member's breach of the provisions of this Section 3.7 or any other breaches of written representations or warranties made for purposes of complying with applicable federal or state securities laws; and

(e) that, where applicable, such Member has delivered a true and correct form of a Certificate of Non-Foreign Status, attached as Exhibit E.

3.8 Liability of Members. The liability of each Member for the losses, debts, liabilities and obligations of the Company shall be limited to his, her or its obligations to make Capital Contributions as contemplated hereby and to his, her or its share of any assets and undistributed profits of the Company; provided, however, that under applicable law a Member may be liable under certain circumstances to the extent of previous money or other distributions made to him, her or it. It is the intention of this Agreement that no Member shall have any liability as a result of the receipt of any distribution except to the express extent provided in Sections 18-804(c) and (d) of the Act. No Member shall be required to lend any funds to the Company or, after his, her or its entire Capital Contribution required to be paid hereunder has been paid, to make any further contribution to the Company. It is the intent of the Members that no distribution (or any part of any distribution) made to any Member pursuant to Section 7.1 hereof shall be deemed a return or withdrawal of such Member's Capital Contribution for purposes of the Act, even if such distribution represents, in full or in part, an allocation of depreciation or any other non-cash item accounted for as a loss or deduction from or offset to the Company's income, and that no Member shall be obligated to pay any such amount to or for the account of the Company or any creditor of the Company. If any court of competent jurisdiction holds, however, that, notwithstanding the provisions of this Agreement, any Member is obligated to make any such payment, such obligation shall be the obligation of such Member and not of the Board of Managers. Nothing in this Section 3.9 shall limit or restrict any liability that Renalytix would otherwise have pursuant to the ASA, or any liability that ISMMS would otherwise have pursuant to the ISMMS IP License Agreement and/or the ISMMS TM License Agreement.

3.9 Uncertificated Units. The Board of Managers shall act as registrar for the Units. At all times while any Units remain outstanding, the Board of Managers shall keep or cause to be kept books of registry for the registration of Units and registration of transfer of Units at the Company's principal place of business. Upon compliance with the terms and conditions of Article IX hereof with respect to a Unit, the Board of Managers shall register the transfer of such Units. Prior to the due presentment for registration of transfer, the Board of Managers may treat

the registered owner of any Units as the absolute owner of such Units for the purpose of making distributions and for all other purposes whatsoever. Class A Profits Interests Units shall be considered "general intangibles" as such term is defined in Section 9-102(a)(42) of the Uniform Commercial Code as adopted in the State of Delaware.

3.10 Loans to the Company.

(a) Any Member (the "Lending Member") may lend funds to the Company on such terms as may be deemed reasonable by the Board of Managers; provided, however, that the Board of Managers shall offer each other Member the right to participate in any such loan of funds to the Company upon the same terms as agreed upon with the Lending Member.

(b) Initial Loans.

(i) ISMMS hereby agrees to lend to the Company the aggregate amount of $750,000 (Seven Hundred Fifty Thousand Dollars) (the "ISMMS Loan"), payable (i) $250,000 (Two Hundred Fifty Thousand Dollars) as of the date hereof, and (ii) the balance of the ISMMS Loan payable as and when called for by the Board of Managers (provided that each such call for the ISMMS Loan shall be made by the Board of Managers upon all Initial Loans (as defined below) on a pro rata basis). When ISMMS has made an aggregate loan to the Company equal to $750,000 (Seven Hundred Fifty Thousand Dollars), ISMMS shall have no further obligation to lend any funds to the Company except as ISMMS may agree in writing in its sole discretion.

(ii) Renalytix hereby agrees to lend to the Company the aggregate amount of $250,000 (Two Hundred Fifty Thousand Dollars) (the Renalytix Loan" and together with the ISMMS Loan, the "Initial Loans"), payable (i) $83,333 (Eighty-Three Thousand Three Hundred Thirty-Three Dollars) as of the date hereof, and (ii) the balance of the Renalytix Loan as and when called for by the Board of Managers (provided that each such call for the Renalytix Loan shall be made by the Board of Managers upon all Initial Loans on a pro rata basis). When Renalytix has made aggregate loan to the Company equal to $250,000 (Two Hundred Fifty Thousand Dollars), Renalytix shall have no further obligation to lend any funds to the Company except as Renalytix may agree in writing in its sole discretion.

(iii) The Initial Loans will bear interest at 0.25%, compounded monthly, and will be repayable from the first amounts that would otherwise constitute Available Cash for distribution to the Members of the Company (provided that the Loans will be repaid on a pro rata basis). The Initial Loans shall be issued pursuant to the terms of that certain Promissory Note attached hereto as Exhibit F (the "Promissory Note").

3.11 Renalytix Disqualifying Event. Notwithstanding anything to the contrary contained herein, in the event that the ASA is terminated pursuant to Section 12.1(b)(iii) of the ASA, the parties hereby agree and acknowledge that the rights granted to Renalytix pursuant to the Voting Agreement and Section 4.4(c) shall become null and void.

ARTICLE IV

RIGHTS AND POWERS OF THE BOARD OF MANAGERS; STRUCTURE AND ORGANIZATION OF THE COMPANY

4.1 Overview.

(a) Members. The Company will be owned by the Members and will be managed by the Board of Managers.

(b) Board of Managers. The overall responsibility for the management and control of the business and affairs of the Company will be vested in and subject to the authority of the Board of Managers. The Board Members will be designated as provided in the Voting Agreement.

4.2 Membership of the Board of Managers.

(a) Number and Designation of Managers. Each of ISMMS and Renalytix shall be entitled to appoint members of the Board of Managers having votes that are in proportion to the respective Percentage Interests of ISMMS and Renalytix respectively from time to time. Initially, the total number of votes held by the members of the Board of Managers shall be four (4), the authority to cast three (3) of which shall be held by Board Members appointed by ISMMS and the authority to cast one (1) of which shall be held by the Board Member appointed by Renalytix as contemplated by the Voting Agreement.

(b) Term of Office. Each Board Member shall hold office until his or her successor is duly designated and qualified, except in the event of the earlier termination of his or her designation by reason of death, resignation, removal or other reason.

(c) Removal and Resignation of Managers. A Board Member who has been designated by a Member may be removed with or without cause by the designating Member at any time. Any Board Member may resign at any time upon written notice to the Company. The resignation of any Board Member shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(d) Vacancies. Vacancies on the Board of Managers occurring for any reason shall be filled by the designating Member who appointed the Board Member who previously occupied the vacant seat.

4.3 Meetings and Voting of the Board of Managers.

(a) Notice of Meetings. Notification of any meeting of the Board of Managers shall be deemed to be duly given to a Board Member (i) if sent to him or her at such email address as appears upon the books of the Company, or at the email address last made

known in writing to the Company by such Board Member as the email address to which such notices are to be sent, not later than two (2) days before the day on which such meeting is to be held, or (ii) if delivered to him or her personally or orally, by telephone or otherwise, not later than the day before the day on which such meeting is to be held. Each such notification shall state the time and place of the meeting. In the event the Board Member is unable to attend a meeting, he or she may designate an individual to serve as a proxy for the purpose of taking any action at such meeting. Notification of any meeting of the Board of Managers need not be given to any Board Member who submits a signed waiver of notice before or after the holding of such meeting, or who attends such meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.

(b) Requisite Quorum and Vote. At all meetings of the Board of Managers, the presence of Board Members having the right to cast three (3) or more votes shall constitute a quorum for the transaction of business. Any decision that is approved by a Majority Vote of the Board Members at a duly convened meeting (or by written consent in lieu thereof) shall constitute the action of the Board of Managers.

(c) Participation in Meetings By Telephone, etc. Any one or more Board Members may participate in any meeting of the Board of Managers by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

(d) Conduct of Board Affairs. The Board of Managers may adopt such rules and regulations for the conduct of its business and the business of the Company as the Board of Managers may deem proper, provided the same are not inconsistent with the Act, the Certificate or this Agreement.

(e) Regular Meetings. Regular meetings of the Board of Managers shall be held at such times and places as shall from time to time be determined by the Board of Managers. After there has been such determination and notification thereof has been given, no further notice shall be required for any such regular meeting. Any business may be transacted at any regular meeting.

(f) Action by Written Consent in Lieu of Meeting. Any action required or permitted to be taken by the Board of Managers may be taken without a meeting if the number of Board Members required to take such action consents in writing to the adoption of a resolution authorizing the action. The resolution and written consents thereto by the Board Members shall be filed with the minutes of the proceedings of the Board of Managers.

(g) Special Meetings. Special meetings of the Board of Managers shall be held at the principal office of the Company or such other place as the Board of Managers shall determine on such dates as shall be requested by the Board of Managers. Notice of the time, date and place of such meeting, and the business proposed to be transacted thereat, shall be given to each Board Member in the manner and at the time described in Section 4.3(a).

4.4 Authority of Board of Managers.

(a) Scope of Authority. Subject to the Supermajority Vote requirements of Section 4.4(c) and subject to the terms of Section 4.5, the Board of Managers is hereby delegated the authority for, and in the name and on behalf of, the Company to, without limitation: (i) purchase, lease or otherwise acquire from, or sell, lease, or otherwise dispose of to, any Person, any property of the Company, (ii) open bank accounts and otherwise invest the funds of the Company, (iii) purchase insurance on the business and assets of the Company, (iv) commence lawsuits and other proceedings, (v) enter into agreements, instruments or other writings, (vi) retain accountants, attorneys or other agents, (vii) execute and perform the Company's obligations under the Approved Manufacturer Agreements, (viii) file a petition in bankruptcy, and (ix) take any other lawful action that the Board of Managers considers necessary, convenient or advisable in connection with any business of the Company. The Board of Managers on behalf of the Company may enter into agreements with any Member so long as the Board of Managers complies with Section 4.4(b).

(b) Authority Over Specified Matters. Subject to a Majority Vote and subject to the Supermajority Vote requirements of Section 4.4(c), and subject to the terms of Section 4.5, the Board Members will have the authority to approve the following actions if and as proposed by the Board of Managers:

(i) The annual budgets of the Company and any subsidiaries.

(ii) The execution by the Company or any subsidiary of any contract or agreement with a Member (including the Manager) or an affiliate of a Member.

(iii) The appointment of officers of the Company.

(iv) The adoption and implementation of policies and procedures to implement the provisions of Section 715 of the NPCL as contemplated by Section 2.5.

(c) The following decisions will require a Supermajority Vote:

(i) Approval of any contracts or agreements with ISMMS or an ISMMS Affiliate, other than the ISMMS IP License Agreement and the ISMMS TM License Agreement, but including any amendment to the ISMMS IP License Agreement or ISMMS TM License Agreement.

(ii) The issuance of additional Units subject to compliance with the provisions of Section 3.4.

(iii) The pricing and other terms of Additional Units.

(iv) The incurrence or refinancing of debt for borrowed money by the Company or any subsidiaries.

(v) The making of any distributions by the Company.

(vi) The sale of all or substantially all of the assets of the Company.

(vii) The acquisition by the Company or any subsidiary of material assets from a third party.

(d) The execution and delivery of the ASA, the ISMMS IP License Agreement and the ISMMS TM License Agreement is hereby approved by the Members.

4.5 Retention of Working Capital; Establishment of Legal Reserve.

(a) Retention of Working Capital. Of the amounts that would otherwise constitute Available Cash, unless the Board of Managers determines otherwise by unanimous vote, it will be the policy of the Company to retain as working capital an aggregate amount that at any given time is at least equal to one point five (1.5) times the forecasted operating expenses of the Company over the ensuing six (6) months and that is no more than two (2) times the forecast operating expenses over the ensuing twelve (12) months.

(b) Establishment of Legal Reserve. The Company shall retain expert third party advisors to counsel the Company with respect to the appropriate amount of a prudent reserve for potential legal expenses, and it will be the policy of the Company to fund such reserve in an amount that is consistent with the recommendation of such advisors from amounts that would otherwise constitute Available Cash.

4.6 Duties and Obligations of the Board of Managers.

(a) Other Activities of Board Members. The Board Members shall devote to the affairs of the Company such time as may be necessary for the proper performance of their duties hereunder.

(b) Compliance with Certain Legal Requirements. The Board of Managers shall take such action as may be necessary or appropriate for the continuation of the Company's valid existence under the laws of the State of Delaware and in order to form or qualify the Company under the laws of any jurisdiction in which the Company is doing business or has decided to do business, or in which such formation or qualification is necessary to protect the limited liability of the Members. The Board of Managers shall take such action as may be necessary or appropriate for the qualification of the Company for such regulatory licenses as may be required by applicable law for the lawful conduct of the business of the Company. The Board of Managers shall file or cause to be filed for recordation in the office of the appropriate authorities of the State of Delaware, and in the proper office or offices in each other jurisdiction in which the Company is formed or qualified, such certificates and other documents as are required by the applicable statutes, rules or regulations of any such jurisdiction.

(c) Tax Payments and Filings. The Board of Managers shall cause to be prepared and filed on or before the due date (or any extension thereof) any federal, state or local tax returns or schedules required to be filed by the Company. The Board of Managers shall cause the Company to pay any taxes required to be paid by the Company.

(d) Certain Insurance Policies. The Board of Managers is authorized to cause the Company to acquire policies of insurance, insuring the Members, Board Members, officers, employees and agents of the Company and any subsidiary against liabilities in connection with the business of the Company and its subsidiaries and insuring the Company and its subsidiaries against liabilities with respect to any indemnification it is legally required or permitted to provide pursuant to Section 4.8.

(e) Tax Classification. The Board of Managers shall take such actions as may be necessary on its part to cause the Company to be and to continue throughout its term to be classified as a partnership for federal income tax purposes.

4.7 Compensation of the Board of Managers. The Board Members shall not in their capacity as members of the Board of Managers receive any salary, fees, profits, distributions or allocations of profit or loss under this Agreement; provided, however, they may receive reasonable compensation for services performed for or on behalf of the Company in any other capacity.

4.8 Limitation on Liability.

(a) Limitation on Liability. Except as otherwise required by the express provisions of applicable law that may not be waived, an Indemnified Person in his or her capacity as such shall not be liable, responsible or accountable in damages or otherwise to the Company or any of the Members for any act or omission performed or omitted by him or her, except for such acts or omissions that constitute (i) fraud; (ii) gross negligence; (iii) willful misconduct; (iv) material breach of this Agreement or (v) breach of the Board Member's duty to the Company as determined pursuant to the terms of this Agreement including without limitation the provisions of Section 2.4. Nothing in this Section 4.8(a) shall limit any liability of Renalytix pursuant to the express terms of the ASA or the liability of ISMMS pursuant to the express terms of the ISMMS IP License Agreement and/or the ISMMS TM License Agreement.

(b) Errors and Omissions Insurance. The Company may, but shall not be required to, pay for insurance covering liability of Board Members and officers of the Company for their actions or omissions, including actions or omissions for which indemnification is not permitted hereunder.

4.9 Officers.

(a) Officers. The Company shall have such officers as the Board of Managers determines to appoint from time to time. The initial officer of the Company shall be: Erik Lium, Chairman, Board of Managers.

(b) Term of Office. Each officer shall hold office until his or her successor is duly appointed and qualified, or until his or her earlier death, resignation or removal.

(c) Duties. Each officer shall have such powers and perform such duties as may be assigned to him or her from time to time by the Board of Managers. The Board of Managers may delegate the duties and powers of any officer of the Company to any other officer for a specified period of time for any reason that the Board of Managers deems sufficient.

(d) Removal. Any officer of the Company may be removed with or without cause by the Board of Managers.

(e) Resignation. Any officer may resign at any time by giving written notice of resignation to the Board of Managers. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified in the notice, the acceptance of a resignation shall not be necessary to make the resignation effective.

4.10 Internalization of Staff Functions. The Company, with the support of Renalytix, shall internalize certain staff functions into the Company and the Company shall build internal operational capabilities once the Company achieves a level of operating and economic activity to allow the Company to be self-sustaining. When the Company and Renalytix agree that functions can be most efficiently performed by the Company's internal staff and the Board of Managers approves such internalization, the Company and Renalytix shall each take the steps necessary to implement such internalization. The Board of Managers shall have the authority to approve such internalization by adopting budgets and/or business plans that contemplate such internalization and may delegate such authority to approve and implement such internalization to designated representatives of ISMMS and Renalytix.

4.11 Admission of Members. A Person may become a Member after the date of this Agreement only by the approval of the Board of Managers. As part of such approval, the amount of the required Capital Contributions and the admission date of such Member shall be determined by the Board of Managers.

4.12 Other Business Ventures; Relationship of Members to Company.

(a) Other Business Ventures. Any Member and its Affiliates may engage independently or with others in other business ventures of every nature and description. Neither the Company nor the other Member shall have any right by virtue of this Agreement, or the relationship created hereby, in or to such other ventures, and the pursuit of such ventures shall not be deemed wrongful or improper under this Agreement. The Members expressly agree that the doctrine of corporate opportunity shall not be required to be observed by them in relation to the Company.

(b) Contract to Govern. To the extent that, at law or in equity, a Board Member, a Member or the Affiliates of a Member have duties (including fiduciary duties) and liabilities relating thereto to the Company or to the Members, such Member and its Affiliates acting in connection with the Company's business or affairs shall not be liable to the Company or to any Member for their good faith reliance on the provisions of this Agreement including without limitation the provisions of Section 2.4. The provisions of this Agreement, to the extent that they expressly restrict the duties and liabilities of the Members or their Affiliates otherwise existing at law or in equity, are agreed by the Members to replace such other duties and liabilities of such Person.

(c) Same Interests. Without limiting the generality of Section 4.12(a), in anticipation that the Company and ISMMS may have an interest in the same areas of corporate opportunities, and in recognition of the benefits to be derived by the Company through its

continued contractual, corporate and business relations with ISMMS (including potentially service of officers and trustees of ISMMS as Board Members of the Corporation), the provisions of this Section 4.12(c) are set forth to regulate and define the conduct of certain affairs of the Company as they may involve ISMMS and its officers and trustees, and the powers, rights, duties and liabilities of the Company and its officers, Board Members and Members in connection therewith.

(i) Subject to any provisions herein to the contrary and in any negotiated commercial agreements to which ISMMS is a party, ISMMS shall have the right to, and shall have no duty to refrain from, conducting and carrying on its business, activities and transactions and doing and performing all and everything which may be necessary, advisable or suitable and proper for the conduct of its business. Neither ISMMS nor any officer or trustee thereof (except as provided in Section 4.12(c)(ii)) shall be liable to the Company or its Members for breach of any fiduciary duty by reason of any such business, activities or transactions of ISMMS or of such person's participation therein. In the event that ISMMS acquires knowledge of a potential transaction or matter which may be a corporate opportunity for both ISMMS and the Company, ISMMS shall have no duty to communicate or present such corporate opportunity to the Company and shall not be liable to the Company or its Members for breach of any fiduciary duty as a Member of the Company by reason of the fact that ISMMS pursues or acquires such corporate opportunity for itself, directs such corporate opportunity to another person or entity (including, without limitation, an Affiliate of ISMMS) or does not present such corporate opportunity to the Company.

(ii) In the event that a Board Member or officer of the Company who is also a trustee or officer of ISMMS acquires knowledge of a potential transaction or matter which may be a corporate opportunity for both the Company and ISMMS, such Board Member or officer of the Company: (i) shall have fully satisfied and fulfilled such person's fiduciary duty to the Company and its Members with respect to such corporate opportunity; (ii) shall not be liable to the Company or its Members for breach of any fiduciary duty by reason of the fact that ISMMS pursues or acquires such corporate opportunity for itself or directs such corporate opportunity to another person or does not present such corporate opportunity to the Company; (iii) shall be deemed to have acted in good faith and in a manner such person reasonably believes to be in and not opposed to the best interests of the Company for the purposes of this Agreement; and (iv) shall be deemed not to have breached such person's duty of loyalty to the Company or its Members or to have derived an improper personal benefit therefrom for the purposes of this Agreement, if such trustee or officer acts in good faith in a manner consistent with the following policy:

(A) a corporate opportunity offered to any person who is an officer of the Company and who is also a trustee but not an officer of ISMMS shall belong to the Company, unless such opportunity is expressly offered to such person solely in his or her capacity as a trustee of ISMMS in which case such opportunity shall belong to ISMMS;

(B) a corporate opportunity offered to any person who is a Board Member but not an officer of the Company and who is also a trustee or officer of ISMMS shall belong to the Company only if such opportunity is expressly offered to such person solely in his or her capacity as a Board Member of the Company and otherwise shall belong to ISMMS; and

(C) a corporate opportunity offered to any person who is an officer of both the Company and ISMMS shall belong to ISMMS unless such opportunity is expressly offered to such person solely in his or her capacity as an officer of the Company, in which case such opportunity shall belong to the Company.

(iii) For purposes of this Section 4.12(c), "corporate opportunities" shall include, but not be limited to, business opportunities that the Company is legally and financially able to undertake, which are, from their nature, in the line of the Company's business, are of practical advantage to it and are ones in which the Company has an interest or a reasonable expectancy, and in which, by embracing the opportunities, the self-interest of ISMMS or its officers or trustees will be brought into conflict with that of the Company.

(iv) Any person or entity purchasing or otherwise acquiring any Units of the Company shall be deemed to have notice of and consented to the provisions of this Section 4.12(c).

(v) If any contract, agreement, arrangement or transaction between the company and ISMMS involves a corporate opportunity and is approved in accordance with the procedures set forth in this Agreement, ISMMS and its officers and trustees shall also for the purposes of this Section 4.12(c) and the other provisions of this Agreement: (i) have fully satisfied and fulfilled their fiduciary duties to the Company and its Members; (ii) be deemed to have acted in good faith and in a manner such persons reasonably believe to be in and not opposed to the best interests of the Company; and (iii) be deemed not to have breached their duties of loyalty to the Company and its Members and not to have derived an improper personal economic gain therefrom. Any such contract, agreement, arrangement or transaction involving a corporate opportunity not so approved shall not by reason thereof result in any such breach of any fiduciary duty or duty of loyalty or failure to act in good faith or in the best interests of the Company or derivation of any improper personal benefit, but shall be governed by the other provisions of this Section 4.12(c), this Agreement, or the Act.

(vi) Notwithstanding anything in this Agreement to the contrary and in addition to any vote of the Board of Managers required by this Agreement or the Act, until the occurrence of the first date on which ISMMS ceases to beneficially own Units entitled to twenty percent (20%) or more of the votes entitled to be cast by the Members, the affirmative vote of at least seventy-five percent (75%) of the votes entitled to be cast thereon by the Members of the then outstanding Units of the Company shall be required to amend, alter or repeal, or adopt any provision inconsistent with, any provision of this Section 4.12(c).

Neither the amendment, alteration, termination or repeal of this Section 4.12(c) nor the adoption of any provision inconsistent with this Section 4.12(c) shall eliminate or reduce the effect of this Section 4.12(c) in respect of any matter occurring, or any cause of action, suit or claim that, but for this Section 4.12(c), would accrue or arise, prior to such amendment, alteration, termination, repeal or adoption.

(vii) Neither the alteration, amendment, termination, expiration or repeat of this Section 4.12(c) nor the adoption of any provision inconsistent with this Section 4.12(c) shall eliminate or reduce the effect of this Section 4.12(c) in respect of any matter occurring, or any cause of action, suit or claim that, but for this Section 4.12(c), would accrue or arise, prior to such alteration, amendment, termination, expiration, repeal or adoption.

(d) Company and ISMMS Business Collaboration. Without limiting the generality of other provisions of this Section 4.12, in anticipation that the Company and ISMMS may enter into contracts or otherwise transact business with each other and that the Company may derive benefits therefrom, the provisions of this Section 4.12(d) are set forth to regulate and define certain contractual relations and other business relations of the Company as they may involve ISMMS, and the powers, rights, duties and liabilities of the Company in connection therewith. The provisions of this Section 4.12(d) are in addition to, and not in limitation of, the provisions of the Act and the other provisions of this Agreement. Any contract or business relation that does not comply with the procedures set forth in this Section 4.12(d) shall not by reason thereof be deemed void or voidable or result in any breach of any fiduciary duty or duty of loyalty or failure to act in good faith or in the best interests of the Company or derivation of any improper personal economic gain, but shall be governed by the provisions of this Agreement, the Act, and other applicable law.

(i) No contract, agreement, arrangement or transaction between the Company and ISMMS (including without limitation the ISMMS IP License Agreement and the ISMMS TM License Agreement) shall be void or voidable solely for the reason that ISMMS is a party thereto or a contract or agreement has been executed by an officer or trustee of ISMMS who is also an officer or a Board Member of the Company, and ISMMS (i) shall have fully satisfied and fulfilled its fiduciary duties to the Company and its Members with respect thereto; (ii) shall not be liable to the Company or its Members for any breach of fiduciary duty by reason of the entering into, performance or consummation of any such contract, agreement, arrangement or transaction; (iii) shall be deemed to have acted in good faith and in a manner it reasonably believed to be in and not opposed to the best interests of the Company for purposes of this Agreement; and (iv) shall be deemed not to have breached its duties of loyalty to the Company and its Members and not to have derived an improper personal benefit therefrom for the purposes of this Agreement, if:

(A) the material facts as to the contract, agreement, arrangement or transaction are disclosed or are known to the Board of Managers or the committee thereof that authorizes the contract, agreement, arrangement or transaction,

and the Board of Managers or such committee in good faith authorizes the contract, agreement, arrangement or transaction by the affirmative vote of a majority of the disinterested Board Members, even if the disinterested Board Members constitute less than a quorum, if such contract, agreement, arrangement or transaction has been approved by a Supermajority Vote as contemplated by Section 4.4(c);

(B) the material facts as to the contract, agreement, arrangement or transaction are disclosed or are known to the holders of Units entitled to vote thereon, and the contract, agreement, arrangement or transaction is specifically approved in good faith by the affirmative vote of the holders of a majority of the votes entitled to be cast thereon, except Units that are beneficially owned or the voting of which is controlled by ISMMS or one of its Affiliates; or

(C) the transaction, judged according to the circumstance at the time of the commitment, is established to have been fair to the Company.

(ii) Board Members of the Company who are also trustees or officers of ISMMS may be counted in determining the presence of a quorum at a meeting of the Board of Managers or of a committee that authorizes the contract, agreement, arrangement or transaction. Units owned by ISMMS may be counted in determining the presence of a quorum at a meeting of Members that authorizes the contract, agreement, arrangement or transaction.

(iii) Any person or entity purchasing or otherwise acquiring any interest in any Units of the Company will be deemed to have notice of and to have consented to the provisions of this Section 4.12(d).

(iv) For purposes of this Section 4.12(d), any contract, agreement, arrangement or transaction with any corporation, partnership, joint venture, limited liability company, trust, association or other entity in which the Company owns (directly or indirectly) fifty percent (50%) or more of the outstanding voting stock, voting power, partnership interests or similar ownership interests, or with any officer or director thereof, shall be deemed to be a contract, agreement, arrangement or transaction with the Company.

(v) Notwithstanding anything in this Agreement to the contrary and in addition to any vote of the Board of Managers required by this Agreement or the Act, the affirmative vote of at least seventy-five percent (75%) of the votes entitled to be cast thereon by the holders of the then outstanding Units of the Company shall be required to alter, amend or repeal, or adopt any provision inconsistent with, any provision of this Section 4.12(d). Neither the alteration, amendment or repeal of this Section 4.12(d) nor the adoption of any provision inconsistent with this Section 4.12(d) shall eliminate or reduce the effect of this Section 4.12(d) in respect of any matter occurring, or any cause of action, suit or claim that, but for this Section 4.12(d), would accrue or arise, prior to such alteration, amendment, repeal or adoption.

(e) Conduct of Certain Company Affairs. Without limiting the generality of the foregoing provisions of this Section 4.12, in anticipation that ISMMS will remain a Member of the Company and may have continued contractual, corporate and business relations with the Company, the provisions of this Section 4.12(e) are set forth to regulate and define the conduct of certain affairs of the Company as they may impact ISMMS and its legal and regulatory status.

(i) the Company shall not, without the written consent of ISMMS, engage, directly or indirectly, in any act or activity which would result, either alone or after giving effect to the business, operations, properties, activities and legal and regulatory status of ISMMS and the Company, in: (i) ISMMS being required to file any notice, report or other document or make any registration with, obtain any approval, consent or authorization of or otherwise become subject to any statutes, rules, regulations, ordinances, orders, decrees or other legal restrictions of any federal, state, local or foreign governmental, administrative or regulatory authority, agency or instrumentality (collectively, "Applicable Law") materially different from any to which ISMMS is already subject; or (ii) any Board Member of the Company who is also a trustee or officer of ISMMS being ineligible to serve or prohibited from serving as a Board Member of the Company or trustee or officer of ISMMS under or pursuant to any Applicable Law. ISMMS shall not be liable to the Company or its Members for breach of any fiduciary duty by reason of the fact that ISMMS gives or withholds any consent for any reason in connection with this Section 4.12(e). No vote cast or other action taken by any person who is an officer, trustee or other representative of ISMMS which vote is cast or action is taken by such person in his or her capacity as a Board Member of the Company shall constitute a consent of ISMMS for the purpose of this Section 4.12(e).

(ii) Any person or entity purchasing or otherwise acquiring any interest in Units of the Company shall be deemed to have notice of and to have consented to the provisions of this Section 4.12(e).

(iii) Notwithstanding anything in this Agreement to the contrary and in addition to any vote of the Board of Managers required by this Agreement or the Act, the affirmative vote of the holders of at least seventy-five percent (75%) of the votes entitled to be cast thereon by the holders of the then outstanding Units of the Company shall be required to alter, amend or repeal, or adopt any provision inconsistent with, any provision of this Section 4.12(e). Neither the alteration, amendment or repeal of this Section 4.12(e) nor the adoption of any provision inconsistent with this Section 4.12(e) shall eliminate or reduce the effect of this Section 4.12(e) in respect of any matter occurring, or any cause of action, suit or claim that, but for this Section 4.12(e), would accrue or arise, prior to such alteration, amendment, repeal or adoption.

4.13 Member Rights. The Members in their capacities as such will not have any voting or approval rights with respect to the management of the Company.

4.14 Exculpation of Certain Member Liability. Notwithstanding any other provision to the contrary contained in this Agreement, no Member, nor any Representative of a Member shall be liable, responsible, or accountable in damages or otherwise to the Company or any other Member or their Representatives, for any loss, damage, cost, liability or expense incurred by reason of or caused by any act or omission performed or omitted by such Member or Representative whether based upon or arising from errors in judgment or breach of duty (including breach of any duty of care or duty of loyalty) as a Member or Representative thereof, unless such Member shall be guilty of (i) willful or intentional misconduct in the performance of such Member's duties to the Company or the other Members hereunder, or (ii) such Member's having improperly received personal benefit, or (iii) material breach of this Agreement or (iv) such Member's failing to conduct itself with good faith and fairness in its dealing with the Company or the Members. Without limiting the foregoing, no Member, nor any Representative of a Member, shall in any event be liable for (x) the failure to take any action not specifically required to be taken by the Member under the terms of this Agreement, (y) by reason of any action or omission based upon the advice of legal counsel or otherwise undertaken in good faith or in a manner reasonably believed by such person to be either in or not opposed to the Company's best interest, or (z) for any misconduct or negligence on the part of any agents appointed by such person in good faith. Nothing in this Section 4.14 shall apply to limit any responsibility of (a) Renalytix under and pursuant to the ASA, or (ii) ISMMS under and pursuant to the ISMMS IP License Agreement and/or the ISMMS TM License Agreement.

4.15 Designation of Partnership Representative; Duties and Expenses of Partnership Representative.

(a) As used in this Agreement, "Partnership Representative," has the meaning set forth in Code § 6223(a). ISMMS is hereby designated the Partnership Representative for the Company and it will serve in such capacity for so long as it is a Member of the Company and shall act as "tax matters partner" of the Company, with the same duties and authority as the Partnership Representative, for purposes of applicable state or local law. The Board of Managers may designate another Member or other person to act as the Partnership Representative at any time in its discretion. The Partnership Representative shall comply with the requirements of Code §§ 6221 through 6241 and the proposed or final regulations promulgated thereunder, that are applicable to a Partnership Representative, including the identification of a "designated individual" to serve as the sole individual through whom the Company will act, as required by Treasury Regulations § 301.6223-1. Erik Lium, or such other officer of ISMMS as the Board of Managers shall designate, shall be the "designated individual" to serve as the sole individual through whom the Company will act, as required by Treasury Regulations § 301.6223-1. The designated individual must agree in writing to be bound by the same obligations and restrictions imposed on the Partnership Representative under this Section 4.15 prior to and as condition of such designation. The designated individual shall not take any action without the prior approval of the Partnership Representative. References herein to the Partnership Representative are deemed to include the designated individual.

(b) The Partnership Representative shall notify the Members of any audit or other tax proceeding pertaining to the Company and the status of such audit or other tax proceeding. The Members shall cooperate with and provide any information requested by the Partnership Representative in connection with any audit or tax proceeding pertaining to the Company.

(c) To the fullest extent permitted by law, the Company shall and does hereby indemnify, defend, and hold harmless the Partnership Representative from any claim, demand, or liability, and from any loss, cost, or expense including, without limitation, attorneys' fees and court costs, which may be asserted against, imposed upon, or suffered by the Partnership Representative by reason of any act performed for or on behalf of the Company in its capacity as Partnership Representative to the extent authorized hereby, or by reason of any omission, except acts or omissions that constitute gross negligence or willful misconduct. Any indemnity under this Section 4.15(c) shall be provided out of and to the extent of Company assets only, and no Member shall have any personal liability on account thereof. The indemnity provided in this Section 4.15(c) shall survive the liquidation, dissolution, and termination of the Company and the termination of this Agreement.

(d) Without the written consent of a Majority in Interest of the Members, the Partnership Representative shall not extend the statute of limitations applicable to the Company for federal, state or local income tax purposes.

(e) The Company shall indemnify and reimburse the Partnership Representative for all expenses, including legal and accounting fees, claims, liabilities, losses and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Members; provided that the provisions with respect to limitations of liability of the Board of Managers and indemnification set forth in Article XI hereof shall be fully applicable to the Partnership Representative in its capacity as such.

ARTICLE V

MEETINGS AND VOTING OF MEMBERS

5.1 Notice of Meetings. Notification of any meeting of the Members shall be deemed to be duly given to a Member (i) if sent to him, her, or it at such email address as appears upon the books of the Company, or at the email address last made known in writing to the Company by such Member as the email address to which such notices are to be sent, not later than two (2) days before the day on which such meeting is to be held, or (ii) if delivered to him, her, or it personally or orally, by telephone or otherwise, not later than the day before the day on which such meeting is to be held. Each such notification shall state the time and place of the meeting. Notification of any meeting of the Members need not be given to any Member who submits a signed waiver of notice before or after the holding of such meeting, or who attends such meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.

5.2 Requisite Quorum and Vote. At all meetings of the Members, the presence of the holders of seventy-five percent (75%) or more of the Units shall constitute a quorum for the transaction of business. Any decision that is approved by the holders of seventy-five percent (75%) or more of the Units shall constitute an action of the Members.

5.3 Participation in Meetings By Telephone, etc. Any one or more Members may participate in any meeting of the Members by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

5.4 Regular Meetings. Regular meetings of the Members shall be held at such times and places as shall from time to time be determined by the Members. After there has been such determination and notification thereof has been given, no further notice shall be required for any such regular meeting. Any business may be transacted at any regular meeting.

5.5 Action by Written Consent in Lieu of Meeting. Any action required or permitted to be taken by the Members may be taken without a meeting if the number of Members required to take such action consents in writing to the adoption of a resolution authorizing the action. The resolution and written consents thereto by the Members shall be filed with the minutes of the proceedings of the Members.

5.6 Special Meetings. Special meetings of the Members shall be held at the principal office of the Company or such other place as the Members shall determine on such dates as shall be requested by the Members. Notice of the time, date and place of such meeting, and the business proposed to be transacted thereat, shall be given to each Member in the manner and at the time described in Section 5.1.

ARTICLE VI

CERTAIN MEMBER MATTERS

6.1 Limitation of Liability of Members. Except as otherwise provided in the Act or by other applicable law, no Member shall be bound by, or personally liable for, the obligations or liabilities of the Company, and no Member shall be required to contribute any capital to the Company other than such Member's Capital Contributions and agreed-upon Mandatory Additional Capital Contributions (if any). In voting its Units, a Member shall be entitled to take account of its own interests in lieu of those of the Company, and in no event shall any Member have any liability to the Company or any other Member in respect of any such vote. In no event shall ISMMS have any liability to the Company or any other Member as a result of ISMMS carrying out the intentions of Section 2.4.

6.2 Death, Bankruptcy, Etc. In no event shall the death, incompetency, bankruptcy, insolvency or other incapacity of a Member operate to dissolve the Company.

6.3 Encumbrance of Member's Interest. Any Member may pledge, mortgage, hypothecate or otherwise encumber his, her or its Company Interest for any purpose whatsoever as long as such pledge, mortgage, hypothecation or other encumbrance shall in no manner entitle any assignee or successor Member, in this regard either before or after foreclosure, to admission as a substituted Member.

6.4 Tag-Along Rights.

(a) So long as this Agreement remains in effect, if any Member proposes to transfer any Units to a Third Party as a result of which a Change of Control would result from such transfer (the "Selling Member"), the Selling Member will have the obligation, and each of the other Members will have the right, to require the proposed transferee or acquiring Person to purchase from each of the other Members who exercises its rights under Section 6.4(b) (a "Tagging Member") a number of Units determined by multiplying the percentage of the Selling Member's Units being sold to such Third Party (a "Proposed Transferee") by the number of Units owned by such Tagging Member. In each case, the sale of the Tagging Member's Company Interest shall be upon the same terms and conditions (including, without limitation, time of payment and form of consideration) as govern the proposed Transfer the Selling Member (as applicable), except that the purchase price of the Company Interest of each Tagging Member to be sold under this Section 6.4(a) shall be the amount that would be received by such Tagging Member pursuant to Section 7.5 of this Agreement if (x) the Company sold all of its assets for a gross purchase price equal to the Enterprise Value of the Company, and (y) the proceeds from such hypothetical sale were applied to the payment of the Company's liabilities and distributions to the Members in accordance with Section 7.5. In order to be entitled to exercise its right to sell shares of Company Interests to the Proposed Transferee pursuant to this Section 6.4(a), each Tagging Member must agree to make to the Proposed Transferee the same covenants, indemnities (with respect to all matters other than the Selling Member's ownership of Company Interests and representations relating solely to the business of the Company and not the Company Interests being sold) and agreements as the Selling Member agrees to make in connection with the Transfer and such representations and warranties (and related indemnification) as to its ownership of its Company Interests as are given by the Selling Member with respect to such party's ownership of Company Interests; provided, that all such covenants, indemnities and agreements shall be made by the Tagging Members severally and not jointly and that the liabilities thereunder (other than with respect to the ownership of each Member's shares being transferred, which shall be several obligations) shall be borne on a pro rata basis based on the Company Interests Transferred by each of the Selling Member and the Tagging Members. Each Tagging Member will be responsible for its proportionate share of the reasonable out-of-pocket costs incurred by the Selling Member in connection with the proposed sale to the extent not paid or reimbursed by the Company or the Proposed Transferee.

(b) The Selling Member will give notice to each Tagging Member of each proposed sale at least 15 business days prior to the proposed consummation of such sale, setting forth the Company Interests proposed to be so Transferred, the name and address of the Proposed Transferee, the proposed amount and form of consideration and the calculation of the consideration and enterprise value which calculation is subject to the reasonable approval of the Tagging Member (and if such consideration consists in part or in whole of property other than cash, the transferring member will provide such information, to the extent reasonably available to it, relating to such consideration as the Tagging Member may reasonably request in order to evaluate such non-cash consideration) and other terms and conditions of payment offered by the Proposed Transferee. The tag-along rights provided by this Section 6.4(b) must be exercised by each Tagging Member within fifteen (15) business days following receipt of the notice required by the preceding sentence and the agreement on the calculation of the consideration, if applicable, by delivery of an irrevocable written notice to the transferring member indicating such Tagging Member's exercise of its, her or his rights and specifying the maximum Company Interests it, she or he desires to sell. The Tagging Member will be entitled under this Section 6.4(b) to Transfer to the Proposed Transferee the Company Interests determined in accordance with Section 6.4(a).

(c) If any Tagging Member exercises its, her or his rights under Section 6.4(b), the closing of the purchase of the Company Interests with respect to which such rights have been exercised is subject to, and will take place concurrently with, the closing of the sale of the Selling Member's Company Interests to the Proposed Transferee.

6.5 Drag Along Rights.

(a) Subject to the last sentence hereof, if a Member receives an offer from a Third Party that would constitute a Change of Control (whether via an equity purchase, merger or otherwise) and such offer is accepted (the Member in such capacity, the "Dragging Party"), then each of the other Members hereby agrees that, if requested by the Dragging Party, it will Transfer to such Third Party on the same terms and conditions (including, without limitation, time of payment and form of consideration) as to be paid and given to the Dragging Party, a number of Units determined by multiplying the percentage of the Dragging Members Units being sold to the Proposed Transferee by the number of Units owned by such Tagging Member. The sale of the other Members' Company Interests shall be upon the same terms and conditions (including, without limitation, time of payment and form of consideration) as govern the proposed Transfer by the Dragging Party, except that the purchase price of the Company Interest of each other Member to be sold under this Section 6.5(a) shall be the amount that would be received by such Member pursuant to Section 7.5 of this Agreement if (x) the Company sold all of its assets for a gross purchase price equal to the Enterprise Value of the Company, and (y) the proceeds from such hypothetical sale were applied to the payment of the Company's liabilities and distributions to the Members in accordance with Section 7.5.

(b) The Dragging Party that received the initial offer will give notice (the "Drag-Along Notice") to each of the other Members of any proposed Transfer giving rise to the rights of the Dragging Party set forth in Section 6.5(a) as soon as practicable following the acceptance of the offer referred to in Section 6.5(a). The Drag-Along Notice will set forth the Units proposed to be so Transferred, the name of the Proposed Transferee or acquiring Person, the proposed amount and form of consideration (and if such consideration consists in part or in whole of property other than cash, the Dragging Party providing the Drag-Along Notice will provide such information, to the extent reasonably available to the Dragging Party, relating to such consideration as the other Members may reasonably request in order to evaluate such non-cash consideration), the Company Interests (of each class) sought and the other terms and conditions of the offer. The Dragging Party providing the Drag-Along Notice will notify the other Members at least fifteen (15) business days in advance of the closing of the sale of Company Interests to the Third Party. In any such agreement, such other Members will be required (i) to make or agree to the same covenants, indemnities (with respect to all matters other than the Dragging Party's ownership of Company Interests and representations relating solely to the business of the Company and not the Company Interests being sold) and agreements as the Dragging Party so long as they are made severally and not jointly and the liabilities thereunder are borne on a pro rata basis based on the Company Interests Transferred by each Member, and (ii) to make representations and warranties (and provide related indemnification) as to their ownership of their Company Interests as are given by the Dragging Party with respect to such

party's ownership of Company Interests, provided, however, that (x) any such agreement shall expressly provide that in no event shall the liability of any Member pursuant to such agreement exceed the amount of the purchase price actually received by such Member pursuant to such agreement, and (y) no Member (other than a Member that is or was an employee of the Company or its subsidiaries) shall be required to enter into or agree to be bound by any restrictive covenant that would obligate such Member not to engage in any business activity that is competitive with that of the Transferee. The Company shall pay all costs incurred in connection with a sale under this Section 6.5. If the Transfer referred to in the Drag-Along Notice is not consummated within ninety (90) days from the date of the Drag-Along Notice, the Dragging Party must deliver another Drag-Along Notice in order to exercise its rights under this Section 6.5(b) with respect to such Transfer or any other Transfer.

(c) In order to secure the obligation of each of the Members to comply with this Section 6.5, and for other good and valuable consideration, each of the Members hereby appoints ISMMS (the "Proxy"), as its true and lawful proxy and attorney-in-fact, with full power of substitution, to take such actions as may be reasonably necessary hereunder to fulfill the obligations of such Member in accordance with the terms of this Section 6.5. The Proxy may exercise the irrevocable proxy granted to it hereunder at any time any Member fails to comply with the provisions of this Section 6.5 within five (5) business days after the date on which the Proxy gives notice to such Member demanding that such Member execute documentation that is in accordance with this Section 6.5, provided that, if within such five (5) business day period such Member gives notice to the Proxy that such documentation is not in accordance with this Section 6.5 specifying the respects in which such documentation is not in accordance with this Section 6.5, then the Proxy shall not have the authority to execute such documentation on behalf of such Member. The proxies and powers granted by each of the Members pursuant to this Section 6.5 are coupled with an interest and are given to secure the performance of its obligations to the Company under this Agreement. Such proxies and powers will be irrevocable for the term of this Agreement.

ARTICLE VII

ALLOCATIONS AND DISTRIBUTIONS

7.1 Distributions of Available Cash.

(a) The Board of Managers shall distribute Available Cash from Operations when the Board of Managers in its discretion determines that such Available Cash is available for distribution. Any Available Cash shall be distributed to the Members in accordance with their respective Percentage Interests as of the date of distribution.

(b) The Board shall approve a Distribution by April 5 of each year to each Member of an amount at least equal to the federal, state and local income taxes that would be payable by a corporation subject to tax in New York City with respect to the income of the Company allocated to such Member with respect to the preceding calendar year assuming each such Member is taxed at the highest federal, state and local effective marginal income tax rate applicable to any Member, provided, however, that (i) such amount shall be reduced by the amount of any prior distributions to such Member with respect to such calendar year and by any

losses of the Company previously allocated to such Member which have not been taken into account in determining the federal, state and local income taxes payable by such Member with respect to the income of the Company and (ii) such amount shall not exceed the amount of Available Cash from Operations as of the date of Distribution. Any distribution to any Member pursuant to this Section 7.1(b) shall be credited against the entitlement of such Member to distributions pursuant to Section 7.1(a).

7.2 Allocations of Net Income and Gain. Except as provided in Section 7.5:

(a) items of income and gain from other than from a Liquidating Event shall be allocated to the Members as follows:

(i) first, to the Members having deficits in their Capital Accounts in excess of their respective shares of Company Minimum Gain in the ratio of such excess deficits until such excess deficits are eliminated;

(ii) next, to the Members in the ratio of, and in an aggregate amount not to exceed, the amounts of Available Cash from Operations distributed to them in such fiscal year and in prior fiscal years to the extent not previously matched by an allocation of income pursuant to this Section 7.2(a)(ii); and

(iii) finally, to the extent of any remaining income or gain, to the Members in accordance with the manner in which Available Cash from Operations would be distributed to the Members if an amount of Available Cash from Operations equal to such remaining income were available for distribution.

(b) items of income and gain from a Liquidating Event shall be allocated, after giving effect to all other allocations and distributions for the fiscal year in which such Liquidating Event occurs, as follows:

(i) first, to the Members having deficits in their Capital Accounts in the ratio of such deficits until such deficits are eliminated;

(ii) next, to the Members as necessary to cause the balances in their Capital Accounts to be as nearly as possible in the same ratio as they would need to be to result in each Member receiving total distributions from the Company, on a cumulative basis as if all distributions, including liquidating distributions, were made in the manner provided for Available Cash under Section 7.1 hereof.

7.3 Allocation of Losses. Except as provided in Section 7.4, all items of loss for each fiscal year of the Company shall be allocated:

(i) first, to the Members in a manner so that the Capital Accounts of the Members have balances which are as close as possible to the total distributions each Member would receive in the manner provided in Section 7.1 above as if the Company were liquidated at the end of such fiscal year (assuming solely for the purpose of this allocation that there would be no additional gain or loss on liquidation of the Company); and

(ii) next, to the Members in the ratio of their Percentage Interests as of the last day of such fiscal year.

7.4 Minimum Gain and Qualified Income Offset.

(a) Definitions. The following terms shall have the meanings set forth below:

(i) "Company Minimum Gain" has the meaning set forth in Treasury Regulation Section 1.704-2(b)(2) for the phrase "partnership minimum gain".

(ii) "Nonrecourse Debt" has the meaning described in Treasury Regulation Section 1.704-2(b)(3) for the phrase "nonrecourse liability".

(iii) "Nonrecourse Deduction" has the meaning described in Treasury Regulation Section l.704-2(b)(1).

(iv) "Adjusted Capital Account Balance" means, as to any Member, the sum of such Member's Adjusted Capital Account Balance increased by such Member's share of Company Minimum Gain and such Member's minimum gain attributable to Member Nonrecourse Debt.

(v) "Member Nonrecourse Debt" shall have the meaning ascribed thereto in Treasury Regulations Section 1.704-2(b)(4) for the phrase "partner nonrecourse debt".

(b) Company Minimum Gain Chargeback. Notwithstanding anything contained in this Article VII to the contrary, if there is a net decrease in Company Minimum Gain during any taxable year of the Company, except as otherwise permitted by Treasury Regulation Section 1.704-2(f)(2), (3), (4) and (5), items of Company income and gain for such taxable year (and subsequent years, if necessary) in the order provided in Treasury Regulation Section 1.704-2(j)(2)(i) shall be allocated among all Members whose shares of Company Minimum Gain decreased during that year in proportion to and to the extent of such Member's share of the net decrease in Company Minimum Gain during such year. The allocation contained in this Section 7.4(b) is intended to be a minimum gain chargeback within the meaning of Section 1.704-2 of the Treasury Regulations, and shall be interpreted consistently therewith.

(c) Qualified Income Offset Provision. Notwithstanding anything else to the contrary contained in this Agreement, to the extent the allocation of any loss or deduction would cause any Member to have a deficit Adjusted Capital Account Balance, such Member will not be allocated a loss or deduction which will cause or increase such Member's deficit Adjusted Capital Account Balance in excess of any dollar amount of such deficit balance that the Member is obligated to restore upon liquidation, as of the end of the Company's taxable year to which such allocation relates. For purposes of this Section 7.4(c), the Capital Account of each Member shall be reduced (i) for any distributions that, as of the end of such year, reasonably are expected

to be made to such Member to the extent they exceed offsetting increases to such Member's Capital Account that reasonably are expected to occur during (or prior to) the Company taxable years in which such distributions reasonably are expected to be made, (ii) adjustments that as of the end of such year reasonably are expected to be made for depletion adjustments, and (iii) allocations that, as of the end of such year, reasonably are expected to be made pursuant to Code Section 704(e)(2) (dealing with purchases of interests by family members), Code Section 706(d) (dealing with changes in Members' interests) and Treasury Regulations Section 1.751-1 (dealing with unrealized receivables and inventory items), all as described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). A Member who unexpectedly receives an adjustment, allocation or distribution described immediately above which causes or increases such Member's deficit Adjusted Capital Account Balance (in excess of any dollar amount of such deficit balance that such Member is obligated to restore upon liquidation, as of the end of the Company's taxable year to which such allocation relates), will be allocated items of income and gain in an amount and manner sufficient to eliminate such deficit balance as quickly as possible.

To the extent this Section 7.4(c) prevents the allocation of a deduction or loss to a Member, such deduction or loss shall be allocated among the Members in accordance with their interests in the Company as determined under Treasury Regulations Section 1.704-1(b)(3).

This Section 7.4(c) is intended to constitute a "qualified income offset" within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be so interpreted and applied.

7.5 Distributions Upon Liquidation of Company.

(a) Upon liquidation (as defined in Section 7.5(c) hereof) of the Company, the assets of the Company shall be distributed no later than the later of 90 days after the date of such liquidation or the end of the Company's taxable year in which the liquidation occurs and shall be applied in the following order of priority:

(i) first, to the creditors of the Company (including Members or former Members who are creditors, to the extent permitted by law) in accordance with Section 18-804 of the Act;

(ii) next, subject to Treasury Regulations Section 1.704-1(b)(2)(ii)(b), to set up any reserves which the Board of Managers deems reasonably necessary for contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the business of the Company; and

(iii) thereafter, after all Capital Account adjustments for the Company's taxable year in which the liquidation occurs (including without limitation adjustments required under Treasury Regulations Section 1.704-1(b)(2)(iv)(e)), relating to distributions in kind), to the Members in accordance with Section 7.1(a).

(b) [Reserved]

(c) For purposes of this Section 7.5, a liquidation of the Company shall occur upon the earlier of:

(i) the date on which the Company is terminated under Section 708(b)(1) of the Code;

(ii) the date upon which the Company is terminated under Article X; and

(iii) the date upon which a Liquidating Event occurs (and all payments, including payments on any promissory notes, have been received).

7.6 Additional Tax Allocation Provisions.

(a) Notwithstanding anything to the contrary contained in this Agreement, and as stated in Treasury Regulations Section 1.704-1(b)(4)(i), when any property of the Company is reflected in the Capital Accounts of the Members and on the books of the Company at a book value that differs from the adjusted tax basis of such property, then certain book items with respect to such property will differ from certain tax items with respect to that property. Since the Capital Accounts of the Members are required to be adjusted solely for allocation of the book items, the Members' shares of the corresponding tax items are not independently reflected by adjustments to the Capital Accounts. Accordingly, items of income, gain, loss and deduction for tax purposes with respect to property, other than cash, contributed to the Company by a Member or with respect to an adjustment to the Members' Capital Accounts to reflect a revaluation of the property of the Company, shall be allocated among the Members so as to take into account the variation between the basis of the contributed property to the Company and its fair market value at the time of contribution or, in the case of a revaluation of the property of the Company, so as to take into account the adjustments to the Members' Capital Accounts as provided in Section 704(c) of the Code and Regulations thereunder and Treasury Regulations Sections 1.704-1(b)(2)(iv)(f) and 1.704-1(b)(2)(iv)(g).

(b) As between a Member who has Transferred all or part of his, her or its Company Interest and its transferee, all items of income, gain, deduction and loss, for any year shall be apportioned on the basis of the number of days in each such year that each was the holder of such Company Interest (making adjustments necessary to comply with the provisions of Section 706(d)(2) of the Code), without regard to the results of the Company's Operations during the period before and after the date of such transfer, provided that if both the transferor and transferee consent thereto a special closing of the books shall be had as of the effective date of such transfer and the apportionment of items of income and gain, and deduction and loss, shall be made on the basis of actual operating results, and provided further that in the case of a dilution of a Member's Percentage Interest pursuant to Section 3.5, a special closing of the books shall be had as of the effective date of the dilution, and the apportionment of items of income and gain and deduction and loss shall be made on the basis of actual operating results. Notwithstanding the above, gain or loss resulting from a Liquidating Event shall be allocated only to those persons who are Members as of the date on which such transaction is consummated.

(c) Depreciation recapture shall, to the extent possible, be allocated to those Members to whom the corresponding depreciation deductions were allocated.

7.7 Intention of Allocation Provisions. The purposes of the allocation provisions contained in Sections 7.2, 7.3, 7.4 and 7.6 are to properly reflect for book and tax purposes the rights of each of the Members to receive cumulative distributions throughout the life of the Company and in the liquidation of the Company in a manner consistent with the provisions of Section 7.1, and, accordingly, such allocation provisions shall be interpreted, subject to any applicable tax law, in a manner which results as closely as possible to such intended distribution scheme.

7.8 Restricted Payments. The Company and the Board of Managers on behalf of the Company shall not make a distribution to a Member on account of his, her or its interest in the Company if such distribution would violate Section 18-607 of the Act or other applicable law.

ARTICLE VIII

FISCAL MATTERS

8.1 Fiscal Year. The fiscal year of the Company shall be the calendar year or such year as may otherwise be required by Section 706 of the Code.

8.2 Books and Records. The books and records of the Company shall be maintained at the principal office of the Company and shall be available for examination there by any Member or his, her or its duly authorized representatives at any and all reasonable times for any purpose reasonably related to the Member's interest as a Member of the Company. The records shall include, without limitation, a current list of the full name and last known mailing address of each Member set forth in alphabetical order together with the Capital Contributions and share in profits and losses of each Member (or information from which such share can be readily derived); a copy of the Certificate and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any certificate or amendment has been executed; a copy of this Agreement, any amendments thereto and any amendment and restatement thereof; and a copy of the Company's federal, state and local income tax or information returns and reports, if any, for the three most recent fiscal years. Any Member, or its duly authorized representatives, upon paying the costs of duplication and mailing, shall be entitled, subject to such reasonable standards as may be established by the Board of Managers for any purpose reasonably related to the Member's interest as a Member of the Company, to inspect and copy the records referred to above in this Section 8.2, any financial statements maintained by the Company for the three most recent fiscal years and other information regarding the affairs of the Company as is just and reasonable.

8.3 Reports and Statements. The Company will distribute to each Member the following information:

(a) On or before the day on which the Company's federal information return is required to be filed (after giving effect, if so elected by the Board of Managers, to any as-of-right extensions to which the Company is entitled), the Schedule K-1 for such Member that is appended to the Company's federal information return for the preceding year shall be distributed to each Member.

(b) No later than one hundred twenty (120) days following the end of each fiscal year (or the first business day thereafter), an audited balance sheet of the Company and its subsidiaries dated as of the end of such prior fiscal year, an audited statement of income and expense and an audited statement of cash flow of the Company and its subsidiaries (consolidated, if appropriate), and an audited statement of changes in Members' capital for such prior Fiscal Year, and all of which shall be prepared in accordance with the tax basis method of accounting, consistently applied (as applicable).

(c) No later than fourteen (14) days after each quarter, a written report summarizing the Company's activities with respect to regulatory compliance matters, including any correspondences with regulatory agencies.

8.4 Bank Accounts. The Board of Managers, in the name of the Company, shall open and maintain a bank account or accounts in a bank or savings and loan association, the deposits of which are insured by an agency of the United States government, in which shall be deposited all funds of the Company. There shall be no commingling of the property and assets of the Company with the property and assets of any other party.

8.5 Tax Elections. The Board of Managers shall be entitled to determine all federal income tax elections available to the Company.

8.6 Withholding. If the Company has any taxable income that is effectively connected or treated as effectively connected with the conduct of a trade or business within the United States, as such terms are defined under Section 1446(c) of the Code, or if other withholding of tax is otherwise required, the Company shall deduct and withhold a tax at the applicable rate provided in the Code with respect to each Member who has not executed and delivered to the Company a Certification of Non-Foreign Status prior to the realization of such income. The Members shall timely supplement or re-execute the certifications as required by the Board of Managers or the Internal Revenue Service. Each Member agrees to notify the Board of Managers of any change in its status within 60 days of such change. Such tax shall be withheld from distributions which otherwise would be made to such Member at the time of such withholding; provided, however, that if no such distributions are to be made, or any such distributions are insufficient in amounts to satisfy such withholding obligation, such Member shall contribute to the Company an amount sufficient to satisfy such obligation.

ARTICLE IX

TRANSFERS

9.1 Restriction on Transfers and Withdrawals. Except as otherwise provided in Sections 9.2, 9.3, 9.4, and 9.5 of this Agreement, no Member may Transfer a Company Interest, in whole or in part, without the written consent of the Board of Managers. No transferee of a Company Interest shall be admitted as a substitute Member of the Company except as provided by Section 9.6 (and any transferee not so admitted shall succeed only to the economic rights of his, her or its transferor). No Member may withdraw from the Company. This provision shall not apply to a withdrawal by ISMMS in connection with a Jeopardy Event.

9.2 Transfers Requiring Consent. The following dispositions of a Company Interest shall require the consent or compliance with the conditions stated below:

(a) No Transfer of any Company Interest in whole or in part will be permitted if it would cause the Company to be taxed other than as a partnership. Counsel for the Company may give its opinion to the Board of Managers as to whether or not such Transfer would cause such a tax effect for federal income tax purposes and the opinion shall be conclusive and binding upon all Members.

(b) No transfer of the Class A Profits Interest Units issued to Renalytix shall be made without the consent of the Board of Managers except that without the consent of the Board of Managers Renalytix shall have the right to transfer all or a portion of the Class A Profits Interest Units to (i) the 100% parent company of Renalytix or (ii) a 100%-owned subsidiary of Renalytix, provided that in either case no such transfer will relieve Renalytix of its obligations under this Agreement with respect to the transferred Units.

(c) ISMMS shall have the right to transfer all or a portion of the Class A Profits Interest Units to an Affiliate of ISMMS without the consent of Renalytix, provided that no such transfer will relieve ISMMS of its obligations under this Agreement with respect to the transferred Units.

(d) ISMMS shall not transfer Class A Profits Interests such that a Change of Control would take place unless ISMMS complies with the requirements of Section 6.4, Section 6.5 and Section 9.2. Subject to compliance with the requirements of Section 6.4, Section 6.5 and Section 9.2, ISMMS shall have the right to transfer its Class A Profits Interest Units without the consent of Renalytix.

(e) Unless waived in whole or in part by the Board of Managers in its absolute discretion, no sale or exchange of a Company Interest may be made unless the transferee of such Company Interest provides the Company the following:

(i) an opinion of counsel, in form and substance satisfactory to counsel for the Company, which may reasonably rely on representations and information supplied by the Board of Managers or the Company, that neither the offering nor the assignment of the Company Interest, or part thereof, to such transferee is required to be registered or qualified pursuant to the provisions of federal or state securities laws, nor causes the loss of any exemption from federal or state securities laws which may be available to the Company Interests, nor violates the laws of any state whose laws apply to such transfer, nor causes the Company to be taxed as a corporation rather than a partnership under the Code, nor causes the Company to be deemed an Investment Company or an affiliated or controlling person thereof under the Investment Company Act of 1940, nor causes the Company to be an Affiliate of, or causes the Manager, its employees or Affiliates to become fiduciaries of, an employee benefit plan subject to ERISA or the rules and regulations of the U.S. Department of Labor;

(ii) a written representation of such transferee that he, she or it is acquiring the Company Interest for his, her or its own account for investment and not with a view to distribution and such other representations and warranties as the Board of Managers may require in their absolute discretion to ensure compliance with applicable federal and state securities laws; and

(iii) payment of such reasonable expenses as may be incurred by the Company in connection with such transferee's admission as a Member.

9.3 Permitted Sales after Right of First Refusal is Given.

(a) To the extent that such Transfer is permitted by Section 9.2 above, if a Member receives from a Third Party (the "Offeror") a bona fide offer (the "Offer") in writing signed by the Offeror for the purchase of all or a part of such Member's Company Interest or involving a transfer that would result in a Change of Control of such Member (the "Offered Interest"), then the Selling Member, or the Controlling person or persons of such Member, who received such Offer shall, if it wishes to accept the Offer and prior to accepting such Offer or entering into a contract with respect to such Offer, promptly forward a true and correct copy thereof to the Company within ten (10) days of the date of the Offer. The Company shall have the exclusive right and option for twenty (20) days following the receipt of said Offer from the Selling Member (the "Company ROFR Notice Period") to elect to purchase some or all of the Offered Interest on the terms and conditions set forth in the Offer. The Company shall exercise its option to purchase all, but not less than all, of the Offered Interest and thereby accept the Offer of the Selling Member within the Company ROFR Notice Period by written notice of such election to the Selling Member. The Company shall be deemed to have elected not to purchase the Offered Interest if it fails to timely provide written acceptance. If the Company elects to purchase the Offered Interest, then the closing of said purchase shall take place at the office of the Company. Any election to purchase shall be made only upon the approval of the majority of the Board of Managers excluding the Board Member(s) affiliated with the Selling Member or the Offeror.

(b) If the Company does not elect to purchase all of the Offered Interest pursuant to Section 9.3(a), then Selling Member shall promptly forward a true and correct copy of the Offer to the Class A Unit Holder if it is not the offeror (the "Non-Selling Member(s)") within five (5) days of the end of the Company ROFR Notice Period. The Offer shall be sent by certified or registered mail, return receipt requested. Each Non-Selling Member shall have the exclusive right and option for twenty (20) days following the receipt of said Offer from the Selling Member (the "Non-Selling Member ROFR Notice Period") to elect to purchase all, but not less than all, of the Offered Interest on the terms and conditions set forth in the Offer. Each Non-Selling Member shall exercise its option to purchase the Offered Interest and thereby accept the Offer of the Selling Member by actual delivery to the Selling Member, within the Non-Selling Member ROFR Notice Period, written notice of such election or by sending such written notice of election by certified or registered mail, return receipt requested, properly stamped and addressed to the address of the Selling Member. Each Non-Selling Member shall be deemed to

have elected not to purchase the Offered Interest if it fails to timely provide written acceptance. Each Non-Selling Member who elects to so purchase the Offered Interest pursuant to the Offer (the "Electing Member") shall have the right to purchase that proportion of the Offered Interest which the Percentage Interest of such Electing Member bears to the total Percentage Interests of all Electing Members. The Electing Member shall be obligated to close no later than ninety (90) days after the date of the Offer. If the Non-Selling Members elect to purchase the Offered Interest, then the closing of said purchase shall take place at the office of the Company.

(c) If the Non-Selling Members do not elect to purchase all of the Offered Interest, the Selling Member may sell the Offered Interest to a Third Party; provided, however, that the sale (i) shall not be made at a price lower than the price offered to the Company and Non-Selling Members, (ii) is not made to any person other than the original Offeror, (iii) is on the same terms and conditions as those specified in the Offer, and (iv) is consummated within ninety (90) days after the lapse of all options arising in connection with the Offer.

(d) If the Offeror or the terms or conditions of the proposed sale are changed or the Offered Interest has not been sold prior to the lapse of the aforesaid period, the Selling Member must make a new Offer, pursuant to the procedures in this Section 9.3, to first the Company and then the Non-Selling Members prior to selling the Offered Interest.

9.4 Assumption by Transferee. Any transferee to whom all or any part of a Company Interest may be transferred pursuant to this Agreement shall take such Company Interest subject to and be liable for all of the terms and conditions of this Agreement and any unperformed obligations of the transferring Member under the terms of this Agreement (including, but not limited to, any obligation to make Capital Contributions) and shall not be considered to have title thereto until said transferee shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to the other Members, at which time such transferee shall, subject to the provisions of Section 9.6 of this Agreement, be admitted as a substitute Member and shall succeed to all rights of its transferor except as such rights may be otherwise limited by other provisions of this Agreement. Anything contained in this Section 9.4 to the contrary notwithstanding, the assumption by the transferee of the Company Interest being transferred shall not relieve the transferor of such Company Interest of its obligations hereunder unless such transferor is released by written consent of the Board of Managers .

9.5 Effect of Attempted Disposition in Violation of this Agreement. Any attempted Transfer of any Company Interest in breach of this Agreement shall be null and void and of no effect whatsoever.

9.6 Substitute Member. Notwithstanding the terms of this Article IX, no transferee of any Company Interest of a Member shall be admitted as a substitute Member without the prior written consent of the Board of Managers which consent may be granted or withheld in the Board of Managers' absolute discretion.

ARTICLE X

DISSOLUTION

10.1 Dissolution.

(a) It is the intention of the Members that the business of the Company be conducted pursuant to the provisions of this Agreement, notwithstanding the occurrence of any event that would result in a statutory dissolution of the Company pursuant to the laws of the State of Delaware, and no Member shall be released or relieved of any duty or obligation hereunder by reason thereof; provided, however, that the Company shall be dissolved, the business of the Company shall be terminated, its affairs wound-up and its property and assets distributed in liquidation on the earlier to occur of:

(i) the occurrence of a Liquidating Event;

(ii) a determination by the Board of Managers that the business of the Company should be terminated; or

(iii) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

10.2 Wind-Up of Affairs. As expeditiously as possible following the occurrence of an event giving rise to a liquidation or winding up of the Company, the Board of Managers (or a special liquidator who may be appointed by the Board if the termination or winding up results from the circumstance described in Section 10.1(a)(iii) above) shall wind-up the affairs of the Company, sell its property and assets for cash at the highest price reasonably obtainable and distribute the proceeds, or distribute the assets of the Company in kind, in accordance with Section 7.5 of this Agreement in liquidation of the Company.

ARTICLE XI

INDEMNIFICATION

11.1 Rights to Indemnification of Members and Representatives.

(a) The Company shall, to the fullest extent authorized or permitted by the Act as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent such amendment permits the Company to provide broader indemnification rights than permitted prior thereto), indemnify and hold harmless each member of the Board of Managers, each Member and any Representative of a Member (whether such Member or Representative is acting on behalf of the Company or serving at the request of the Company as the Representative of another enterprise) (any such Member, or Representative or Member being referred to herein as “Indemnitee”), against any and all expenses, liability and loss (including attorneys’ fees, judgments, fines, excise or other taxes or penalties) in connection with (including where such person is, was, or is threatened to be made a defendant or respondent in) a threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such action, suit or proceeding and any

inquiry or investigation that could lead to such an action, suit or proceeding (hereinafter a "Proceeding"), by reason of the fact that such person was or is a Member or Representative thereof. The rights created by this Article XI shall continue as to an Indemnitee who has ceased to be a Member or Representative thereof and shall inure to the benefit of an Indemnitee's heirs, executors and administrators.

(b) Without limiting any other provisions of this Article XI, the Company shall pay or reimburse, and indemnify and hold harmless any Member and its Representatives against, expenses incurred by such person in connection with his appearances as a witness or other participation in a Proceeding involving or affecting the Company at a time when such Member or its Representative is not a named defendant or respondent in the Proceeding.

(c) Without limiting any other provisions of this Article XI the provisions hereof shall for all applicable purposes of the Act make mandatory any indemnification now or hereafter permitted or deemed permitted by the Act and shall constitute authorization of such indemnification to the fullest extent that authorization may be required for such indemnification permitted thereby. Notwithstanding any other provision of this Article XI, any indemnification hereunder shall be provided out of and to the extent of Company assets only, and no Member (or Representative thereof) shall have personal liability on account thereof.

(d) Nothing in this Article XI shall apply to provide any right of indemnification (i) to Renalytix in respect of any liability or obligation of Renalytix under or pursuant to the ASA, or (ii) to ISMMS in respect of any liability or obligation of ISMMS under or pursuant to the ISMMS IP License Agreement and/or the ISMMS TM License Agreement.

11.2 Indemnification Procedures.

(a) Any person seeking indemnification pursuant to Section 11.1 (including any Advancement of Expenses as provided in Section 11.3) shall be entitled to the procedures of this Section 11.2 for indemnification.

(b) To claim indemnification under this Article XI, an Indemnitee shall submit to the Company a written request for indemnification, including therein or therewith (or affirming that there will be made available to the Company) such documentation and information as is reasonably available to the Indemnitee and as the Company may reasonably request to enable it make the determinations hereinafter provided for. If at the time of receipt of such request, the Company has in effect or is entitled to claim reimbursement for such request under any policy of insurance covering such claim, the Company shall thereafter take proper action to cause such insurers to accept coverage and thereafter shall take all necessary action to cause such insurers to pay such claim to or on behalf of the Indemnitee.

(c) Upon any written request under subsection (a) above by an Indemnitee for indemnification, if a determination is required by the Act (either (i) with respect to whether indemnification is permissible under the Act or (ii) as to the reasonableness of expenses for which indemnification is requested), then in such event the Company shall proceed further (A) to notify the Indemnitee of such requirement (unless Indemnitee's request shall confirm such fact), and (B) to make or cause to be made the determinations required by the Act. The Indemnitee

and the Company shall cooperate with each other and the person or entity making such determination, including providing upon reasonable advance request such information which is not privileged or otherwise protected from disclosure and which is reasonably necessary to such determination.

(d) Any "special legal counsel" selected to make any determination required under the Act shall be a law firm, or member of a law firm, experienced in matters of corporation and limited liability company law and which neither presently is, nor in the past five (5) years has been, retained to represent the Company, the Indemnitee or any other party to the Proceeding giving rise to the claim for indemnification, and shall not include any person who, under prevailing applicable standards of professional conduct, would have a conflict of interest with the Indemnitee or the Company or any other party to the Proceeding. Any determination required by the Act, if the Indemnitee has so requested, (i) shall be made by special legal counsel reasonably satisfactory to the Indemnitee, and (ii) in the case of determination of reasonableness of expenses, to the extent permitted by the Act, shall be determined by an independent, major national or international accounting firm which otherwise satisfies the requirements of this subsection (d).

(e) Notwithstanding the foregoing, no Indemnitee shall be indemnified and held harmless unless (i) it is determined in accordance with the Act that the Indemnitee (A) acted in good faith, (B) reasonably believed that its conduct was in the best interests of the Company or at least not opposed to the best interests of the Company and (C) in the case of a criminal proceeding, had no cause to believe that its conduct was unlawful, and (ii) the Indemnitee's conduct did not constitute fraud, gross negligence, willful misconduct or breach of a contractual obligation or duty on the part of the Indemnitee. The termination of any proceeding by judgment, order, settlement, conviction or on a plea of nolo contendere or its equivalent shall not alone determine that an Indemnitee did not meet the requirements set forth in the preceding sentence.

(f) An Indemnitee shall not be denied indemnification in whole or in part under this Section 11.2 solely on the grounds that he, she or it had an interest in the transaction with respect to which the indemnification applies, if the transaction is one otherwise permitted to be carried out by the terms of this Agreement.

(g) Except as provided in Section 11.5 of this Agreement, the indemnification provided in this Article XI is solely for the benefit of Indemnitees and shall not give rise to any right to indemnification in favor of any other persons.

11.3 Advance Payment of Expenses. To the extent and under conditions approved by the Board of Managers, the rights to indemnification conferred in this Article XI shall include the right to be paid by the Company the expenses incurred in defending any Proceeding in advance of its final disposition (an "Advancement of Expenses").

11.4 Right of the Indemnitee to Bring Suit.

(a) If a claim under Section 11.1 of this Agreement is not paid in full by the Company within sixty (60) days after a written claim has been received by the Company, except

in the case of a claim for an Advancement of Expenses, in which case the applicable period shall be twenty (20) days, an Indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Company to recover an Advancement of Expenses, the Indemnitee (or his, her or its Representative) shall also be entitled to be paid the expense of prosecuting or defending such suit.

(b) In any suit brought by an Indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the Indemnitee to enforce a right to an Advancement of Expenses) it shall be a defense that (and in any suit by the Company to recover an Advancement of Expenses, the Company shall be entitled to recover such expenses upon a final adjudication that) the Indemnitee has not met the requirements of the Act for indemnification; provided, however, that in any such suit, none of (i) the failure of the Company, its agents or legal representatives to have made a determination prior to the commencement of such suit that indemnification of the Indemnitee is proper in the circumstances, because the Indemnitee has met the applicable requirements for indemnification, (ii) an actual determination by the Company, its agents or legal representatives, that the Indemnitee has not met such applicable requirements, nor (iii) termination of any Proceeding by any judgment, order, settlement, or plea therein shall, of itself, create a presumption that the Indemnitee has not met such liable legal requirements or, in the case of such a suit brought by the Indemnitee, be a defense to such suit.

(c) In any suit brought by the Indemnitee to enforce a right to indemnification or to an Advancement of Expenses hereunder, or by the Company to recover an Advancement of Expenses, the burden of proving that the Indemnitee is not entitled to be indemnified, or to such Advancement of Expenses, under this Article XI or otherwise shall be on the Company.

(d) Without limiting the foregoing, any action commenced pursuant to this Section 11.4 shall be conducted in all respects as a de novo adjudication on the merits. If a determination shall have been made, or deemed to have been made pursuant to Section 11.2 of this Agreement, that a person is entitled to indemnification, the Company shall be bound thereby. The Company (or any Member on its behalf) shall be precluded from asserting in any action pursuant to this Section 11.4 that the procedures and presumptions of this Article XI are not valid, binding and enforceable.

11.5 Non-Exclusivity of Rights. The rights to indemnification and to the Advancement of Expenses conferred in this Article XI shall not be exclusive of any other right which any person may have or hereafter acquire under applicable law, under any other agreement, pursuant to any vote of Members or otherwise.

11.6 Insurance. The Board of Managers shall be authorized to cause the Company to maintain insurance, in reasonable amounts and with responsible carriers, at the Company's expense, to insure any amounts indemnifiable hereunder as well as to protect itself and any Member or Representative thereof or any employee or agent of the Company or another enterprise against any expense, liability or loss of the kind referred to in Section 11.1 of this Agreement, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Act.

11.7 Contribution by Company. The Company hereby agrees that, in the event that the indemnification provided for in this Article XI hereof is for any reason finally judicially determined to be unavailable, the Company shall contribute to the payment of any and all expenses, liability and loss (including attorneys' fees, judgments, fines, ERISA or other excise taxes or penalties, and amounts paid in settlement) in such proportion as is appropriate to reflect the relative fault of the Company and the Indemnitee with respect to such expenses, liability and loss.

11.8 Limitation of Indemnity. Anything in this Article XI to the contrary notwithstanding, the Members and or Board Members shall not be entitled to receive or be paid any amount pursuant to this Article XI that would be prohibited by Section 18-108 of the Act.

ARTICLE XII

MISCELLANEOUS

12.1 Loans to the Company. Any Member (the "Lending Member") may lend funds to the Company on such terms as may be deemed reasonable by the Board of Managers; provided, however, that the Board of Managers shall offer each other Member the right to participate in any such loan of funds to the Company upon the same terms as agreed upon with the Lending Member.

12.2 Amendments. The affirmative vote of the holders of eighty percent (80%) or more of the Class A Units shall be required to amend this Agreement.

12.3 Benefits of Agreement. Nothing in this Agreement, expressed or implied, is intended or shall be construed to give to any creditor of the Company, to any creditor of any Member or any person Controlling any Member or to any other person or entity whatsoever, any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenant, Condition or provisions herein contained, and such provisions are and shall be held to be for the sole and exclusive benefit of the Members, the persons Controlling the Members (other than creditors of such persons) and the Company, subject to the provisions of Article XI of this Agreement.

12.4 Consents. No action requiring the consent or approval of any Members under the provisions of this Agreement may be taken unless the written consent or approval of the requisite number of Members is obtained.

12.5 Notices. Unless otherwise specified in this Agreement, all notices, notifications or other communications required or permitted hereunder shall be in writing, and shall be delivered or sent, as the case may be, by any of the following methods: (a) personal delivery; (b) email; (c) registered or certified mail, postage prepaid, return receipt requested or (d) nationally recognized courier service. Any notice required or permitted to be delivered to any Member under the provisions of this Agreement shall be deemed delivered upon the actual receipt of written notice by the Member to be provided with notice at the address specified below the signature block of such Member on the signature page hereof or at such other address as shall be specified by written notice delivered to the Board of Managers.

12.6 Provisions Severable. Every provision of this agreement is intended to be severable and, if any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

12.7 Counterparts. This Agreement, any amendments hereto, may be executed in counterparts, each of which shall be deemed an original, and such counterparts shall constitute but one and the same instrument. A signature page hereof that are transmitted by facsimile or portable document (.pdf) format shall have the same effect as delivery of a manually signed counterpart hereof. An electronic or mechanical signature of this Agreement shall have the same effect as a manual signature.

12.8 Headings. The headings of the various sections of this Agreement are intended solely for convenience of reference, and shall not be deemed or construed to explain, modify or place any construction upon the provisions hereof.

12.9 Amendment of Certificate. If this Agreement is amended or there is a change in circumstances that must be reflected in an amendment to the Certificate pursuant to the terms of the Act, then the Board of Managers shall promptly thereafter cause to be filed with the proper authority an amendment to the Certificate and such other certificates of fictitious or assumed names of the Company as may be deemed necessary or desirable by the Board of Managers.

12.10 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware and enforced in accordance with, and governed by, the laws of the State of Delaware applicable to contracts to be performed entirely within that State, without giving effect to the principles of conflicts of law. The parties hereto irrevocably consent to the exclusive jurisdiction and venue of the federal and state courts located in the State of New York, County of New York, with respect to any suit or proceeding arising out of this Agreement or the consummation of the transactions contemplated hereby; provided, however, that no party hereto waives its right to request the removal of such action or proceeding from the state court to a federal court in such jurisdiction. The parties hereto each waive any claim that such jurisdiction is not a convenient forum for any such suit or proceeding and the defense of lack of personal jurisdiction.

12.11 WAIVER OF TRIAL BY JURY. EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, OR THE SUBJECT MATTER HEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

12.12 Entire Agreement. This Agreement, together with all schedules and exhibits hereto, constitutes the entire agreement of the Members relating to the Company with respect to the subject matter hereof and supersedes any and all prior contracts or agreements with respect to the subject matter hereof, whether oral or written, except for any side letter agreements between the Company and or the Members.

[*Signature pages follow*]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the fourth day of May, 2020.

ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI

By: */s/ Erik Lium*
Name: Erik Lium, Ph.D.
Title: Executive Vice President

Address for Notices:

Icahn School of Medicine at Mount Sinai
Mount Sinai Innovation Partners
One Gustave L. Levy Place, Box 1675
New York, NY 10029
Attn: President

Copy of Notices to:

Icahn School of Medicine at Mount Sinai
One Gustave L. Levy Place, Box 1099
New York, NY 10029
Attention: Office of General Counsel.

RENALYTIX AI, INC.

By: */s/ James McCullough*
Name: James McCullough
Title: Chief Executive Officer

Address for Notices:

c/o Renalytix AI, Inc.
1460 Broadway
New York, NY 10036

Exhibit 10.5

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted because Renalytix AI plc has determined it is not material and would be competitively harmful if publicly disclosed.

Execution Version

ADVISORY SERVICES AGREEMENT

This Advisory Services Agreement (this "**Agreement**"), effective as of May 4, 2020 (the "**Effective Date**"), is by and between Kantaro Biosciences LLC, a Delaware limited liability company with a principal business address of 1460 Broadway, New York, New York 10036 ("**Company**") and Renalytix AI, Inc., a Delaware corporation having a principal business address at 1460 Broadway, New York, New York 10036 ("**Service Provider**"). Capitalized terms used and not defined elsewhere in this Agreement have the meanings set forth in Section 1 of this Agreement.

WHEREAS, on February 4, 2020, pursuant to Section 564(b)(1)(C) of the FDC Act, the Secretary of the Department of Health and Human Services ("**HHS**") determined that there is a public health emergency (the "**Public Health Emergency**") that has a significant potential to affect national security or the health and security of United States citizens living abroad, and that involves the virus that causes Severe Acute Respiratory Syndrome Coronavirus 2 ("**SARS-CoV-2**");

WHEREAS, pursuant to Section 564 of the FDC Act, and on the basis of the determination by the Secretary of the HHS, the Secretary of HHS declared that circumstances exist justifying the authorization of emergency use of *in vitro* diagnostics for detection and/or diagnosis of the virus that causes COVID-19 subject to the terms of an EUA;

WHEREAS, ISMMS developed the MS Lab Test in response to the Public Health Emergency, and on April 15, 2020, the FDA issued the MS Lab Test EUA;

WHEREAS, ISMMS and Service Provider have undertaken discussions with Bio-Techne contemplating the formation of the Company and the vesting in the Company of the rights necessary for the Company to enter into the DSCA with Bio-Techne to enable the Company to (i) collaborate with Bio-Techne to co-develop the Co-Developed Test that is based on the MS Lab Test, (ii) obtain the necessary authorizations to commercialize the Co-Developed Test as described in the DSCA, (iii) engage Bio-Techne to provide services in collaboration with Company to manufacture and commercialize Co-Developed Test Kits containing the necessary components, labeling and instructions and meeting the other requirements of the DSCA so as to enable providers and reference laboratories to conduct testing that will rapidly and effectively support societal efforts to respond to the Public Health Emergency and advance public health, and (iv) enable Company to operate as the manufacturer of record of the Commercialized Tests before the FDA;

WHEREAS, ISMMS and Service Provider have also discussed that the Company may enter into Approved Other Manufacturer Agreements having similar objectives to those of the DSCA;

WHEREAS, ISMMS has formed the Company by the filing of the Certificate of Formation in the State of Delaware under the Act as of the date hereof and, pursuant to the LLC Agreement, ISMMS and Service Provider have been admitted as members of the Company effective as of the date hereof;

WHEREAS, the Company is entering into this Agreement, and simultaneously herewith the Company is entering into the LLC Agreement, the ISMMS IP License Agreement and the ISMMS TM License Agreement, in order to enable the Company to enter into the DSCA (and potentially Approved Other Manufacturer Agreements) and fulfill its obligation under the DSCA;

WHEREAS, the LLC Agreement contemplates that the Company will have internal support staff and that over time certain functions that may initially be provided by Service Provider as part of the Services will be internalized as staff functions of the Company; and

WHEREAS, the Parties desire to enter into this Agreement to set forth the rights and obligations with respect to the Service Provider's provision of Services to and on behalf of the Company.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and wishing to be legally bound hereby, the Company and Service Provider hereby agree as follows:

1. **Definitions**.

The following terms have the meanings specified or referred to in this Section 1:

"**Act**" means the Delaware Limited Liability Company Act as in effect in the State of Delaware and as amended from time to time and any successor to such statute.

"**Action**" means any claim, action, suit, corrective action plan, cause of action, lawsuit, arbitration, audit, survey, investigation, intermediate or other sanction, fine or penalty, written notice of violation or noncompliance, administrative proceeding, litigation, citation, summons, subpoena, inquiry, or investigation of any nature, civil, criminal, administrative, regulatory, or otherwise, whether at law or in equity, before or by any Governmental Authority.

"**Affiliate**" means any Person that controls, is controlled by, or is under common control with, a Party, directly or indirectly. For purposes of this definition, "control" and its various forms means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise. Without limiting the generality of the foregoing, a Party will be deemed to control another Person if such Party owns or directly or indirectly controls more than fifty percent (50%) of the voting stock or other securities of the Person. Notwithstanding the foregoing to the contrary, none of ISMMS or any Mount Sinai Entity shall be deemed to be an Affiliate of the Company for the purposes of this Agreement.

"**Agreement**" has the meaning set forth in the preamble.

"**Approved Manufacturer Agreements**" means the DSCA, any Approved Other Manufacturer Agreements, and the RUO Addendum, to the extent one has been entered into.

"**Approved Manufacturers**" means Bio-Techne and such other manufacturers as are parties to the any Approved Other Manufacturer Agreements.

"**Approved Other Manufacturer Agreements**" means agreements between the Company and a manufacturer other than Bio-Techne for the exploitation of the MS Background IP that have been approved by the Board of Managers.

"**Approved Product Specifications**" means, with respect to any Commercialized Test, the product specifications contained in FDA's EUA, 510(k) clearance, *de novo* classification, or other appropriate regulatory authorization for such Commercialized Test (and/or if applicable the product specifications contained in the application therefor).

"**Bio-Techne**" means Bio-Techne Corporation, a Minnesota corporation.

"**Board of Managers**" means the Board of Managers of the Company.

"**Class B Profits Interests Units**" has the meaning set forth in the LLC Agreement.

"**Co-Developed Test**" means a serologic test or tests to detect and/or measure the presence of antibodies to the COVID-19 virus each of which is based on the MS Lab Test, and which in the case of any particular test has the applicable specifications and performance characteristics set forth in the DSCA and required by any applicable End User-Specific Requirements and that has been accepted by Company pursuant to the DSCA.

"**Co-Developed Test Kits**" means one or more assemblies of the components and material that an End User needs to administer the Co-Developed Test, as developed pursuant to the DSCA and any applicable End User-Specific Requirements.

"**Code**" means the Internal Revenue Code of 1986, as amended

"**Commercialized Tests**" means versions of the MS Lab Test that are authorized by ISMMS to be commercialized pursuant to an Approved Manufacturer Agreement, including the Co-Developed Test.

"**Commercialized Test Kits**" means one or more assemblies of the components and material that an End User needs to administer the Commercialized Tests, authorized by ISMMS to be commercialized in accordance with the Approved Manufacturer Agreements and any applicable End User-Specific Requirements, including the Co-Developed Test Kits.

"**Company**" has the meaning set forth in the preamble.

"**Company Indemnitees**" has the meaning set forth in Section 10.1(a).

"**Confidential Information**" means information that Service Provider, the Company or any of the Mount Sinai Entities owns or controls and maintains as confidential, including without limitation, any such information regarding Intellectual Property, scientific discoveries, products or services, research, prototypes, samples, software, inventions, processes, formulas, technology, designs, drawings, hardware configurations, business and marketing information. "Confidential Information" also includes this Agreement (which shall be considered the Confidential Information of both Parties), the Approved Manufacturer Agreements, and any information disclosed to either Party pursuant to the Amended and Restated Mutual Non-Disclosure Agreement by and between ISMMS and Bio-Techne, effective as of April 6, 2020, and that is disclosed to either Party in order for Service Provider to perform the Services.

"**COVID-19**" means Coronavirus Disease 2019.

"**Direct MSHS Competitor**" means a hospital or health system that, as of the time of any reference thereto, serves all or any portion of the service areas then served by any of the Mount Sinai Entities.

"**DSCA**" means the development, supply, and commercialization agreement that the Company enters into with Bio-Techne, a draft of which has been reviewed by ISMMS and Service Provider, and the final version of which is approved by the Board of Managers.

"**Effective Date**" has the meaning set forth in the preamble.

"**ELISA**" means serological enzyme-linked immunosorbent assays.

"**End User**" means with respect to the Commercialized Test Kits, a healthcare provider or clinical laboratory that orders a Commercialized Test Kit to detect if there has been an immune response to COVID-19 in the diagnosis of individuals suspected of prior SARS-CoV-2 infection; provided that the applicable healthcare provider, clinical laboratory or other authorized Person has satisfied any qualification requirements established by the FDA or other applicable Governmental Authority to purchase and utilize the applicable Commercialized Test Kit.

"**End User-Specific Requirements**" means any requirements established pursuant to the terms of an agreement between Company and any Governmental Authority or other End-User relating to the specifications, characteristics, manufacturing methodologies or other aspects of the development, manufacturing or commercialization of any Commercialized Test Kits and of which Company has given notice to the Approved Manufacturer.

"**EUA**" means an Emergency Use Authorization for emergency use of a product pursuant to Section 564 of the FDC Act and/or any equivalent authorization promulgated that pertains to a serological antibody test, in each case as the same may have been amended or supplemented as of the time of any reference thereto.

"**FDA**" means the United States Food and Drug Administration or any successor Entities thereto.

"**FDC Act**" means the Federal Food, Drug and Cosmetic Act (21 U.S.C. § 301 *et seq.*), as amended as of the time of any reference thereto.

"**Governmental Authority**" means any supranational, national, federal, state, provincial, local or foreign Person of any nature exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any governmental authority, agency, department, board, commission, court, tribunal, judicial body or instrumentality of any union of nations, federation, nation, state, municipality, county, locality or other political subdivision thereof, whether of the United States or any other country.

"**Health Care Law**" means all applicable Laws relating in any way to patient care and human health and safety, including such Laws pertaining to: (a) the development, manufacture and commercialization of drugs, serologic tests and medical devices, including, without limitation, the FDC Act, the Public Health Service Act, 42 U.S.C. § 201 *et seq.*, the regulations, rules, policies, orders, and guidance of the FDA administered, issued, or promulgated thereunder, and equivalent applicable Laws of other Governmental Authorities; (b) the reimbursement and payment for health care products and services, including any United States federal health care program (as such term is defined in 42 U.S.C. § 1320a-7b(f)), and programs and arrangements pertaining to providers of health care products or services that are paid for by any Governmental Authority or other Person, including the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)), the civil False Claims Act (31 U.S.C. § 3729 *et seq.*), the administrative False Claims Law (42 U.S.C. § 1320a-7b(a)), 42 U.S.C. § 1320a-7 and 42 U.S.C. § 1320a-7a, and the regulations promulgated pursuant to such statutes, Medicare (Title XVIII of the Social Security Act) and the regulations promulgated thereunder, Medicaid (Title XIX of the Social Security Act) and the regulations promulgated thereunder, and equivalent applicable Laws of other Governmental Authorities; (c) the privacy and security of patient-identifying information, including, without limitation, the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d *et seq.*) and the regulations promulgated thereunder and equivalent applicable Laws of other Governmental Authorities; (d) to the extent required, registration and reporting of clinical trials in accordance with 42 U.S.C. § 282(j) in each of the foregoing (a) through (d), as may be amended from time to time and (e) state health care laws including those corresponding to the federal laws described in (a) through (d).

"**HHS**" has the meaning set forth in the recitals.

"**Insurance Policies**" has the meaning set forth in Section 7.6.

"**Intellectual Property**" means all intellectual property, intangible property and proprietary rights, title, interests and protections, however arising, pursuant to the Laws of any jurisdiction throughout the world, including all United States, foreign and international: (a) inventions (whether or not patentable), patents, patent applications and statutory invention registrations, utility models, reissues, divisionals, continuations, continuations-in-part, extensions and reexaminations thereof; (b) trademarks, service marks, trade dress, logos, trade names and corporate names, uniform resource locator addresses, symbols, slogans, and other indicia of source or origin, including the goodwill of the business symbolized thereby or associated therewith, common law rights, registrations and applications thereof; (c) internet domain names, website content, social media handles, tags, hashtags, social media accounts, or any other online indicia of source; (d) original works of authorship in any medium of expression (whether or not published), copyrights and copyrightable works, registrations and applications for registration of such copyrights, and all issuances, extensions and renewals of such registrations and applications; (e) trade secrets, formulas, designs, devices, technical data, technology, know-how, research and development, advertising and promotional materials, inventions and invention disclosures, methods or processes, and other confidential or proprietary technical, business and other information; (f) computer software (including source and object code) and computer programs and databases in any form, including firmware, development tools, algorithms, data, data files, records, database management code, utilities, graphic user interfaces, internet web sites, all versions, updates, corrections, enhancements and modifications of any of the foregoing, and all related documentation; (g) all rights and remedies against past, present and future infringement, misappropriation or any other violations relating to any of the foregoing; and (h) all tangible embodiments of any of the foregoing.

"**Internalization of Functions Process**" has the meaning set forth in Section 5.

"**ISMMS**" means Icahn School of Medicine at Mount Sinai, a New York educational corporation.

"**ISMMS IP License Agreement**" means that certain IP License Agreement entered into by and between ISMMS and Company, dated as of May 4, 2020, pursuant to which ISMMS grants to Company a non-exclusive license to use certain Intellectual Property related to the MS Lab Test, including the MS Background IP, for the purposes contemplated by the DSCA and any Approved Other Manufacturer Agreements.

"**ISMMS TM License Agreement**" means that certain Trademark License Agreement entered into by and between ISMMS and Company, dated as of May 4, 2020, pursuant to which ISMMS grants to Company a non-exclusive license to use the Licensed Marks (as such term is defined in the ISMMS TM License Agreement) for the purposes contemplated by the DSCA and any Approved Other Manufacturer Agreements.

"**Laws**" means all active governmental constitutions, laws, statutes, ordinances, treaties, rules, common laws, rulings, regulations, orders, charges, directives, determinations, executive orders, writs, judgments, injunctions, decrees, restrictions or similar legally effective pronouncements of any Governmental Authority, including, without limiting the generality of the foregoing, Health Care Laws.

"**LLC Agreement**" means that certain limited liability operating agreement of the Company, dated as of May 4, 2020, by and between ISMMS and Service Provider, as the same may be amended from time to time.

"**Losses**" means out-of-pocket losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, Taxes, costs or expenses of whatever kind, including reasonable fees of accountants, attorneys and other similar professionals, the cost of enforcing any right to indemnification hereunder, and the cost of pursuing any insurance providers.

"**Materials**" has the meaning set forth in Section 9.4.

"**Mount Sinai Entities**" means Mount Sinai Health System, Inc. and the Affiliates of Mount Sinai Health System, Inc., including, without limitation, The Mount Sinai Hospital, Beth Israel Medical Center, St. Luke's-Roosevelt Hospital Center, The New York Eye and Ear Infirmary, South Nassau Communities Hospital and ISMMS.

"**MS Background IP**" has the meaning set forth in the ISMMS IP License Agreement.

"**MS Lab**" means the Mount Sinai Laboratory, Center for Clinical Laboratories, a division of the Department of Pathology, Molecular, and Cell-Based Medicine, New York, New York that is certified as a CLIA HC Lab.

"**MS Lab Test**" means the qualitative test for the detection of IgG antibodies against SARS-CoV-2 [*] as described in the MS Lab Test EUA.

"**MS Lab Test EUA**" means the EUA issued by the FDA to the MS Lab on April 15, 2020, with respect to the use of the MS Lab Test in the MS Lab, subject to the terms and conditions of such EUA.

"**Order**" means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority but not including Permits.

"**Party**" means (a) the Company or any successor or permitted assign thereof or (b) Service Provider or any successor or permitted assign thereof, together referred to as "**Parties**".

"**Permits**" means all permits, licenses, franchises, clearances, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities.

"**Person**" means a corporation, an association, a joint venture, a partnership, a trust, a business, an institution, an individual, a government or political subdivision thereof, including an agency, or any other organization that can exercise independent legal standing.

"**Public Health Emergency**" has the meaning set forth in the recitals.

"**RUO Addendum**" has the meaning set forth in the DSCA.

"**SARS-CoV-2**" has the meaning set forth in the recitals.

"**Services**" has the meaning set forth in Section 3.

"**Service Provider Change of Control**" means any transaction or series of related transactions pursuant to which (i) a Person (alone or together with its Affiliates) that prior to the consummation of such transaction or transactions does not have the authority to appoint a majority of the Board of Directors of Renalytix AI plc obtains the power (alone or together with its Affiliates) to appoint a majority of the board of directors of Renalytix AI plc or (ii) any Person (alone or together with its Affiliates) other than Renalytix AI plc obtains the authority to appoint the majority of the board of directors of Service Provider. In connection with any transaction or series of related transactions described in (i) of this definition, the Person obtaining the power to appoint the majority of the board of directors of Renalytix AI plc is referred to as the "**Acquiring Party**," and, in connection with any transaction or series of related transactions described in (ii) of this definition, the Person who obtains the authority to appoint a majority of the board of directors of Service Provider is referred to as the "**Acquiring Party**."

"**Service Provider Indemnitees**" has the meaning set forth in Section 10.1(b).

"**Term**" has the meaning set forth in Section 12.1(a).

"**Work Made for Hire**" has the meaning set forth in Section 9.4.

2. **Overview of Relationship**.

2.1 Service Provider has provided key strategic, regulatory, reimbursement, and commercial advice to ISMMS in bringing the MS Lab test to be positioned at the forefront of COVID-19 antibody tests that have received EUA. Service Provider has also supported ISMMS in connection with the development of the DSCA. This Agreement is to set forth the Services to be provided by Service Provider to and on behalf of the Company to support the Company in connection with the Company's performance of its own obligations and the management of those obligations pursuant to the Approved Manufacturer Agreements.

2.2 The Parties acknowledge that the regulatory and commercial environment for COVID-19 antibody diagnostic test is evolving at an unprecedented pace, and therefore the Parties will operate in a cooperative and collaborative manner to afford the Company, ISMMS, and Service Provider the flexibility that is required to respond to these rapidly evolving conditions.

2.3 In particular, the Parties recognize that the LLC Agreement contemplates that over time the Company will have internal support staff and that over time certain functions that may initially be provided by Service Provider as part of the Services will be internalized as staff functions of the Company.

3. **Service Provider Services**.

3.1 Services to be Provided. Service Provider will provide to Company the services listed in Exhibit A, in each case as the description of such services may be modified by agreement of the Parties through the Internalization of Functions Process (all services described in such Exhibit A as so modified are referred to collectively as the "**Services**").

3.2 Service Provider Employees. Service Provider acknowledges that it shall be solely responsible for the employment relationship between Service Provider and any employee of Service Provider performing Services on behalf of Service Provider hereunder and in no event shall any such employee of Service Provider be deemed or considered to be an employee of the Company. The Company shall have no liability or responsibility (whether under applicable employment law, tax law, or other law) in respect of the relationship between Service Provider on the one hand and its employees on the other hand.

3.3 Standard of Professionalism and Care. Service Provider will provide the Services in a timely manner using a level of professionalism and care that [*] that are in the nature of the Services. During the Term, Service Provider shall dedicate the efforts of qualified employees of Service Provider to the performance of the Services. Without limiting the generality of the foregoing, during at least the period from the Effective Date through [*], the Service Provider will cause [*].

3.4 Unforeseen Circumstances. If, as circumstances develop, Service Provider believes that any of Service Provider's Services require a level of effort or expense that could not have reasonably been anticipated as of the Effective Date of this Agreement, the Parties will consult together regarding such circumstances and the Board of Managers will determine whether the terms of this Agreement should be adjusted to take account of such circumstances; provided, however, that Service Provider shall not be required by any such adjustment to increase its level of effort or bear any expense in any material respect to an extent that exceeds those originally contemplated unless the Parties have mutually agreed upon how such efforts and expenses shall be borne by the parties.

3.5 Oversight; Acceptance. All Services will be subject to the oversight, direction and acceptance of the Board of Managers. Company acknowledges and agrees that Service Provider is providing functions on behalf of the Company until the Internalization of Functions Process.

4. **Reporting**.

4.1 Required Service Provider Reports. Service Provider shall provide to Company in a timely manner all reports with respect to the provision of the Services and the performance by the Company of its obligations under Approved Manufacturer Agreements that the Board of Managers reasonably requests, including but not limited to:

(a) Compliance with Obligations Concerns. Service Provider shall report to the Board of Managers with respect to Bio-Techne's and the Company's compliance with their respective legal and contractual obligations. Such reports shall include any compliance issues that have arisen, how such issues are being or have been dealt with and what steps Service Provider on behalf of the Company with the support of the Board of Managers and any Company internal resources, is taking to monitor and oversee the resolution of such issues and on-going compliance. Such reports shall be provided no less frequently than quarterly and shall be provided on any more frequent basis as the Board of Managers shall reasonably determine is appropriate under the circumstances. In addition, to the extent that Service Provider or the Board of Managers has concerns regarding an Approved Manufacturer's compliance with its obligations under the applicable Approved Manufacturer Agreement, or regarding the compliance of the Company with its obligations as manufacturer of record of the Commercialized Tests or with any Law, the Board of Managers or Company will promptly notify Service Provider, and Service Provider will promptly consult with the Board of Managers with respect to how such concerns should be addressed. Company will provide Service Provider with access to all Company information and Company employees hired pursuant to the Internalization of Functions Process and reasonably necessary for Service Provider's performance of the Services and compliance with the terms of this Agreement.

(b) Audits and Plans of Corrections. To the extent that any auditing functions are performed or overseen by Service Provider on behalf of Company with respect to any Approved Manufacturer's compliance with the terms of the applicable Approved Manufacturer

Agreements or with the requirements of applicable Laws that any Approved Manufacturer is responsible for discharging under the terms of the applicable Approved Manufacturer Agreement, upon completion of the applicable audit, Service Provider will provide a report of the result of the audit to the Board of Managers. If a plan of correction arises from any such audit, Service Provider will provide periodic reports to the Board of Managers as to the progress of the applicable Approved Manufacturer's progress in accomplishing the plan of correction.

(c) Financial Performance. No later than [*] after the end of each month, Service Provider will provide a report to the Board of Managers with respect to (i) the financial performance of Approved Manufacturers under the terms of the respective Approved Manufacturer Agreements during such month, including the calculation and payment of all revenue share, payment and other financial obligations under the Approved Manufacturer Agreements and (ii) the financial performance of the Company during such month including management-level income and expense reports for the Company for such month.

5. **Internalization of Staff Functions**. The Parties agree that they will collaborate to cause certain staff functions to be internalized into the Company and to cause the Company to build internal operational capabilities once the Company achieves a level of operating and economic activity to allow the Company to be self-sustaining. When the Parties agree that functions can be most efficiently performed by the Company's internal staff and the Board of Managers approves such internalization, the Parties will each take the steps necessary to implement such internalization. The Board of Managers will have the authority to approve such internalization by adopting budgets and/or business plans that contemplate such internalization and may delegate such authority to approve and implement such internalization to designated representatives of ISMMS and Service Provider. The process described in this Section 5 is referred to herein as the "**Internalization of Functions Process**."

6. **Consideration**. Except as may be otherwise mutually agreed to by ISMMS and Service Provider, Service Provider's sole consideration for the Services is the Company's issuance of Class A Profits Interests Units to Service Provider as of the date hereof pursuant to the LLC Agreement.

7. **Representations and Warranties of Service Provider**. Service Provider hereby represents and warrants to Company that the statements contained in this Section 7 are true and correct as of the Effective Date, except to the extent that any such representation or warranty refers to a specified date, in which event such representation or warranty shall be true and correct as of such specified date.

7.1 Organization and Qualification of Service Provider. Service Provider is duly organized, validly existing and in good standing under the Laws of the State of Delaware and has all necessary corporate power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as currently conducted. Service Provider is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the operation of its business as currently conducted makes such license or qualification necessary.

7.2 Authority; Due Execution; Binding Agreement. Service Provider has all necessary corporate power and authority to enter into this Agreement, to carry out its obligations hereunder

and to consummate the transactions contemplated hereby. The execution and delivery by Service Provider of this Agreement, the performance by Service Provider of its obligations hereunder, and the consummation by Service Provider of the transactions contemplated hereunder has been duly authorized by all requisite corporate action on the part of Service Provider, and no other proceedings on the part of Service Provider are required to authorize the execution, delivery and performance thereof. This Agreement has been duly and validly executed and delivered by Service Provider and constitutes the legal, valid and binding obligation of Service Provider, enforceable against Service Provider in accordance with the terms hereof, except as such enforceability may be limited by applicable bankruptcy Laws or corresponding state Laws.

7.3 No Conflicts; Consents. The execution and delivery by Service Provider of this Agreement, and performance by Service Provider of the obligations hereunder, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the certificate of incorporation, bylaws or other organizational documents of Service Provider in any material respect; (b) conflict with or result in a violation or breach of any provision of any Law or Order applicable to Service Provider or its business as currently conducted; or (c) require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a material default under or result in the termination or acceleration of or create in any party a right of purchase, sale, acceleration, termination, modification or cancellation under, any material contract to which Service Provider is a party. The execution and delivery by Service Provider of this Agreement, and performance by Service Provider of the obligations hereunder will not conflict with or result in a violation or breach of any provision of any contract.

7.4 Compliance With Laws; Permits.

(a) Service Provider has materially complied, and is now in material compliance, with all Laws applicable to its performance under this Agreement and to the conduct of its business as currently conducted.

(b) All Permits required for Service Provider to conduct its business as currently conducted or for the ownership and use of its properties and assets to be used in connection with the Services have been obtained by Service Provider and are valid and in full force and effect. All fees and charges with respect to such Permits as of the Effective Date have been paid in full. No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any of Service Provider's Permits necessary for the Services

7.5 Qualified Staff. Assuming the Company internalizes functions on a reasonable basis and consistently with the internal projections that the Parties have developed prior to execution of this Agreement, Service Provider has the qualified staff and internal resources to carry out its obligations under this Agreement without subcontracting any functions to any third party.

7.6 Insurance. Service Provider maintains fire, liability, product liability, errors and omissions, umbrella liability, real and personal property, workers' compensation, vehicular, fiduciary liability and other casualty and property insurance relating to its business as currently conducted, its properties and assets as listed and described on Schedule 7.6 (collectively, the

"**Insurance Policies**"). There are no Actions related to Service Provider's business as currently conducted, its properties or assets pending under any such Insurance Policies as to which coverage has been questioned, denied or disputed or in respect of which there is an outstanding reservation of rights. Neither Service Provider nor any of its Affiliates has received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any of such Insurance Policies. All premiums due on such Insurance Policies have either been paid or, if not yet due, accrued. All such Insurance Policies (a) are in full force and effect and enforceable in accordance with their terms; (b) are provided by carriers who are financially solvent; and (c) have not been subject to any lapse in coverage. None of Service Provider or any of its Affiliates is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any such Insurance Policy. The Insurance Policies are of the type and in the amounts customarily carried by Persons conducting a business similar to Service Provider's business as currently conducted and are sufficient for compliance with all applicable Laws and contracts to which Service Provider is a party or by which it is bound.

8. **Representations and Warranties of the Company**. Company hereby represents and warrants to Service Provider that the statements contained in this Section 8 are true and correct as of the Effective Date, except to the extent that any such representation or warranty refers to a specified date, in which event such representation or warranty shall be true and correct as of such specified date.

8.1 Organization and Qualification of Company. The Company is duly organized, validly existing and in good standing under the Laws of the State of Delaware and has all necessary corporate power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as currently conducted. Company is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the operation of its business as currently conducted makes such license or qualification necessary.

8.2 Authority Due Execution; Binding Agreement. Company has all necessary corporate power and authority to enter into this Agreement, to carry out its obligations hereunder, and to consummate the transactions contemplated hereby. The execution and delivery by the Company of this Agreement, the performance by the Company of its obligations hereunder, and the consummation by Company of the transaction contemplated hereunder has been duly authorized by all requisite corporate action on the part of the Company, and no other proceedings on the part of the Company is required to authorize the execution, delivery and performance. This Agreement has been duly and validly executed and delivered by the Company and constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with the terms hereof, except as such enforceability may be limited by applicable bankruptcy Laws or corresponding state Laws.

9. **Covenants of Service Provider**

9.1 Continued Qualification of Service Provider. At all times during the Term, Service Provider shall remain qualified to do business and remain in good standing in each jurisdiction in which the operation of its business at any time during the Term requires it.

9.2 Permits. Service Provider shall maintain all Permits required for Service Provider to conduct its business as such business exists any time during the Term.

9.3 Records. At all times during the Term and for a period of at least [*] thereafter, Service Provider shall (i) keep and maintain complete and accurate books and records with respect to its performance under this Agreement and (ii) make such books and records available to the Company or its representatives for audit and inspection at reasonable times and upon reasonable notice.

9.4 Work Made for Hire. Service Provider hereby assigns to the Company all right, title and interest in and to all work product and all Intellectual Property created by Service Provider in the course of the provision of the Services. All original works of authorship prepared or developed by Service Provider under this Agreement, including without limitation: data, notes, technical and/or business information, specifications, drawings, records, computer program enhancements and related documentation (hereinafter "**Materials**") shall constitute a "**Work Made for Hire**" as that term is defined in U.S. Copyright Law, 17 U.S.C. 101 *et. seq.* To the extent such Materials are deemed not to be Works Made for Hire, Service Provider hereby assigns, transfers and convey to the Company, without further consideration, all right, title and interest, including the copyright, in and to the Materials. Service Providers agrees to execute, at the cost and expense of the Company, any documents deemed necessary by the Company to evidence and/or secure, in any and all countries, the Company's exclusive and irrevocable ownership of all work product and all Intellectual Property (including all Materials) created by Service Provider in the course of the provision of the Services. Notwithstanding any other provision of this Agreement, the Parties acknowledge the practical difficulty of policing the use of information or Materials in the unaided memories of the officers, directors, employees or agents of Service Provider or its Affiliates, and as such Service Provider may use Residuals for any purpose, provided that this right to use Residuals does not represent a license under any Intellectual Property right of the Company. "**Residuals**" means any information (not including any Confidential Information of the Company) or Materials retained in the unaided memories of the Service Provider's or its Affiliates' officers, directors, employees or agents.

9.5 Third-Party Rights. Service Provider's fulfillment of its obligations hereunder will not conflict with any obligation owed to any third party. Service Provider warrants that it will not knowingly infringe any Intellectual Property rights of any third party in the generation of any work product or Intellectual Property (including all Materials) by Service Provider in the course of the provision of the Services.

9.6 Eligibility for Reimbursement. Service Provider warrants that neither it nor any of its employees have been and that, during the Term, neither it nor any of its employees will be either debarred or subject to debarment or findings or sanctions that would render Service Provider or any of its employees ineligible to participate in any federal or state government reimbursement program.

10. **Indemnity and Insurance**.

10.1 Indemnification.

(a) Service Provider Indemnification. Service Provider, at its sole cost and expense, shall defend, indemnify and hold harmless Company, its Affiliates, each of the Mount Sinai Entities, each and every one of their respective subsidiaries, parents, and Affiliates, and their respective trustees, directors, officers, members, shareholders, faculty members, medical staff, employees, students, agents and representatives (collectively, the "**Company Indemnitees**") from and against any third-party Action, and shall pay and reimburse each of them for, any and all related Losses, incurred or sustained by, or imposed upon, the Company Indemnitees in favor of any third party to the extent caused by: (a) any negligent or more culpable act or omission of Service Provider (including any reckless or willful misconduct) in connection with the performance of its obligations under this Agreement; or (b) Service Provider and its Affiliates' conduct of business activities that are unrelated to the activities contemplated by this Agreement, in the case of each of (a) and (b) only to the extent such Losses are not covered by insurance of the Company Indemnitees. The Company agrees and acknowledges that the good faith exercise by Service Provider of its judgment in a manner that meets the standard of professionalism and care described in Section 3.3 shall not be deemed to constitute negligence for purposes of this Section 10.1(a).

(b) Company Indemnification. Company agrees, at its sole cost and expense, to indemnify and hold harmless Service Provider, Service Provider's Affiliates (provided that for the purposes of this Section 10.1(b), ISMMS will not be considered an Affiliate of Service Provider), each and every one of their respective subsidiaries, parents, and Affiliates, and their respective directors, officers, members, shareholders, employees, agents and representatives (collectively, the "**Service Provider Indemnitees**"), from and against any third-party Action, and shall pay and reimburse each of them for, any and all related Losses, incurred or sustained by, or imposed upon, the Service Provider Indemnitees in favor of any third party as a result of or in connection with Service Provider's rendering of the Services hereunder to the extent such Loss is not caused by (a) any negligent or more culpable act or omission of Service Provider (including any reckless or willful misconduct) in connection with the performance of its obligations under this Agreement, (b) Service Provider and its Affiliates' conduct of business activities that are unrelated to the activities contemplated by this Agreement, or (c) Service Provider's breach of this Agreement; and provided that the Company shall be obligated to indemnify the Service Provider Indemnitees in each case only to the extent such Losses are not covered by insurance of Service Provider Indemnitees.

(c) Indemnification Procedure. The indemnified Party agrees to provide the indemnifying Party with prompt written notice of any Action to which this indemnification applies, provided that a failure of the indemnified Party to give written notice shall not affect the indemnifying Party's obligations hereunder to the indemnified Party except to the extent of actual prejudice suffered by the indemnifying Party due solely to the failure to give such written notice. The indemnifying Party shall have the exclusive right to control the defense of any such Action,

at its sole expense and risk, provided that the indemnifying Party agrees in writing in connection with the Action that the indemnifying Party will fully indemnify and defend the other Party and the related indemnitees and shall comply with the following:

The indemnifying Party shall have the right to employ counsel reasonably acceptable to the indemnified Party to defend any such proceeding, or to compromise, settle or otherwise dispose of the same, if the indemnifying Party deems it advisable to do so, all at the expense of the indemnifying Party, provided that the indemnifying Party shall not have the right to control the defense of any such proceeding until it has acknowledged in writing its obligation to indemnify the indemnified Party and its related indemnitees fully from all losses incurred as a result of the relevant Action and proceeding.

The indemnifying Party shall not settle, or consent to the entry of any judgment in, any Action without obtaining either: (i) an unconditional release of the indemnified Party and its related indemnitees from all liability with respect to all Actions underlying the applicable proceeding, such release not to include any limitation on the indemnified Party's rights to do business or to its rights under this Agreement or any admission of wrongdoing; or any other injunctive relief; or (ii) the prior written consent of the indemnified Party.

If the indemnifying Party fails to acknowledge in writing its obligation to defend against each proceeding, the indemnified Party shall be free to dispose of the matter, at the expense of the indemnifying Party, in any way in which the indemnified Party reasonably deems to be in its best interest.

An indemnified Party may obtain separate counsel of the indemnified Party's choice if such indemnified Party reasonably believes the indemnifying Party's and such indemnified Party's interests may conflict. An indemnified Party's undertaking of defense and/or settlement will in no way diminish the indemnifying Party's obligation to indemnify such indemnified Party and to hold it harmless. In either case, the indemnifying Party will also reimburse such indemnified Party (and all other indemnified Parties) upon demand for all losses, including reasonable attorneys' fees and court costs the indemnified Party incurs to protect itself, or to remedy the indemnifying Party's defaults. Under no circumstances will the indemnified Parties be required to seek recovery from Third Parties or otherwise mitigate their losses to maintain an Action against the indemnifying Party, and their failure to do so will in no way reduce the amounts recoverable from the indemnifying Party by the indemnified Parties.

10.2 Insurance. During the Term and for a period of [*] after the last date this Agreement is in effect, each Party will procure and maintain insurance policies, which initially shall be for the coverages, minimum premium amounts and other related requirements as set forth with respect to such Party on Schedule 10.2; provided, however, that Company shall not be required to procure such insurance policies prior to the time of the first shipment of Co-Developed Test Kits under the DSCA. Company shall comply with any obligation to modify its insurance under the DSCA or any other Approved Manufacturer Agreement, and upon any such modification, if requested by Company, Service Provider shall modify its insurance in a corresponding manner. Each Party shall cause the other Party to be named as an additional insured or an additional named insured under each applicable such insurance to the extent requested by the other Party. Each Party shall cause its applicable carriers of such insurance to waive subrogation against the other Party in the case of any Loss for which indemnity would otherwise be provided by such other Party.

11. **Confidentiality**.

11.1 Use of Confidential Information. Each Party (a "**Recipient**") that receives Confidential Information from the other Party (a "**Discloser**") will only use the Confidential Information provided to it by the Discloser for the purposes of providing or receiving the Services under this Agreement.

11.2 Disclosure of Confidential Information. Without the Discloser's prior written permission the Recipient will not disclose Confidential Information of the Discloser to any person other than (i) the Mount Sinai Entities and their employees (with respect to any Confidential Information of the Company), (ii) employees of the Discloser and (iii) Approved Manufacturers and potential manufacturers under any potential Approved Manufacturer Agreements, provided each Approved Manufacturer and potential manufacturer has entered into a non-disclosure agreement in favor of and in a form approved by ISMMS, the Company, and Service Provider. The Recipient will restrict disclosure of Confidential Information to employees of the Recipient solely to those employees of the Recipient having a reasonable need to know such Confidential Information in order to provide or receive the Services. Prior to sharing Confidential Information with its employees, the Recipient will advise each such employee of the obligations under this Section 11 and require each such employee to comply with those obligations.

11.3 Care of Confidential Information. The Recipient will use at least the same degree of care to maintain the confidentiality of Confidential Information as it uses in maintaining the confidentiality of its own confidential information, but always at least a reasonable degree of care.

11.4 Return of Confidential Information. Within [*] after the expiration or termination of this Agreement, the Recipient will return to the Discloser all documentation, copies, notes, diagrams, computer memory media and other materials containing any Confidential Information of the Discloser, or confirm to the Discloser in writing, the destruction of such materials, except for a single copy of such Confidential Information that the Recipient may keep solely for the purpose of monitoring its obligations under this Section 11.

11.5 Personally Identifiable Information. To the extent that it is proposed that the Company become involved in a clinical study to which the Services relate in whole or in part, the Parties shall enter into mutually agreeable further agreements to the extent appropriate with respect to the protection of any protected health information, personal data or biological samples of subjects enrolled in such clinical study.

12. **Term and Termination**

12.1 Term and Termination.

(a) Term. The term of this Agreement shall commence on the Effective Date and shall continue thereafter until the fifth anniversary of the Effective Date or until earlier terminated as provided in Section 12.1(b) (the period from the Effective Date until such date of expiration or termination or such earlier termination, the "**Term**").

(b) Termination.

(i) With Cause.

(1) This Agreement may be terminated before the date that would otherwise constitute the expiration date of the Term on written notice by either Party, if the other Party materially breaches any provision of this Agreement and either the breach cannot be cured or, if the breach can be cured, it is not cured by the breaching Party within the applicable following period after the giving by the non-breaching Party of notice of such breach to the breaching Party: (A) in the case of any curable breach that relates to any requirement of applicable Law and that under applicable Law must be cured or remediated by a specific date or that under applicable Law gives rise to an obligation to make a filing or submit a report by a specific date, the period that ends five (5) days before such date; or (B) in the case a curable breach causes or could reasonably be expected to cause a material risk of any deviation from or inconsistency with the Approved Product Specifications, a period of five (5) days; or (C) in the case of any curable breach not described in clause (A) or clause (B) that with reasonable diligence can be cured within thirty (30) days, a period of (30) days; or (D) in the case of any curable breach not described in clause (A) or clause (B) that with reasonable diligence cannot be cured within thirty (30) days, that period within which such breach could reasonably be cured with reasonable diligence (but in no event a period longer than ninety (90) days).

(2) This Agreement will be terminated automatically, without the necessity of notice and without a cure period, if either Party (A) becomes insolvent, (B) is generally unable to pay, or fails to pay, its debts as they become due, (C) files, or has filed against it, a petition for voluntary or involuntary bankruptcy or pursuant to any other insolvency law that in the case of an involuntary filing is not dismissed within ninety (90) days, (D) makes or seeks to make a general assignment for the benefit of its creditors, or (E) applies for, or consents to, the appointment of a trustee, receiver or custodian for a substantial part of its property or business.

(ii) Continued Force Majeure. Either Party shall have the right to terminate this Agreement under the circumstances as provided by Section 13.14.

(iii) Certain Service Provider Change of Control Transactions. The Company shall the have right to terminate this Agreement by notice to Service Provider if a Service Provider Change of Control occurs and the Person that (alone or together with its Affiliates) is the Acquiring Party is a Direct MSHS Competitor.

12.2 Effect of Termination. The expiration or termination of this Agreement, for any reason, shall not release either Party from any obligation or liability to the other Party, including any payment and delivery obligation, that: (i) has already accrued hereunder; (ii) comes into effect due to the expiration or termination of the Agreement; or (iii) otherwise survives the expiration or termination of this Agreement.

12.3 Survival of Terms. In addition to any provision which by its terms contemplates performance after the term of this Agreement, the following provisions shall survive the expiration or termination of this Agreement: Section 9.3 (Records); Section 9.4 (Work Made for Hire); Section 10 (Indemnity and Insurance); Section 11 (Confidentiality) and Section 13 (Additional Provisions).

13. **Additional Provisions**.

13.1 Independent Contractors. The Parties are independent contractors. Nothing contained in this Agreement is intended to create an agency, partnership or joint venture between the Parties.

13.2 Approved Expenses. To the extent that Service Provider incurs out-of-pocket expenses that have been approved for reimbursement by the Board of Managers in advance or that are incurred in compliance with a policy of the Company that has been adopted by the Board of Managers, the Company will reimburse for such expenses upon submission of customary supporting documentation.

13.3 Press Releases. Neither Party shall issue any press release or make any other public disclosure that names the other Party or that specifically refers to the activities, including the Services, contemplated by this Agreement without the express prior written consent of the other Party, provided that Service Provider shall have the right to issue a press release or make a securities filing that, in the written opinion of counsel to Service Provider, Service Provider is required by federal securities laws to issue or file so long as Service Provider consults with the Company with respect thereto and (to the extent permitted by Law) provides to the Company a copy of such press release or securities filing as much in advance of the issuance or filing as is feasible. Neither Party shall issue any press release or make any other public disclosure that names any Mount Sinai Entity without the express prior written consent of such Mount Sinai Entity.

13.4 Compliance with Laws. Each Party shall comply with all Laws that apply to its activities or obligations under this Agreement and all Laws that apply to the Company's status, activities, or obligations under Approved Manufacturer Agreements. Neither Party shall take any action that could reasonably be expected to adversely affect the status of any Mount Sinai Entity as an organization that is exempt from federal income tax under Section 509(a) of the Code or as an organization described in Section 501(c)(3) of the Code.

13.5 Modification, Waiver and Remedies. This Agreement may only be modified by a written amendment that is executed by an authorized representative of each Party. Any waiver must be express and in writing. No waiver by either Party of a breach by the other Party will constitute a waiver of any different or succeeding breach. Unless otherwise specified, all remedies are cumulative.

13.6 Assignment.

(a) General. Except as otherwise provided in this Section 13.6 or in Section 13.7, neither Party may transfer, delegate or assign or otherwise dispose of this Agreement or any of its rights, duties, or obligations under this Agreement without the prior written consent of the other Party, which consent may be granted or denied in such Party's sole discretion.

(b) Assignment by Company. Notwithstanding the provisions of Section 13.6(a): (i) with the prior written consent of Service Provider (which Service Provider shall not

unreasonably condition, withhold or delay), the Company may assign, delegate or subcontract Company's rights and obligations hereunder to an Affiliate of the Company, provided that no such assignment shall relieve the Company of any duty, liability or responsibility under this Agreement (for all of which the Company shall remain primarily liable) and (ii) without the prior written consent of but upon notice to Service Provider, the Company may assign this Agreement to a Person that succeeds to the Company's business through a sale, merger, consolidation, corporate reorganization, sale of all or substantially all of Company's assets, change of name or like event and that assumes the obligations of the Company hereunder (and upon an assignment and assumption described in this Section 13.6(b)(ii) the Company shall be relieved of any further obligation hereunder).

(c) Assignment by Service Provider. Notwithstanding the provisions of Section 13.6(a): (i) with the prior written consent of the Company (which the Company shall not unreasonably condition, withhold or delay), Service Provider may assign Service Provider's rights and obligations hereunder to an Affiliate of Service Provider, provided that no such assignment shall relieve Service Provider of any duty, liability or responsibility under this Agreement (for all of which the Service Provider shall remain primarily liable) and (ii) without the prior written consent of but upon notice to the Company following closing of such transaction, Service Provider may assign this Agreement to a Person other than a Direct MSHS Competitor that succeeds to Service Provider's business through a sale, merger, consolidation, corporate reorganization, sale of all or substantially all of Service Provider's assets, change of name or like event and that assumes the obligations of the Service Provider hereunder (and upon an assignment and assumption described in this Section 13.6(b)(ii) Service Provider shall be relieved of any further obligation hereunder).

13.7 Subcontracting by Service Provider. With the express prior written consent of the Board of Managers, Service Provider may subcontract certain obligations required to be performed by Service Provider under this Agreement to a third party; provided, however, that Service Provider shall remain liable for the performance of such third party.

13.8 Notices. Except as otherwise expressly set forth herein, any notice or other required communication under this Agreement must be in writing, addressed to the Party's respective notice address, and delivered personally or by globally recognized express delivery service, charges prepaid. A notice will be deemed delivered and received: (a) in the case of personal delivery, on the date of such delivery; and (b) in the case of a globally recognized express delivery service, five (5) days from transmittal by Company to the address below. Notwithstanding the foregoing, during the pendency of any federally- or state-declared disaster emergency, notices may be given by email addressed to the email address(es) provided below, provided that a notice given by email shall only be deemed to have been given upon affirmative acknowledgement of receipt by the recipient (which shall not be deemed to have occurred by the generation of a machine-generated acknowledgment). Any Party may change its notice address by notice given to the other Party. The notice address of each Party is as follows:

if to Company, to: Kantaro Biosciences LLC
1460 Broadway
New York, New York 10036
Attn: Chief Operating Officer
Email: [*]

With a copy to (which shall not constitute notice):	Icahn School of Medicine at Mount Sinai One Gustave L. Levy Place Box 1099 New York, New York 10029-6574 Attn: General Counsel Email: [*]
if to Service Provider, to:	Renalytix AI, Inc. 1460 Broadway New York, New York 10036 Attention: Chief Financial Officer Email: [*]

13.9 Severability and Reformation. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Agreement will remain in full force and effect. Such invalid or unenforceable provision will be revised by such court to be a valid or enforceable provision that comes as close as permitted by Law to the Parties' original intent.

13.10 Headings and Counterparts. The headings of the articles and sections included in this Agreement are inserted for convenience only and are not intended to affect the meaning or interpretation of this Agreement. This Agreement may be executed in several counterparts, and execution signatures may be exchanged electronically including by facsimile or as scanned e-mail attachments, and signatures so exchanged shall be considered as original for all purposes and taken together will constitute one and the same instrument.

13.11 Governing Law. This Agreement will be governed and construed in accordance with the Laws of the State of New York, without giving effect to the conflict of law provisions of any jurisdiction.

13.12 Dispute Resolution; Venue. If a dispute arises between the Parties concerning any right or duty under this Agreement, then the Parties will attempt to resolve the dispute. If the Parties are unable to resolve the dispute amicably, the Parties each hereby irrevocably submit to the exclusive jurisdiction of the state and federal courts located in the borough of Manhattan, New York, New York.

13.13 WAIVER OF JURY TRIAL. EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, OR THE SUBJECT MATTER HEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER

WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

13.14 Integration. This Agreement, together with all attached Schedules and Exhibits, and together with the applicable provisions of the LLC Agreement, contain the entire agreement between the Parties with respect to the Services, and supersedes all other oral or written representations, statements, or agreements with respect to such subject matter, including but not limited to, the term sheet exchanged prior to this Agreement.

13.15 Force Majeure. If either Party fails to fulfill its obligations hereunder, when such failure is due to an act of God, or other circumstances beyond its reasonable control, including but not limited to fire, flood, civil commotion, riot, war (declared and undeclared), revolution, action of a Governmental Authority arising from a pandemic or other public health emergency, or embargoes, then said failure shall be excused for the duration of such event and for such a time thereafter as is reasonable to enable the parties to resume performance under this Agreement, provided however, that in no event shall such time extend for a period of more than one hundred eighty (180) days. The Party who is unable to perform shall provide prompt written notice to the other Party and shall use reasonable efforts to resume performance as soon as practicable under the circumstances. Should the circumstances of force majeure suffered by a Party extend beyond a one hundred eighty (180) day period, the other Party shall have the right to terminate this Agreement by written notice to the non-performing Party. Lack of funds shall not constitute force majeure.

13.16 Certain Conventions. Any reference in this Agreement to an Article, Section, subsection, paragraph, clause, Schedule or Exhibit shall be deemed to be a reference to an Article, Section, subsection, paragraph, clause, Schedule or Exhibit, of or to, as the case may be, this Agreement, unless otherwise indicated. Unless the context of this Agreement otherwise requires, (a) all definitions set forth herein shall be deemed applicable whether the words defined are used herein with initial capital letters in the singular or the plural, (b) the word “will” shall be construed to have the same meaning and effect as the word “shall,” (c) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (d) any reference herein to any Party shall be construed to include the Party’s successors and assigns, (e) the word “notice” shall mean notice in writing (whether or not specifically stated) and shall include notices, consents, approvals and other written communications contemplated under this Agreement, (f) provisions that require that a Party or the Parties “agree,” “consent” or “approve” or the like shall require that such agreement, consent or approval be specific and in writing, whether by written agreement, letter, approved minutes or otherwise (but excluding e-mail and instant messaging), (g) references to any specific Law, rule or regulation, or article, section or other division thereof, shall be deemed to include the then-current amendments thereto or any replacement or successor Law, rule or regulation thereof, (h) words of any gender include each other gender, (i) words such as “herein,” “hereof” and “hereunder” refer to this Agreement as a whole and not merely to the particular provision in which such words appear, (j) the words “include,” “includes” and “including” shall be deemed to be followed by the phrase “but not

limited to," "without limitation," "inter alia" or words of similar import, and (k) "days" shall mean "calendar days." In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

13.17 Business Day Requirements. In the event that any notice or other action is required to be taken by a Party under this Agreement on a day that is not a business day, then such notice or other action shall be deemed to be required to be taken on the next occurring business day.

13.18 DISCLAIMER. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SERVICE PROVIDER DOES NOT MAKE ANY, AND HEREBY DISCLAIMS ALL, REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, WRITTEN OR ORAL, INCLUDING WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, WITH RESPECT TO THIS AGREEMENT OR THE PERFORMANCE OF SERVICES. WITHOUT IN ANY WAY LIMITING THE GENERALITY OF THE IMMEDIATELY PRECEDING SENTENCE, SERVICE PROVIDER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE DEVELOPMENT AND/OR ANY ACTIONS AND/OR APPROVAL OF ANY PRODUCT BY ANY REGULATORY AUTHORITY.**

13.19 Limitation of Liability. In no event will either Party or its Affiliates be liable for any special, incidental, punitive, exemplary, consequential, other indirect damages or lost profits, regardless of whether a Party has been advised of the possibility of such damages. The aforementioned limitations shall not apply to the extent such limitations are prohibited by applicable Law or in connection with either Party's indemnification obligations or a breach of a Party's confidentiality obligations under this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

COMPANY:

Kantaro Biosciences LLC

By: */s/ Erik Lium*
Name: Erik Lium, PhD
Its: Chairman, Board of Managers

SERVICE PROVIDER:

Renalytix AI, Inc.

By: */s/ James McCullough*
Name: James McCullough
Its: Chief Executive Officer

RENALYTIX AI PLC

2020 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: 22 JUNE 2020

APPROVED BY THE SHAREHOLDERS: [●] JULY 2020

TABLE OF CONTENTS

1. PURPOSE

The Plan's purpose is to enhance the Company's ability to attract, retain and motivate persons who make (or are expected to make) important contributions to the Company by providing these individuals with equity ownership opportunities. Capitalized terms used in the Plan are defined in Section 11.

2. ELIGIBILITY

Service Providers are eligible to be granted Awards under the Plan, subject to the limitations described herein.

3. ADMINISTRATION AND DELEGATION.

(a) Administration. The Plan is administered by the Administrator. The Administrator has authority to determine which Service Providers receive Awards, grant Awards, set Award terms and conditions, and designate whether such Awards will cover Ordinary Shares or ADSs, subject to the conditions and limitations in the Plan. The Administrator also has the authority to take all actions and make all determinations under the Plan, to interpret the Plan and Award Agreements and to adopt, amend and repeal Plan administrative rules, guidelines and practices as it deems advisable. The Administrator may correct defects and ambiguities, supply omissions and reconcile inconsistencies in the Plan or any Award as it deems necessary or appropriate to administer the Plan and any Awards. The Administrator's determinations under the Plan are in its sole discretion and will be final and binding on all persons having or claiming any interest in the Plan or any Award.

(b) Appointment of Committees. To the extent Applicable Laws permit, the Board may delegate any or all of its powers under the Plan to one or more Committees or officers of the Company or any of its Subsidiaries. The Board may abolish any Committee or re-vest in itself any previously delegated authority at any time.

4. SHARES AVAILABLE FOR AWARDS.

(a) Number of Shares. Subject to adjustment under Section 8 and the terms of this Section 4, Awards may be made under the Plan (taking account of Awards granted under the Non-Employee Sub-Plan) in an aggregate amount up to 8,500,000 Ordinary Shares (including as part of the process for the issue of new ADSs) (the "***Share Reserve***"). In addition, the Share Reserve will automatically increase on January 1st of the year following the year in which the Company's shareholders approve the Plan and ending on (and including) January 1, 2030, in an amount equal to 5% of the total number of Ordinary Shares outstanding on December 31st of the preceding calendar year. Notwithstanding the foregoing, the Board may act prior to January 1st of a given year to provide that there will be no January 1st increase in the Share Reserve for such year or that the increase in the Share Reserve for such year will be a lesser number of Shares than would otherwise occur pursuant to the preceding sentence.

(b) Share Recycling. If all or any part of an Award or Awards granted under the Plan or the Non-Employee Sub-Plan expires, lapses or is terminated, exchanged for cash, surrendered, repurchased or cancelled without having been fully exercised, the unused Shares covered by the Award or Awards granted under the Plan or the Non-Employee Sub-Plan will, as applicable, become or again be available for Awards granted under the Plan or the Non-Employee Sub-Plan.

If all or any part of an option or options to acquire unissued Shares that was granted under the Prior Plan and which is subsisting as of the Effective Date expires, lapses or is terminated, exchanged for cash, surrendered, repurchased or cancelled without having been fully exercised, in each case on or after the Effective Date, the unused Shares covered by such option or options under the Prior Plan shall increase the Share Reserve and shall become available for Awards granted under the Plan or the Non-Employee Sub-Plan subject to a maximum of 3,000,000 Ordinary Shares (including as part of the process for the issue of new ADSs).

(c) Incentive Option Limitations. Subject to adjustment under Section 8, no more than 25,500,000 Ordinary Shares (including as part of the process for the issue of new ADSs) may be issued pursuant to the exercise of Incentive Options.

(d) Substitute Awards. In connection with an entity's merger or consolidation with the Company or the Company's acquisition of an entity's property or stock, the Administrator may grant Awards in substitution for any options or other equity or equity-based awards granted before such merger or consolidation by such entity or its affiliate. Substitute Awards may be granted on such terms as the Administrator deems appropriate, notwithstanding limitations on Awards in the Plan. Substitute Awards will not count against the Share Reserve (nor shall Shares subject to a Substitute Award be added to the Shares available for Awards under the Plan as provided above), except that Shares acquired by exercise of substitute Incentive Options will count against the maximum number of Shares that may be issued pursuant to the exercise of Incentive Options under the Plan. Additionally, in the event that a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan approved by shareholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the Shares authorized for grant under the Plan (and Shares subject to such Awards shall not be added to the Shares available for Awards under the Plan as provided above); provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Employees or Directors prior to such acquisition or combination.

(e) Deed Poll. The Administrator may grant Awards by entering into a deed poll and, as soon as practicable after the Company has executed the deed poll, the Administrator shall enter into an Award Agreement

(f) Prior Plan. Upon the Effective Date, no further new awards may be granted over Shares under the Prior Plan.

5. OPTIONS AND SHARE APPRECIATION RIGHTS.

(a) General. The Administrator may grant Options or Share Appreciation Rights to Service Providers subject to the limitations in the Plan, including any limitations in the Plan that apply to Incentive Options. The Administrator will determine the number of Shares covered by each Option and Share Appreciation Right, the exercise price of each Option and Share Appreciation Right and the conditions and limitations applicable to the exercise of each

Option and Share Appreciation Right. A Share Appreciation Right will entitle the Participant (or other person entitled to exercise the Share Appreciation Right) to receive from the Company upon exercise of the exercisable portion of the Share Appreciation Right an amount determined by multiplying the excess, if any, of the Fair Market Value of one Share on the date of exercise over the exercise price per Share of the Share Appreciation Right by the number of Shares with respect to which the Share Appreciation Right is exercised, subject to any limitations of the Plan or that the Administrator may impose and payable in cash, Shares valued at Fair Market Value or a combination of the two as the Administrator may determine or provide in the Award Agreement.

(b) Exercise Price. The Administrator will establish each Option's and Share Appreciation Right's exercise price and specify the exercise price in the Award Agreement. The exercise price will not be less than 100% of the Fair Market Value on the grant date of the Option or Share Appreciation Right.

(c) Duration. Each Option or Share Appreciation Right will be exercisable at such times and as specified in the Award Agreement, provided that the term of an Option or Share Appreciation Right will not exceed ten years. Notwithstanding the foregoing and unless determined otherwise by the Company, in the event that on the last business day of the term of an Option or Share Appreciation Right (other than an Incentive Option) (i) the exercise of the Option or Share Appreciation Right is prohibited by Applicable Laws, as determined by the Company, or (ii) Shares may not be purchased or sold by the applicable Participant due to any Company insider trading or dealing policy (including blackout periods), the term of the Option or Share Appreciation Right shall be extended until the date that is thirty (30) days after the end of the legal prohibition, black-out period, as determined by the Company; provided, however, in no event shall the extension last beyond the ten year term of the applicable Option or Share Appreciation Right. Notwithstanding the foregoing, if the Participant, prior to the end of the term of an Option or Share Appreciation Right, violates the non-competition, non-solicitation, confidentiality or other similar restrictive covenant provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company or any of its Subsidiaries, the right of the Participant and the Participant's transferees to exercise any Option or Share Appreciation Right issued to the Participant shall terminate immediately upon such violation, unless the Company otherwise determines. In addition, if, prior to the end of the term of an Option or Share Appreciation Right, the Participant is given notice by the Company or any of its Subsidiaries of the Participant's Termination of Service by the Company or any of its Subsidiaries for Cause, and the effective date of such Termination of Service is subsequent to the date of the delivery of such notice, the right of the Participant and the Participant's transferees to exercise any Option or Share Appreciation Right issued to the Participant shall be suspended from the time of the delivery of such notice until the earlier of (i) such time as it is determined or otherwise agreed that the Participant's service as a Service Provider will not be terminated for Cause as provided in such notice or (ii) the effective date of the Participant's Termination of Service by the Company or any of its Subsidiaries for Cause (in which case the right of the Participant and the Participant's transferees to exercise any Option or Share Appreciation Right issued to the Participant will terminate immediately upon the effective date of such Termination of Service).

(d) Exercise. Options and Share Appreciation Rights may be exercised by delivering to the Company a written notice of exercise, in a form the Administrator approves (which may be electronic), signed by the person authorized to exercise the Option or Share Appreciation Right, together with, as applicable, payment in full (i) as specified in Section 5(e) for the number of Shares for which the Award is exercised and (ii) as specified in Section 9(e) for any applicable taxes. Unless the Administrator otherwise determines, an Option or Share Appreciation Right may not be exercised for a fraction of a Share.

(e) Payment Upon Exercise. Subject to any Company insider trading or dealing policy (including blackout periods) and Applicable Laws, the exercise price of an Option must be paid by:

(i) cash, wire transfer of immediately available funds or by check payable to the order of the Company, provided that the Company may limit the use of one of the foregoing payment forms if one or more of the payment forms below is permitted;

(ii) if there is a public market for Shares at the time of exercise, unless the Company otherwise determines, (A) delivery (including telephonically to the extent permitted by the Company) of an irrevocable and unconditional undertaking by a broker acceptable to the Company to deliver promptly to the Company sufficient funds to pay the exercise price, or (B) the Participant's delivery to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company cash or a check sufficient to pay the exercise price; provided that such amount is paid to the Company at such time as may be required by the Administrator;

(iii) to the extent permitted by the Administrator, delivery (either by actual delivery or attestation) of Shares owned by the Participant which, when valued at their Fair Market Value on the exercise date, have a value sufficient to pay the exercise price;

(iv) to the extent permitted by the Administrator, except with respect to Incentive Options, surrendering Shares then issuable upon the Option's exercise which, when valued at their Fair Market Value on the exercise date; have a value sufficient to pay the exercise price

(v) to the extent permitted by the Administrator, delivery of a promissory note or any other property that the Administrator determines is good and valuable consideration; or

(vi) to the extent permitted by the Company, any combination of the above payment forms approved by the Administrator.

6. RESTRICTED SHARES; RESTRICTED SHARE UNITS; PERFORMANCE SHARE UNITS

(a) General. The Administrator may grant Restricted Shares, or the right to purchase Restricted Shares, to any Service Provider, subject to the Company's right to repurchase all or part of such shares at their issue price or other stated or formula price from the Participant (or to require forfeiture of such shares) if conditions the Administrator specifies in the Award Agreement are not satisfied before the end of the applicable restriction period or periods that the Administrator establishes for such Award. In addition, the Administrator may grant to Service Providers Restricted Share Units, which may be subject to vesting and forfeiture conditions during the applicable restriction period or periods, as set forth in an Award Agreement. The Administrator will determine and set forth in the Award Agreement the terms and conditions for each Restricted Share and Restricted Share Unit Award, subject to the conditions and limitations contained in the Plan.

(b) Duration. Each Restricted Share, Restricted Share Unit or Performance Share Unit will vest at such times and as specified in the Award Agreement, provided that the vesting schedule of a Restricted Share, Restricted Share Unit or Performance Share Unit will not exceed ten years. Notwithstanding the foregoing and unless determined otherwise by the Company, in the event that on the normal vesting date of a Restricted Share, Restricted Share Unit or Performance Share Unit (i) the vesting of the Restricted Share, Restricted Share Unit or Performance Share Unit is prohibited by Applicable Laws, as determined by the Company, or (ii) Shares may not be purchased or sold by the applicable Participant due to any Company insider trading or dealing policy (including blackout periods), the vesting date of the Restricted Share, Restricted Share Unit or Performance Share Unit shall be deferred until the end of the legal prohibition, black-out period, as determined by the Company. Notwithstanding the foregoing, if the Participant, prior to the vesting date of a Restricted Share, Restricted Share Unit or Performance Share Unit, violates the non-competition, non-solicitation, confidentiality or other similar restrictive covenant provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company or any of its Subsidiaries, the right of the Participant and the Participant's transferees to receive Shares on the vesting of the Restricted Share, Restricted Share Unit or Performance Share Unit issued to the Participant shall terminate immediately upon such violation, unless the Company otherwise determines. In addition, if, prior to the vesting date of a Restricted Share, Restricted Share Unit or Performance Share Unit, the Participant is given notice by the Company or any of its Subsidiaries of the Participant's Termination of Service by the Company or any of its Subsidiaries for Cause, and the effective date of such Termination of Service is subsequent to the date of the delivery of such notice, the right of the Participant and the Participant's transferees to receive Shares on the vesting of the Restricted Share, Restricted Share Unit or Performance Share Unit issued to the Participant shall be suspended from the time of the delivery of such notice until the earlier of (i) such time as it is determined or otherwise agreed that the Participant's service as a Service Provider will not be terminated for Cause as provided in such notice or (ii) the effective date of the Participant's Termination of Service by the Company or any of its Subsidiaries for Cause (in which case the right of the Participant and the Participant's transferees to receive Shares on the vesting of the Restricted Share, Restricted Share Unit or Performance Share Unit issued to the Participant will terminate immediately upon the effective date of such Termination of Service).

(c) Restricted Shares.

(i) Dividends.

Participants holding Restricted Shares will be entitled to all ordinary cash dividends paid with respect to such Shares, unless the Administrator provides otherwise in the Award Agreement. In addition, unless the Administrator provides otherwise, if any dividends or distributions are paid in Shares, or consist of a dividend or distribution to holders of Restricted Shares of property other than an ordinary cash dividend, the Shares or other property will be subject to the same restrictions on transferability and forfeitability as the Restricted Shares with respect to which they were paid.

(ii) Certificates. The Company may require that the Participant deposit in escrow with the Company (or its designee) any certificates issued in respect of Restricted Shares, together with a stock transfer form endorsed in blank.

(d) Restricted Share Units.

(i) Settlement. The Administrator may provide that settlement of Restricted Share Units will occur upon or as soon as reasonably practicable after the Restricted Share Units vest or will instead be deferred, on a mandatory basis or at the Participant's election.

(ii) Shareholder Rights. A Participant will have no rights of a shareholder with respect to Shares subject to any Restricted Share Unit unless and until the Shares are delivered in settlement of the Restricted Share Unit.

(e) Performance Share Units.

(i) Settlement. The Administrator may provide that settlement of Performance Share Units will occur upon or as soon as reasonably practicable after the Performance Share Units vest or will instead be deferred, on a mandatory basis or at the Participant's election.

(ii) Shareholder Rights. A Participant will have no rights of a shareholder with respect to Shares subject to any Performance Share Unit unless and until the Shares are delivered in settlement of the Performance Share Unit.

7. OTHER SHARE BASED AWARDS

Other Share Based Awards may be granted to Participants, including Awards entitling Participants to receive Shares to be delivered in the future (whether based on specified Performance Criteria or otherwise), in each case subject to any conditions and limitations in the Plan. Such Other Share Based Awards will also be available as a payment form in the settlement of other Awards, as standalone payments and as payment in lieu of compensation to which a Participant is otherwise entitled. Other Share Based Awards may be paid in Shares or other property, as the Administrator determines. Subject to the provisions of the Plan, the Administrator will determine the terms and conditions of each Other Share Based Award, including any purchase price, performance goal (which may be based on the Performance Criteria), transfer restrictions, and vesting conditions, which will be set forth in the applicable Award Agreement.

8. ADJUSTMENTS FOR CHANGES IN SHARES AND CERTAIN OTHER EVENTS

(a) Equity Restructuring. In connection with any Equity Restructuring, notwithstanding anything to the contrary in this Section 8, the Administrator will equitably adjust the Share Reserve, the number of Shares available for the grant of Incentive Options under Section 4(c) above and each outstanding Award as it deems appropriate to reflect the Equity Restructuring, which may include adjusting the number and type of securities subject to each outstanding Award and/or the Award's exercise price or grant price (if applicable), granting new Awards to Participants, and making a cash payment to Participants. The adjustments provided under this Section 8(a) will be nondiscretionary and final and binding on the affected Participant and the Company; provided that the Administrator will determine whether an adjustment is equitable.

(b) Corporate Events. In the event of any Equity Restructuring, dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), capitalization, share issue, offer, subdivision, reorganization, merger, consolidation, combination, amalgamation, repurchase, recapitalization, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or sale or exchange of Shares or other securities of the Company, Change in Control, issuance of warrants or other rights to purchase Shares or other securities of the Company, other similar corporate transaction or event, other unusual or nonrecurring transaction or event affecting the Company or its financial statements or any change in any Applicable Laws or accounting principles (any "***Corporate Event***"), the Administrator, on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to the occurrence of such transaction or event (except that action to give effect to a change in Applicable Laws or accounting principles may be made within a reasonable period of time after such change) and either automatically or upon the Participant's request, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to (x) prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made available under the Plan or with respect to any Award granted or issued under the Plan, (y) to facilitate such transaction or event or (z) give effect to such changes in, or prevent a breach of, Applicable Laws or accounting principles:

(i) To provide for the cancellation of any such Award in exchange for either an amount of cash or other property with a value equal to the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realization of the Participant's rights under the vested portion of such Award, as applicable; provided that, if the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realization of the Participant's rights, in any case, is equal to or less than zero (as determined by the Administrator in its discretion), then the Award may be terminated without payment. In addition, such payments under this provision may, in the Administrator's discretion, be delayed to the same extent that payment of consideration to the holders of Ordinary Shares in connection with the Corporate Event is delayed as a result of escrows, earn outs, holdbacks or any other contingencies;

(ii) To provide that such Award shall vest and, to the extent applicable, be exercisable as to all shares covered thereby, notwithstanding anything to the contrary in the Plan or the provisions of such Award;

(iii) To provide that such Award be assumed by the successor or survivor corporation, or a parent or Subsidiary thereof, or shall be substituted for by awards covering the equity securities of the successor or survivor corporation, or a parent or Subsidiary thereof, with appropriate adjustments as to the number and kind of shares and/or applicable exercise or purchase price, in all cases, as determined by the Administrator;

(iv) To make adjustments in the number and type of shares (or other securities or property) subject to outstanding Awards and/or with respect to which Awards may be granted under the Plan (including, but not limited to, adjustments of the limitations in Section 4 hereof on the maximum number and kind of shares which may be issued) and/or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding Awards;

(v) To replace such Award with other rights or property selected by the Administrator; and/or

(vi) To provide that the Award will terminate and cannot vest, be exercised or become payable after the applicable transaction or event.

The Administrator need not take the same action or actions with respect to all Awards or portions thereof or with respect to all Participants. The Administrator may take different actions with respect to the vested and unvested portions of an Award.

(c) Administrative Stand Still. In the event of any pending Corporate Event or other similar transaction, for administrative convenience, the Administrator may refuse to permit the exercise of any Award for up to sixty days before or after such Corporate Event or other similar transaction.

(d) General. Except as expressly provided in the Plan or the Administrator's action under the Plan, no Participant will have any rights due to any subdivision or consolidation of Shares of any class, dividend payment, increase or decrease in the number of Shares of any class, issue, rights issue, offer or dissolution, liquidation, merger, or consolidation of the Company or other corporation. Except as expressly provided with respect to an Equity Restructuring under Section 8.1 above or the Administrator's action under the Plan, no issuance by the Company of Shares of any class, or securities convertible into Shares of any class, will affect, and no adjustment will be made regarding, the number of Shares subject to an Award or the Award's grant or exercise price. The existence of the Plan, any Award Agreements and the Awards granted hereunder will not affect or restrict in any way the Company's right or power to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, (ii) any Corporate Event or (iii) sale or issuance of securities, including securities with rights superior to those of the Shares or securities convertible into or exchangeable for Shares. The Administrator may treat Participants and Awards (or portions thereof) differently under this Section 8.

9. GENERAL PROVISIONS APPLICABLE TO AWARDS

(a) Transferability. Except as the Administrator may determine or provide in an Award Agreement or otherwise for Awards other than Incentive Options, Awards may not be sold, assigned, transferred, pledged or otherwise encumbered, either voluntarily or by operation of law, except by will or the laws of descent and distribution, or, subject to the Administrator's consent, pursuant to a domestic relations order, and, during the life of the Participant, will be exercisable only by the Participant. References to a Participant, to the extent relevant in the context, will include references to a Participant's authorized transferee that the Administrator specifically approves.

(b) Documentation. Each Award will be evidenced in an Award Agreement, which may be written or electronic, as the Administrator determines. Each Award may contain terms and conditions in addition to those set forth in the Plan.

(c) Discretion. Except as the Plan otherwise provides, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award to a Participant need not be identical, and the Administrator need not treat Participants or Awards (or portions thereof) uniformly.

(d) Termination of Status. The Administrator will determine how the disability, death, retirement, authorized leave of absence or any other change or purported change in a Participant's Service Provider status affects an Award and the extent to which, and the period during which, the Participant, the Participant's legal representative, conservator, guardian or Designated Beneficiary may exercise rights under the Award, if applicable.

(e) Withholding[1]**.** Each Participant must pay the Company, or make provision satisfactory to the Administrator for payment of, any taxes (which includes any social security contributions or the like) required by law to be withheld or paid by the Company or by any Subsidiary that is the employing entity of the Participant in connection with such Participant's Awards by the date of the event creating the tax liability. The Company may deduct an amount sufficient to satisfy such tax obligations based on the minimum statutory withholding rates (or such other rate as may be determined by the Company after considering any accounting consequences or costs) from any payment of any kind otherwise due to a Participant. Subject to any Company insider trading or dealing policy (including blackout periods), Participants may satisfy such tax obligations (i) in cash, by wire transfer of immediately available funds, by check made payable to the order of the Company, provided that the Company may limit the use of the foregoing payment forms if one or more of the payment forms below is permitted, (ii) to the extent permitted by the Administrator, in whole or in part by delivery of Shares, including Shares retained from the Award creating the tax obligation, valued at their Fair Market Value, (iii) if there is a public market for Shares at the time the tax obligations are satisfied, unless the Company otherwise determines, (A) delivery (including telephonically to the extent permitted by the Company) of an irrevocable and unconditional undertaking by a broker acceptable to the Company to deliver promptly to the Company sufficient funds to satisfy the tax obligations, or (B) delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company cash or a check sufficient to satisfy the tax and/or social security withholding, provided that such amount is paid to the Company at such time as may be required by the Administrator, or (iv) to the extent permitted by the Company, any combination of the foregoing payment forms approved by the Administrator. If any tax and/or social security withholding obligation will be satisfied under clause (ii) of the immediately preceding sentence by the Company's retention of Shares from the Award creating the tax obligation and there is a public market for Shares at the time the tax obligation is satisfied, the Company may elect to instruct any brokerage firm determined acceptable to the Company for such purpose to sell on the applicable Participant's behalf some or all of the Shares retained and to remit the proceeds of the sale to the Company or its designee, and each Participant's acceptance of an Award under the Plan will constitute the Participant's authorization to the Company and instruction and authorization to such brokerage firm to complete the transactions described in this sentence.

(f) Amendment of Award; Repricing. The Administrator may amend, modify or terminate any outstanding Award, including by substituting another Award of the same or a different type, changing the exercise or settlement date, converting an Incentive Option to a Non-Qualified Option, or by amending, waiving or relaxing any Performance Condition. The Participant's consent to such action will be required unless (i) the action, taking into account any related action, does not materially and adversely affect the Participant's rights under the Award, or (ii) the change is permitted under Section 8 or pursuant to Section 10(f). Notwithstanding the foregoing or anything in the Plan to the contrary, the Administrator may not, except pursuant to Section 8, without the approval of the shareholders of the Company, reduce the exercise price per share of outstanding Options or Share Appreciation Rights or cancel outstanding Options or Share Appreciation Rights in exchange for cash, other Awards or Options or Share Appreciation Rights with an exercise price per share that is less than the exercise price per share of the original Options or Share Appreciation Rights.

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1 Approach to employer's National Insurance in the UK TBD.

(g) Conditions on Delivery of Shares. The Company will not be obligated to deliver any Shares under the Plan or remove restrictions from Shares previously delivered under the Plan until (i) all Award conditions have been met or removed to the Company's satisfaction, (ii) as determined by the Company, all other legal matters regarding the issuance and delivery of such Shares (including payment of nominal value) have been satisfied, including any applicable securities laws and stock exchange or stock market rules and regulations, and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Administrator deems necessary or appropriate to satisfy any Applicable Laws. The Company's inability to obtain authority from any regulatory body having jurisdiction, which the Administrator determines is necessary to the lawful issuance and sale of any securities, will relieve the Company of any liability for failing to issue or sell such Shares as to which such requisite authority has not been obtained.

(h) Acceleration. The Administrator may at any time provide that any Award will become immediately vested and fully or partially exercisable, free of some or all restrictions or conditions, or otherwise fully or partially realizable.

(i) Additional Terms of Incentive Options. The Administrator may grant Incentive Options only to employees of the Company, any of its present or future parent or subsidiary corporations, as defined in Sections 424(e) or (f) of the Code, respectively, and any other entities the employees of which are eligible to receive Incentive Options under the Code. If an Incentive Option is granted to a Greater Than 10% Shareholder, the exercise price will not be less than 110% of the Fair Market Value on the Option's grant date, and the term of the Option will not exceed five years. All Incentive Options will be subject to and construed consistently with Section 422 of the Code. By accepting an Incentive Option, the Participant agrees to give prompt notice to the Company of dispositions or other transfers (other than in connection with a Change in Control) of Shares acquired under the Option made within (i) two years from the grant date of the Option or (ii) one year after the transfer of such Shares to the Participant, specifying the date of the disposition or other transfer and the amount the Participant realized, in cash, other property, assumption of indebtedness or other consideration, in such disposition or other transfer. Neither the Company nor the Administrator will be liable to a Participant, or any other party, if an Incentive Option fails or ceases to qualify as an "incentive stock option" under Section 422 of the Code. Any Incentive Option or portion thereof that fails to qualify as an "incentive stock option" under Section 422 of the Code for any reason, including becoming exercisable with respect to Shares having a fair market value exceeding the $100,000 limitation under Treasury Regulation Section 1.422-4, will be a Non-Qualified Option.

10. MISCELLANEOUS

(a) No Right to Employment or Other Status. No person will have any claim or right to be granted an Award, and the grant of an Award will not be construed as giving a Participant the right to continued employment or any other relationship with the Company. The Company expressly reserves the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan or any Award, except as expressly provided in an Award Agreement.

(b) No Rights as Shareholder; Certificates. Subject to the Award Agreement, no Participant or Designated Beneficiary will have any rights as a shareholder with respect to any Shares to be distributed under an Award until becoming the record holder of such Shares. Notwithstanding any other provision of the Plan, unless the Administrator otherwise determines or Applicable Laws require, the Company will not be required to deliver to any Participant certificates evidencing Shares issued in connection with any Award and instead such Shares may be recorded in the books of the Company (or, as applicable, its transfer agent or stock plan administrator). The Company may place legends on certificates issued under the Plan that the Administrator deems necessary or appropriate to comply with Applicable Laws.

(c) Effective Date and Term of Plan. The Plan will become effective on the day it is approved by the Company's shareholders (the "***Effective Date***") and, unless earlier terminated by the Board, will remain in effect until the tenth anniversary of the Effective Date, but Awards previously granted may extend beyond that date in accordance with the Plan. If the Plan is not approved by the Company's shareholders, the Plan will not become effective, no Awards will be granted under the Plan and the Prior Plan will continue in full force and effect in accordance with its terms. No Incentive Option may be granted after the tenth anniversary of the earlier of (i) the date the Plan is adopted by the Board or (ii) the Effective Date.

(d) Amendment of Plan. The Administrator may amend, suspend or terminate the Plan at any time; provided that no amendment, other than an increase to the Share Reserve, may materially and adversely affect any Award outstanding at the time of such amendment without the affected Participant's consent. No Awards may be granted under the Plan during any suspension period or after Plan termination. Awards outstanding at the time of any Plan suspension or termination will continue to be governed by the Plan and the Award Agreement, as in effect before such suspension or termination. The Board will obtain shareholder approval of any Plan amendment to the extent necessary to comply with Applicable Laws.

(e) Provisions for Foreign Participants. The Administrator may modify Awards granted to Participants who are nationals of, or employed in, a jurisdiction outside the United Kingdom and the United States or establish subplans or procedures under the Plan to address differences in laws, rules, regulations or customs of such international jurisdictions with respect to tax, securities, currency, employee benefit or other matters, including as may be necessary in the Administrator's discretion to grant Awards under any tax-favourable regime that may be available in any jurisdiction.

(f) Section 409A. The following provisions only apply to Participants subject to tax in the United States.

(i) General. The Company intends that all Awards be structured to comply with, or be exempt from, Section 409A, such that no adverse tax consequences, interest, or penalties under Section 409A apply. Notwithstanding anything in the Plan or any Award Agreement to the contrary, the Administrator may, without a Participant's consent, amend this Plan or Awards, adopt policies and procedures, or take any other actions (including amendments, policies, procedures and retroactive actions) as are necessary or appropriate to preserve the intended tax treatment of Awards, including any such actions intended to (A) exempt this Plan or any Award from Section 409A, or (B) comply with Section 409A, including regulations, guidance, compliance programs and other interpretative authority that may be issued after an Award's grant date. The Company makes no representations or warranties as to an Award's tax treatment under Section 409A or otherwise. The Company will have no obligation under this Section 10.6 or otherwise to avoid the taxes, penalties or interest under Section 409A with respect to any Award and will have no liability to any Participant or any other person if any Award, compensation or other benefits under the Plan are determined to constitute noncompliant "nonqualified deferred compensation" subject to taxes, penalties or interest under Section 409A.

(ii) Separation from Service. If an Award constitutes "nonqualified deferred compensation" under Section 409A, any payment or settlement of such Award upon a termination of a Participant's Service Provider relationship will, to the extent necessary to avoid taxes under Section 409A, be made only upon the Participant's "separation from service" (within the meaning of Section 409A), whether such "separation from service" occurs upon or after the termination of the Participant's Service Provider relationship. For purposes of this Plan or any Award Agreement relating to any such payments or benefits, references to a "termination," "termination of employment" or like terms means a "separation from service."

(iii) Payments to Specified Employees. Notwithstanding any contrary provision in the Plan or any Award Agreement, any payment(s) of "nonqualified deferred compensation" required to be made under an Award to a "specified employee" (as defined under Section 409A and as the Administrator determines) due to his or her "separation from service" will, to the extent necessary to avoid taxes under Section 409A(a)(2)(B)(i) of the Code, be delayed for the six-month period immediately following such "separation from service" (or, if earlier, until the specified employee's death) and will instead be paid (as set forth in the Award Agreement) on the day immediately following such six-month period or as soon as administratively practicable thereafter (without interest). Any payments of "nonqualified deferred compensation" under such Award payable more than six months following the Participant's "separation from service" will be paid at the time or times the payments are otherwise scheduled to be made.

(g) Limitations on Liability. Notwithstanding any other provisions of the Plan, no individual acting as a director, officer, other employee or agent of the Company or any Subsidiary will be liable to any Participant, former Participant, spouse, beneficiary, or any other person for any claim, loss, liability, or expense incurred in connection with the Plan or any Award, and such individual will not be personally liable with respect to the Plan because of any contract or other instrument executed in his or her capacity as an Administrator, director, officer, other employee or agent of the Company or any Subsidiary. The Company will indemnify and hold harmless each director, officer, other employee and agent of the Company or any Subsidiary that has been or will be granted or delegated any duty or power relating to the Plan's administration or interpretation, against any cost or expense (including attorneys' fees) or liability (including any sum paid in settlement of a claim with the Administrator's approval) arising from any act or omission concerning this Plan unless arising from such person's own fraud or bad faith.

(h) Data Privacy.

(i) As a condition for receiving any Award, each Participant acknowledges that the Company and any Subsidiary may collect, use and transfer, in electronic or other form, personal data as described in this section by and among the Company and its Subsidiaries and affiliates exclusively for implementing, administering and managing the Participant's participation in the Plan. The Company (as above) may hold certain personal information about a Participant, including the Participant's name, address and telephone number; birthdate; social security, insurance number or other identification number; salary; nationality; job title(s); any Shares held in the Company (as above); and Award details, to implement, manage and administer the Plan and Awards (the "***Data***"). The Company (as above) may transfer the Data amongst themselves as necessary to implement, administer and manage a Participant's participation in

the Plan, and the Company (as above) may transfer the Data to third parties assisting the Company with Plan implementation, administration and management. These recipients may be located in the Participant's country, or elsewhere, and the Participant's country may have different data privacy laws and protections than the recipients' country. By accepting an Award, each Participant acknowledges that such recipients may receive, possess, use, retain and transfer the Data, in electronic or other form, to implement, administer and manage the Participant's participation in the Plan, including any required Data transfer to a broker or other third party with whom the Company or the Participant may elect to deposit any Shares. The Data related to a Participant will be held only as long as necessary to implement, administer, and manage the Participant's participation in the Plan. A Participant may, at any time, view the Data that the Company holds regarding such Participant, request additional information about the storage and processing of the Data regarding such Participant and recommend any necessary corrections to the Data regarding the Participant in writing, without cost, by contacting the local human resources representative.

For the purpose of operating the Plan in the European Union and the United Kingdom, the Company will collect and process information relating to Participants in accordance with the privacy notice which is provided to each Participant.

(i) Severability. If any portion of the Plan or any action taken under it is held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Plan, and the Plan will be construed and enforced as if the illegal or invalid provisions had been excluded, and the illegal or invalid action will be null and void.

(j) Governing Documents. If any contradiction occurs between the Plan and any Award Agreement or other written agreement between a Participant and the Company (or any Subsidiary) that the Administrator has approved, the Plan will govern, unless it is expressly specified in such Award Agreement or other written document that a specific provision of the Plan will not apply.

All Awards will be subject to Applicable Laws on insider trading and dealing and any specific insider trading or dealing policy adopted by the Company.

(k) Governing Law and Jurisdiction. The Plan and all Awards, including any non-contractual obligations arising in connection therewith, will be governed by and interpreted in accordance with the laws of England and Wales, disregarding any jurisdiction's choice-of-law principles requiring the application of a jurisdiction's laws other than that of England and Wales and the courts of England and Wales shall have exclusive jurisdiction to hear any dispute.

(l) Claw-back Provisions. All Awards (including any proceeds, gains or other economic benefit the Participant actually or constructively receives upon receipt or exercise of any Award or the receipt or resale of any Shares underlying the Award) will be subject to any Company claw-back policy that may be adopted from time to time to the extent such policy applies to the relevant Participant, including any claw-back policy adopted to comply with Applicable Laws (including the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder) as set forth in such claw-back policy or the Award Agreement.

(m) Other Group Company policies. All Awards (including any proceeds, gains or other economic benefit the Participant actually or constructively receives upon receipt or exercise of any Award or the receipt or resale of any Shares underlying the Award) will be subject to any relevant Company or Group Company policy to the extent such policy applies to the relevant Participant, including but not limited to any remuneration policy and/or share retention, ownership, or holding policy that may be adopted from time to time.

(n) Titles and Headings. The titles and headings in the Plan are for convenience of reference only and, if any conflict, the Plan's text, rather than such titles or headings, will control.

(o) Conformity to Applicable Laws. Participant acknowledges that the Plan is intended to conform to the extent necessary with Applicable Laws. Notwithstanding anything herein to the contrary, the Plan and all Awards will be administered only in conformance with Applicable Laws. To the extent Applicable Laws permit, the Plan and all Award Agreements will be deemed amended as necessary to conform to Applicable Laws and may be unilaterally cancelled by the Company (with the effect that all Participant's rights thereunder lapse with immediate effect) if the Administrator determines in its reasonable discretion that such conformity is not possible or practicable.

(p) Relationship to Other Benefits. No payment under the Plan will be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Subsidiary except as expressly provided in writing in such other plan or an agreement thereunder.

(q) Broker-Assisted Sales. In the event of a broker-assisted sale of Shares in connection with the payment of amounts owed by a Participant under or with respect to the Plan or Awards, including amounts to be paid under the final sentence of Section 9(e): (a) any Shares to be sold through the broker-assisted sale will be sold (subject in all cases to the Administrator having regard to the orderly marketing and disposal of such Shares, and having the discretion to delay broker-assisted sales for such reasons) on the day the payment first becomes due, or as soon thereafter as practicable; (b) such Shares may be sold as part of a block trade with other Participants in the Plan in which all Participants receive an average price; (c) the applicable Participant will be responsible for all broker's fees and other costs of sale, and by accepting an Award, each Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (d) to the extent the Company or its designee receives proceeds of such sale that exceed the amount owed, the Company will pay such excess in cash to the applicable Participant as soon as reasonably practicable; (e) the Company and its designees are under no obligation to arrange for such sale at any particular price; and (f) in the event the proceeds of such sale are insufficient to satisfy the Participant's applicable obligation, the Participant may be required to pay immediately upon demand to the Company or its designee, or the Company or any Subsidiary may withhold from any payment to be made to the Participant (including but not limited to that Participant's salary), an amount in cash sufficient to satisfy any remaining portion of the Participant's obligation.

11. DEFINITIONS.

As used in the Plan, the following words and phrases will have the following meanings:

(a) "***ADSs***" means American Depositary Shares, representing Ordinary Shares on deposit with a U.S. banking institution selected by the Company and which are registered pursuant to a Form F-6.

(b) "***Administrator***" means the Board or a Committee to the extent that the Board's powers or authority under the Plan have been delegated to such Committee.

(c) "***Applicable Laws***" means any applicable laws, including without limitation: (a) the requirements relating to the administration of equity incentive plans under English, U.S. federal and state securities, tax and other applicable laws, rules and regulations, the applicable rules of any stock exchange or quotation system on which the Shares are listed or quoted and the applicable laws and rules of any other country or jurisdiction where Awards are granted; and (b) corporate, securities, tax or other laws, statutes, rules, requirements or regulations, whether U.S. federal, state, local or foreign, applicable in the United Kingdom, United States or any other relevant jurisdiction.

(d) "***Award***" means, individually or collectively, a grant under the Plan of Options, Share Appreciation Rights, Restricted Shares, Restricted Share Units or Other Share Based Awards.

(e) "***Award Agreement***" means a written agreement evidencing an Award, which may be electronic, that contains such terms and conditions as the Administrator determines, consistent with and subject to the terms and conditions of the Plan.

(f) "***Board***" means the Board of Directors of the Company.

(g) "***Cause***" means (i) if a Participant is a party to a written employment or consulting agreement with the Company or any of its Subsidiaries or an Award Agreement in which the term "cause" is defined (a "***Relevant Agreement***"), "Cause" as defined in the Relevant Agreement, and (ii) if no Relevant Agreement exists, (A) the Administrator's determination that the Participant failed to substantially perform the Participant's duties (other than a failure resulting from the Participant's Disability); (B) the Administrator's determination that the Participant failed to carry out, or comply with any lawful and reasonable directive of the Board or the Participant's immediate supervisor; (C) the occurrence of any act or omission by the Participant that could reasonably be expected to result in (or has resulted in) the Participant's conviction, plea of no contest, plea of nolo contendere, or imposition of unadjudicated probation for any felony or indictable offense or crime involving moral turpitude (or equivalent in any jurisdiction); (D) the Participant's unlawful use (including being under the influence) or possession of illegal drugs on the premises of the Company or any of its Subsidiaries or while performing the Participant's duties and responsibilities for the Company or any of its Subsidiaries; or (E) the Participant's commission of an act of fraud, embezzlement, misappropriation, misconduct, or breach of fiduciary duty against the Company or any of its Subsidiaries.

(h) "***Change in Control***" means and includes each of the following:

(i) a Sale; or

(ii) a Takeover.

The Administrator shall have full and final authority, which shall be exercised in its sole discretion, to determine conclusively whether a Change in Control has occurred pursuant to the above definition, the date of the occurrence of such Change in Control and any incidental matters relating thereto; provided that any exercise of authority in conjunction with a determination of whether a Change in Control is a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5) shall be consistent with such regulation.

(i) "***Code***" means the US Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

(j) "***Committee***" means one or more committees or subcommittees of the Board, which may include one or more Company directors or executive officers, to the extent Applicable Laws permit. To the extent required to comply with the provisions of Rule 16b-3, it is intended that each member of the Committee will be, at the time the Committee takes any action with respect to an Award that is subject to Rule 16b-3, a "non-employee director" within the meaning of Rule 16b-3; however, a Committee member's failure to qualify as a "non-employee director" within the meaning of Rule 16b-3 will not invalidate any Award granted by the Committee that is otherwise validly granted under the Plan.

(k) "***Company***" means Renalytix AI plc, registered in England and Wales with company number 11257655, or any successor.

(l) "***Control***" has the meaning given in section 995(2) of the UK Income Tax Act 2007, unless otherwise specified.

(m) "***Corporate Event***" has the meaning given to it in Section 8.2(a).

(n) "***Designated Beneficiary***" means the beneficiary or beneficiaries the Participant designates, in a manner the Administrator determines, to receive amounts due or exercise the Participant's rights if the Participant dies or becomes incapacitated. Without a Participant's effective designation, "Designated Beneficiary" will mean the Participant's estate.

(o) "***Director***" means a Board member.

(p) "***Disability***" means a permanent and total disability under Section 22(e)(3) of the Code, as amended.

(q) "***Effective Date***" has the meaning given to it in Section 10(c).

(r) "***Employe***e" means any employee of the Company or its Subsidiaries.

(s) "***Equity Restructuring***" means a nonreciprocal transaction between the Company and its shareholders, such as a share dividend, share split, spin-off, rights offering or recapitalization through a large, nonrecurring cash dividend, that affects the number or kind of Shares (or other Company securities) or the price of Shares (or other Company securities) and causes a change in the per share value of the Shares underlying outstanding Awards.

(t) "***Exchange Act***" means the US Securities Exchange Act of 1934, as amended.

(u) "***Fair Market Value***" means, as of any date, the value of Shares determined as follows: (i) if the Shares are listed on any established stock exchange, its Fair Market Value will be the closing sales price for Shares as quoted on such exchange for the last day preceding such date during which a sale occurred, as reported in The Wall Street Journal or another source the Administrator deems reliable; (ii) if the Shares are not traded on a stock exchange but is quoted on a national market or other quotation system, the closing sales price on the last date preceding such date during which a sale occurred, as reported in The Wall Street Journal or another source the Administrator deems reliable; or (iii) without an established market for the Shares, the Administrator will determine the Fair Market Value in its discretion.

(v) "***Greater Than 10% Shareholder***" means an individual then owning (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of equity securities of the Company or its parent or subsidiary corporation, as defined in Section 424(e) and (f) of the Code, respectively.

(w) "***Incentive Option***" means an Option intended to qualify as an "incentive stock option" as defined in Section 422 of the Code.

(x) "***Non-Employee Sub-Plan***" means the Non-Employee Sub-Plan to the Plan adopted by the Board.

(y) "***Non-Qualified Option***" means an Option not intended or not qualifying as an Incentive Option.

(z) "***Option***" means an option to purchase Shares.

(aa) "***Ordinary Share***" means an ordinary share of £0.0025 each in the capital of the Company.

(bb) "***Other Share Based Awards***" means awards of Shares, and other awards valued wholly or partially by referring to, or are otherwise based on, Shares or other property.

(cc) "***Participant***" means a Service Provider who has been granted an Award.

(dd) "***Performance Criteria***" mean the criteria (and adjustments) that the Administrator may select for an Award to establish performance goals for a performance period.

(ee) "***Plan***" means this 2020 Equity Incentive Plan.

(ff) "***Prior Plan***" means the Renalytix AI plc Share Option Plan for Employees with Non-Employee Sub-Plan and US Sub-Plan adopted by the Board on 11 September 2018.

(gg) "***Restricted Shares***" means Shares awarded to a Participant under Section 6 subject to certain vesting conditions and other restrictions.

(hh) "***Restricted Share Unit***" means an unfunded, unsecured right to receive, on the applicable settlement date, one Share or an amount in cash or other consideration determined by the Administrator to be of equal value as of such settlement date, subject to certain vesting conditions and other restrictions.

(ii) "***Rule 16b-3***" means Rule 16b-3 promulgated under the Exchange Act.

(jj) "***Sale***" means the sale of all or substantially all of the assets of the Company.

(kk) "***Section 409A***" means Section 409A of the Code and all regulations, guidance, compliance programs and other interpretative authority thereunder.

(ll) "***Securities Act***" means the Securities Act of 1933, as amended.

(mm) "***Service Provider***" means an Employee or a Director who is an Employee.

(nn) "***Share***" means an Ordinary Share or the number of ADSs equal to an Ordinary Share.

(oo) "***Share Appreciation Right***" means a Share Appreciation right granted under Section 5.

(pp) "***Share Reserve***" has the meaning given to it in Section 4(a).

(qq) "***Subsidiary***" means any entity (other than the Company), whether domestic or foreign, in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain beneficially owns, at the time of the determination, securities or interests representing at least 50% of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

(rr) "***Substitute Awards***" means Awards granted or Shares issued by the Company in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, in each case by a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines.

(ss) "***Takeover***" means if any person (or a group of persons acting in concert) (the "***Acquiring Person***"):

(i) obtains Control of the Company as the result of making a general offer to:

(1) acquire all of the issued ordinary share capital of the Company, which is made on a condition that, if it is satisfied, the Acquiring Person will have Control of the Company; or

(2) acquire all of the shares in the Company which are of the same class as the Shares; or

(ii) obtains Control of the Company as a result of a compromise or arrangement sanctioned by a court under Section 899 of the UK Companies Act 2006, or sanctioned under any other similar law of another jurisdiction; or

(iii) becomes bound or entitled under Sections 979 to 985 of the UK Companies Act 2006 (or similar law of another jurisdiction) to acquire shares of the same class as the Shares; or

(iv) obtains Control of the Company in any other way.

(tt) "***Termination of Service***" means the date the Participant ceases to be a Service Provider.

NON-EMPLOYEE SUB-PLAN

TO THE RENALYTIX AI PLC 2020 EQUITY INCENTIVE PLAN

This sub-plan (the "***Non-Employee Sub-Plan***") to the Renalytix AI plc 2020 Equity Incentive Plan (the "***Plan***") governs the grant of Awards to Consultants (defined below) and Directors who are not Employees. The Non-Employee Sub-Plan incorporates all the provisions of the Plan except as modified in accordance with the provisions of this Non-Employee Sub-Plan.

Awards granted pursuant to the Non-Employee Sub-Plan are not granted pursuant to an "employees' share scheme" for the purposes of UK legislation.

For the purposes of the Non-Employee Sub-Plan, the provisions of the Plan shall operate subject to the following modifications:

1. Interpretation

In the Non-Employee Sub-Plan, unless the context otherwise requires, the following words and expressions have the following meanings:

"***Consultant***" means any person, including any adviser, engaged by the Company or its parent or Subsidiary to render services to such entity if the consultant or adviser: (i) renders bona fide services to the Company; (ii) renders services not in connection with the offer or sale of securities in a capital-raising transaction and does not directly or indirectly promote or maintain a market for the Company's securities; and (iii) is a natural person.

"***Service Provider***" means a Consultant or Director who is not an Employee.

2. Eligibility

Service Providers are eligible to be granted Awards under the Non-Employee Sub-Plan.

APPENDIX 1
OPTION GRANT NOTICE

RENALYTIX AI PLC
2020 EQUITY INCENTIVE PLAN [:NON-EMPLOYEE SUB-PLAN][2]

Capitalized terms not specifically defined in this Option Grant Notice (the "***Grant Notice***") have the meanings given to them in the 2020 Equity Incentive Plan [:Non-Employee Sub-Plan][3] (as amended from time to time, the "***Plan***") of Renalytix AI plc (the "***Company***").

The Company has granted to the participant listed below ("***Participant***") the option described in this Grant Notice (the "***Option***"), subject to the terms and conditions of the Plan and the Option Agreement attached as Exhibit A (the "***Agreement***"), both of which are incorporated into this Grant Notice by reference.

Participant:

Grant Date:

Exercise Price per Share:

Shares Subject to the Option:

Final Expiration Date:

Vesting Commencement Date:

Vesting Schedule[4]:	[1/4 of the total number of Shares under Option shall vest on the first anniversary of the Vesting Commencement Date, and 1/36th of the remaining number of Shares under Option shall vest monthly thereafter, subject to Participant remaining continuously a Service Provider as of each such date, save that the Option shall vest and be exercisable in full in connection with a Change in Control].
Type of Option[5]	[Incentive Option[6]/Non-Qualified Option[7]]

By Participant's signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan, the Agreement and any Group Company policy that may be applicable to the Participant and the Option from time to time (the "***Policies***") [including but not limited to the

2 For Consultants and Directors who are not Employees
3 For Consultants and Directors who are not Employees
4 Selection of applicable vesting schedule, or determination that a different vesting schedule shall apply, subject to discretion of Administrator.
5 If this is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options) cannot be first exercisable for more than $100,000 in value (measured by exercise price) in any calendar year. Any excess over $100,000 is a Nonstatutory Stock Option.
6 For US taxpayer employees.
7 For all other Service Providers.

[Company's claw-back policy / share retention policy / remuneration policy]][8]. Participant has reviewed the Plan, this Grant Notice, the Agreement and the Policies in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice, the Agreement and the Policies. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, this Grant Notice or the Agreement.

RENALYTIX AI PLC

By: _____

Name

Title:

PARTICIPANT

_____

[Participant Name]

8 Delete as applicable

Exhibit A

OPTION AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan.

1. GENERAL

1.1. Grant of Option

The Company has granted to Participant the Option effective as of the grant date set forth in the Grant Notice (the "***Grant Date***").

1.2. Incorporation of Terms of Plan

The Option is subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

2. PERIOD OF EXERCISABILITY

2.1. Commencement of Exercisability

The Option will vest and become exercisable according to the vesting schedule in the Grant Notice (the "***Vesting Schedule***") except that any fraction of a Share as to which the Option would be vested or exercisable will be accumulated and will vest and become exercisable only when a whole Share has accumulated. Notwithstanding anything in the Grant Notice, the Plan or this Agreement to the contrary, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company, the Option will immediately expire and be forfeited as to any portion that is not vested and exercisable as of Participant's Termination of Service for any reason.

2.2. Duration of Exercisability

The Vesting Schedule is cumulative. Any portion of the Option which vests and becomes exercisable will remain vested and exercisable until the Option expires. The Option will be forfeited immediately upon its expiration.

2.3. Expiration of Option

The Option may not be exercised to any extent by anyone after, and will expire on, the first of the following to occur:

(a) The final expiration date in the Grant Notice;

(b) Eighteen (18) months after your death if you die either during your Continuous Service; and

(c) Except as the Administrator may otherwise approve, Participant's Termination of Service for Cause.

3. EXERCISE OF OPTION

3.1. Person Eligible to Exercise

During Participant's lifetime, only Participant may exercise the Option. After Participant's death, any exercisable portion of the Option may, prior to the time the Option expires, be exercised by Participant's Designated Beneficiary as provided in the Plan.

3.2. Partial Exercise

Any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised, in whole or in part, according to the procedures in the Plan at any time prior to the time the Option or portion thereof expires, except that the Option may only be exercised for whole Shares.

3.3. Tax Withholding.

(a) The Company has the right and option, but not the obligation, to treat Participant's failure to provide timely payment in accordance with the Plan of any withholding tax arising in connection with the Option as Participant's election to satisfy all or any portion of the withholding tax by requesting the Company retain Shares otherwise issuable under the Option.

(b) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the Option, regardless of any action the Company or any Subsidiary takes with respect to any tax and/or social security withholding obligations that arise in connection with the Option. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax and/or social security withholding in connection with the awarding, vesting or exercise of the Option or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the Option to reduce or eliminate Participant's tax and/or social security liability.

4. OTHER PROVISIONS

4.1. Adjustments

Participant acknowledges that the Option is subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

4.2. Notices

Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant (or, if Participant is then deceased, to the person entitled to exercise the Option) at Participant's last known mailing address or email address in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given: (i) if sent by email, when actually received; and (ii) if sent by certified mail (return receipt requested) and deposited with postage prepaid in the applicable national mail, when delivered by a nationally recognized express shipping company.

4.3. Titles

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

4.4. Conformity to Applicable Laws

Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws, and this Option may be unilaterally cancelled by the Company (with the effect that all Participant's rights hereunder lapse with immediate effect) if the Administrator determines in its reasonable discretion that such conformity is not possible or practicable.

4.5. Successors and Assigns

The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the Plan, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.6. Limitations Applicable to Section 16 Persons

Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Grant Notice, this Agreement and the Option will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

4.7. Entire Agreement

The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

4.8. Agreement Severable

In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.9. Limitation on Participant's Rights

Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Option, and rights no greater than the right to receive the Shares as a general unsecured creditor with respect to the Option, as and when exercised pursuant to the terms hereof.

4.10. Not a Contract of Employment

Nothing in the Plan, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

4.11. Counterparts

The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Laws, each of which will be deemed an original and all of which together will constitute one instrument.

4.12. Incentive Options

If the Option is designated as an Incentive Option:

(a) Participant acknowledges that to the extent the aggregate fair market value of shares (determined as of the time the option with respect to the shares is granted) with respect to which options intended to qualify as "incentive stock options" under Section 422 of the Code, including the Option, are exercisable for the first time by Participant during any calendar year exceeds $100,000 or if for any other reason such options do not qualify or cease to qualify for treatment as "incentive stock options" under Section 422 of the Code, such options (including the Option) will be treated as non-qualified options. Participant further acknowledges that the rule set forth in the preceding sentence will be applied by taking the Option and other options into account in the order in which they were granted, as determined under Section 422(d) of the Code.

(b) Participant also acknowledges that if the Option is exercised more than three (3) months after Participant's Termination of Service, other than by reason of death or Disability, the Option will be taxed as a Non-Qualified Option.

(c) Participant will give prompt written notice to the Company of any disposition or other transfer of any Shares acquired under this Agreement if such disposition or other transfer is made (a) within two (2) years from the Grant Date or (b) within one (1) year after the transfer of such Shares to Participant. Such notice will specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by Participant in such disposition or other transfer.

APPENDIX 2

RESTRICTED SHARE UNIT GRANT NOTICE

RENALYTIX AI PLC

2020 EQUITY INCENTIVE PLAN [:NON-EMPLOYEE SUB-PLAN][9]

Capitalized terms not specifically defined in this Restricted Share Unit Grant Notice (the "***Grant Notice***") have the meanings given to them in the 2020 Equity Incentive Plan [:Non-Employee Sub-Plan][10] (as amended from time to time, the "***Plan***") of Renalytix AI plc (the "***Company***").

The Company has granted to the participant listed below ("***Participant***") the Restricted Share Units (the "***RSUs***") described in this Grant Notice (the "***Award***"), subject to the terms and conditions of the Plan and the Restricted Share Unit Agreement attached as Exhibit A (the "***Agreement***"), both of which are incorporated into this Grant Notice by reference.

Participant:	
Grant Date:	
Number of RSUs:	
Vesting Commencement Date:	
Vesting Schedule[11]:	[1/4 of the total number of Shares under Award shall vest on the first anniversary of the Vesting Commencement Date, and 1/36th of the remaining number of Shares under Award shall vest monthly thereafter, subject to Participant remaining continuously a Service Provider as of each such date, save that the Award shall vest in full in connection with a Change in Control].

9 For Consultants and Directors who are not Employees

10 For Consultants and Directors who are not Employees

11 Selection of applicable vesting schedule, or determination that a different vesting schedule shall apply, subject to discretion of Administrator.

Mandatory Sale to Cover Withholding Taxes:	[As a condition to acceptance of this award, to the fullest extent permitted under the Plan and Applicable Laws, withholding taxes and other tax related items will be satisfied through the sale of a number of the shares subject to the Award as determined in accordance with Section 3.2 of the Agreement and the remittance of the cash proceeds to the Company. Under the Agreement, the Company is authorized and directed by the Participant to make payment from the cash proceeds of this sale directly to the appropriate taxing authorities in an amount equal to the taxes required to be withheld. **The mandatory sale of shares to cover withholding taxes and tax related items is imposed by the Company on the Participant in connection with the receipt of this Award, and it is intended to comply with the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act and be interpreted to meet the requirements of Rule 10b5-1(c).**][12]

By Participant's signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan, the Agreement and any Group Company policy that may be applicable to the Participant and the Award from time to time (the "***Policies***") [including but not limited to the [Company's claw-back policy / share retention policy / remuneration policy]][13]. Participant has reviewed the Plan, this Grant Notice, the Agreement and the Policies in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice, the Agreement and the Policies. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, this Grant Notice or the Agreement.

RENALYTIX AI PLC	PARTICIPANT
By: _____	_____
Name	[Participant Name]
_____	
Title:	

12 Cooley are considering approach to this.

13 Delete as applicable

Exhibit A

RESTRICTED SHARE UNIT AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan.

5. GENERAL

5.1. Award of RSUs

The Company has granted the RSUs to Participant effective as of the grant date set forth in the Grant Notice (the "***Grant Date***"). Each RSU represents the right to receive one Share or, at the option of the Company, an amount of cash, in either case, as set forth in this Agreement. Participant will have no right to the distribution of any Shares or payment of any cash until the time (if ever) the RSUs have vested.

5.2. Incorporation of Terms of Plan

The RSUs are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

5.3. Unsecured Promise

The RSUs will at all times prior to settlement represent an unsecured Company obligation payable only from the Company's general assets.

6. VESTING; FORFEITURE AND SETTLEMENT

6.1. Vesting; Forfeiture

The RSUs will vest according to the vesting schedule in the Grant Notice except that any fraction of an RSU that would otherwise be vested will be accumulated and will vest only when a whole RSU has accumulated. In the event of Participant's Termination of Service for any reason, all unvested RSUs will immediately and automatically be cancelled and forfeited, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company.

6.2. Settlement

(a) RSUs will be paid in Shares or cash at the Company's option as soon as administratively practicable after the vesting of the applicable RSU, but in no event more than sixty (60) days after the RSU's vesting date. Notwithstanding the foregoing, to the extent permitted under Applicable Laws, the Company may delay any payment under this Agreement that the Company reasonably determines would violate Applicable Laws until the earliest date the Company reasonably determines the making of the payment will not cause such a violation.

(b) If an RSU is paid in cash, the amount of cash paid with respect to the RSU will equal the Fair Market Value of a Share on the day immediately preceding the payment date.

(c) If an RSU is paid in Shares, Participant may be required to pay the nominal value thereof in the same manner as provided for Withholding Taxes below.

7. TAXATION AND TAX WITHHOLDING

7.1. Representation

Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax and/or social security consequences of this Award and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

7.2. Tax Withholding

(a) On each vesting date, and on or before the time Participant receives a distribution of the shares underlying the RSUs, and at any other time as reasonably requested by the Company in accordance with applicable tax laws, Participant hereby authorizes any required withholding from the shares issuable to Participant and/or otherwise agree to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax and/or social security withholding obligations of the Company or any parent or Subsidiary that arise in connection with Participant's RSU (the "***Withholding Taxes***"). Specifically, pursuant to Section 3.2(b), Participant has agreed to a "same day sale" commitment with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a "***FINRA Dealer***") whereby Participant has irrevocably agreed to sell a portion of the shares to be delivered in connection with Participant's RSUs to satisfy the Withholding Taxes and whereby the FINRA Dealer committed to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company and/or its parents or subsidiaries. If, for any reason, such "same day sale" commitment pursuant to Section 3.2(b) does not result in sufficient proceeds to satisfy the Withholding Taxes or would be prohibited by Applicable Laws at the applicable time, Participant hereby authorizes the Company and/or the relevant parent or Subsidiary, or their respective agents, at their discretion, to satisfy the obligations with regard to all Withholding Taxes by one or a combination of the following: (i) withholding from any compensation otherwise payable to Participant by the Company or any parent or Subsidiary; (ii) causing Participant to tender a cash payment (which may be in the form of a check, electronic wire transfer or other method permitted by the Company); or (iii) withholding shares from the shares issued or otherwise issuable to Participant in connection with Participant's RSUs with a fair market value (measured as of the date shares are issued to Participant) equal to the amount of such Withholding Taxes; provided, however, that the number of such shares so withheld will not exceed the amount necessary to satisfy the required tax and/or social security withholding obligations using the minimum statutory withholding rates for federal, state, local and, if applicable, foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income; and, provided, further, that to the extent necessary to qualify for an exemption from application of Section 16(b) of the Exchange Act, if applicable, such share withholding procedure will be subject to the prior approval of the Company's Remuneration Committee.

(b) Participant hereby acknowledges and agrees to the following:

(i) Participant hereby appoints such FINRA Dealer appointed by the Company for purposes of this Section 3.2(b) as Participant's agent (the "***Agent***"), and authorize the Agent:

(A) To sell on the open market at the then prevailing market price(s), on Participant's behalf, as soon as practicable on or after each date on which the shares underlying Participant's RSUs vest, the number (rounded up to the next whole number) of the shares to be delivered to Participant in connection with the vesting of those shares sufficient to generate proceeds to cover (A) the Withholding Taxes that Participant is required to pay pursuant to the Plan and this Agreement as a result of the shares vesting (or being issued, as applicable) and (B) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto; and

(B) To remit any remaining funds to Participant.

(ii) Participant hereby authorizes the Company and the Agent to cooperate and communicate with one another to determine the number of shares that must be sold pursuant to this Section 3.2(b).

(iii) Participant understands that the Agent may effect sales as provided in this Section 3.2(b) in one or more sales and that the average price for executions resulting from bunched orders will be assigned to Participant's account. In addition, Participant acknowledges that it may not be possible to sell shares underlying Participant's RSUs as provided by in this Section 3.2(b) due to (A) a legal or contractual restriction applicable to Participant or the Agent, (B) a market disruption, or (C) rules governing order execution priority on the national exchange where the shares may be traded. In the event of the Agent's inability to sell shares underlying Participant's RSUs, Participant will continue to be responsible for the timely payment to the Company of all Withholding Taxes and any other federal, state, local and foreign taxes that are required by Applicable Laws and regulations to be withheld, including but not limited to those amounts specified in this Section 3.2(b).

(iv) Participant acknowledges that regardless of any other term or condition of this Section 3.2(b), the Agent will not be liable to Participant for (A) special, indirect, punitive, exemplary, or consequential damages, or incidental losses or damages of any kind, or (B) any failure to perform or for any delay in performance that results from a cause or circumstance that is beyond its reasonable control.

(v) Participant hereby agrees to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of this Section 3.2(b). The Agent is a third-party beneficiary of this Section 3.2(b).

(vi) Participant hereby agrees that if Participant has signed the Grant Notice at a time that Participant is in possession of material non-public information, unless Participant informs the Company in writing within five business days following the date Participant ceases to be in possession of material non-public information that Participant is not in agreement with the provisions of this Section 3.2(b), Participant not providing such written determination shall be a determination and agreement that Participant has agreed to the provisions set forth in this Section 3.2(b) on such date as Participant has ceased to be in possession of material non-public information.

(vii) This Section 3.2(b) shall terminate not later than the date on which all withholding taxes arising in connection with the vesting of Participant's RSUs have been satisfied.

(c) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs, regardless of any action the Company or any Subsidiary takes with respect to any tax and/or social security withholding obligations that arise in connection with the RSUs. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax and/or social security withholding in connection with the awarding, vesting or payment of the RSUs or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the RSUs to reduce or eliminate Participant's tax and/or social security liability.

8. OTHER PROVISIONS

8.1. Adjustments

Participant acknowledges that the RSUs and the Shares subject to the RSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

8.2. Notices

Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address or email address. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given: (i) if sent by email, when actually received; and (ii) if sent by certified mail (return receipt requested) and deposited with postage prepaid in the applicable national mail, when delivered by a nationally recognized express shipping company.

8.3. Titles

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

8.4. Conformity to Securities Laws

Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws, and the RSUs may be unilaterally cancelled by the Company (with the effect that all Participant's rights hereunder lapse with immediate effect) if the Administrator determines in its reasonable discretion that such conformity is not possible or practicable.

8.5. Successors and Assigns

The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the Plan, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

8.6. Limitations Applicable to Section 16 Persons

Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Grant Notice, this Agreement, and the RSUs will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

8.7. Entire Agreement

The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

8.8. Agreement Severable

In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

8.9. Limitation on Participant's Rights

Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs, and rights no greater than the right to receive cash or the Shares as a general unsecured creditor with respect to the RSUs, as and when settled pursuant to the terms of this Agreement.

8.10. Not a Contract of Employment

Nothing in the Plan, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

8.11. Counterparts

The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Laws, each of which will be deemed an original and all of which together will constitute one instrument.

APPENDIX 3

PERFORMANCE SHARE UNIT GRANT NOTICE[14]

RENALYTIX AI PLC

2020 EQUITY INCENTIVE PLAN [:NON-EMPLOYEE SUB-PLAN][15]

Capitalized terms not specifically defined in this Performance Share Unit Grant Notice (the "***Grant Notice***") have the meanings given to them in the 2020 Equity Incentive Plan [:Non-Employee Sub-Plan][16] (as amended from time to time, the "***Plan***") of Renalytix AI plc (the "***Company***").

The Company has granted to the participant listed below ("***Participant***") the Performance Share Units (the "***PSUs***") described in this Grant Notice (the "***Award***"), subject to the terms and conditions of the Plan and the Performance Share Unit Agreement attached as Exhibit A (the "***Agreement***"), both of which are incorporated into this Grant Notice by reference.

Participant:

Grant Date:

Target Number of PSUs:

Vesting Commencement Date:

Vesting Schedule[17]: Subject to the Administrator's determination as to whether, and the extent to which, the vesting conditions specified on Attachment I to this Grant Notice (the "***PSU Vesting Criteria***") have been met:
[1/4 of the total number of Shares under Award shall vest on the first anniversary of the Vesting Commencement Date, and 1/36th of the remaining number of Shares under Award shall vest monthly thereafter, subject to Participant remaining continuously a Service Provider as of each such date, save that the Award shall vest in full in connection with a Change in Control.]

14 Form of PSU grant notice and agreement provided in case the company decides to grant PSUs in the future.
15 For Consultants and Directors who are not Employees
16 For Consultants and Directors who are not Employees
17 Selection of applicable vesting schedule, or determination that a different vesting schedule shall apply, subject to discretion of Administrator.

Mandatory Sale to Cover Withholding Taxes:	[As a condition to acceptance of this award, to the fullest extent permitted under the Plan and Applicable Laws, withholding taxes and other tax related items will be satisfied through the sale of a number of the shares subject to the Award as determined in accordance with Section 3.2 of the Agreement and the remittance of the cash proceeds to the Company. Under the Agreement, the Company is authorized and directed by the Participant to make payment from the cash proceeds of this sale directly to the appropriate taxing authorities in an amount equal to the taxes required to be withheld. **The mandatory sale of shares to cover withholding taxes and tax related items is imposed by the Company on the Participant in connection with the receipt of this Award, and it is intended to comply with the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act and be interpreted to meet the requirements of Rule 10b5-1(c).**][18]

The Target Number of PSUs specified herein represents the number of shares that would become issuable pursuant to the Award if the Company were to achieve exactly 100% of the performance metric described in Attachment I to this Grant Notice. The number of shares subject to the Award that may become issuable to you, if any, are subject to increase or decrease based on the Company's actual performance against such performance metric and will be determined in accordance with conditions specified in the PSU Vesting Criteria.

By Participant's signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan, the Agreement and any Group Company policy that may be applicable to the Participant and the Award from time to time (the "***Policies***") [including but not limited to the [Company's claw-back policy / share retention policy / remuneration policy]][19]. Participant has reviewed the Plan, this Grant Notice, the Agreement and the Policies in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice, the Agreement and the Policies. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, this Grant Notice or the Agreement.

RENALYTIX AI PLC	**PARTICIPANT**
By: _____	_____
Name _____	[Participant Name]
Title:	

18 Approach TBD.
19 Delete as applicable

Attachment I

PSU Vesting Criteria

Performance Metric:

[To be confirmed]

Performance Target:

[To be confirmed]

Calculation of final number of shares that may vest:

[To be confirmed]

Exhibit A

PERFORMANCE SHARE UNIT AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan.

9. GENERAL

9.1. Award of PSUs

The Company has granted the PSUs to Participant effective as of the grant date set forth in the Grant Notice (the "***Grant Date***"). Each PSU represents the right to receive one Share or, at the option of the Company, an amount of cash, in either case, as set forth in this Agreement. Participant will have no right to the distribution of any Shares or payment of any cash until the time (if ever) the PSUs have vested.

9.2. Incorporation of Terms of Plan

The PSUs are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

9.3. Unsecured Promise

The PSUs will at all times prior to settlement represent an unsecured Company obligation payable only from the Company's general assets.

10. VESTING; FORFEITURE AND SETTLEMENT

10.1. Vesting; Forfeiture

The PSUs will vest according to the vesting schedule in the Grant Notice except that any fraction of a PSU that would otherwise be vested will be accumulated and will vest only when a whole PSU has accumulated. In the event of Participant's Termination of Service for any reason, all unvested PSUs will immediately and automatically be cancelled and forfeited, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company.

10.2. Settlement.

(a) PSUs will be paid in Shares or cash at the Company's option as soon as administratively practicable after the vesting of the applicable PSU, but in no event more than sixty (60) days after the PSU's vesting date. Notwithstanding the foregoing, the Company may delay any payment under this Agreement that the Company reasonably determines would violate Applicable Laws until the earliest date the Company reasonably determines the making of the payment will not cause such a violation.

(b) If a PSU is paid in cash, the amount of cash paid with respect to the PSU will equal the Fair Market Value of a Share on the day immediately preceding the payment date.

(c) If a PSU is paid in Shares, Participant may be required to pay the nominal value thereof in the same manner as provided for Withholding Taxes below.

11. TAXATION AND TAX WITHHOLDING

11.1. Representation

Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax and/or social security consequences of this Award and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

11.2. Tax Withholding.

(a) On each vesting date, and on or before the time Participant receives a distribution of the shares underlying the PSUs, and at any other time as reasonably requested by the Company in accordance with applicable tax laws, Participant hereby authorizes any required withholding from the shares issuable to Participant and/or otherwise agree to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax and/or social security withholding obligations of the Company or any parent or Subsidiary that arise in connection with Participant's PSU (the "***Withholding Taxes***"). Specifically, pursuant to Section 3.2(b), Participant has agreed to a "same day sale" commitment with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a "***FINRA Dealer***") whereby Participant has irrevocably agreed to sell a portion of the shares to be delivered in connection with Participant's PSUs to satisfy the Withholding Taxes and whereby the FINRA Dealer committed to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company and/or its parents or subsidiaries. If, for any reason, such "same day sale" commitment pursuant to Section 3.2(b) does not result in sufficient proceeds to satisfy the Withholding Taxes or would be prohibited by Applicable Laws at the applicable time, Participant hereby authorizes the Company and/or the relevant parent or Subsidiary, or their respective agents, at their discretion, to satisfy the obligations with regard to all Withholding Taxes by one or a combination of the following: (i) withholding from any compensation otherwise payable to Participant by the Company or any parent or Subsidiary; (ii) causing Participant to tender a cash payment (which may be in the form of a check, electronic wire transfer or other method permitted by the Company); or (iii) withholding shares from the shares issued or otherwise issuable to Participant in connection with Participant's PSUs with a fair market value (measured as of the date shares are issued to Participant) equal to the amount of such Withholding Taxes; provided, however, that the number of such shares so withheld will not exceed the amount necessary to satisfy the required tax and/or social security withholding obligations using the minimum statutory withholding rates for federal, state, local and, if applicable, foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income; and, provided, further, that to the extent necessary to qualify for an exemption from application of Section 16(b) of the Exchange Act, if applicable, such share withholding procedure will be subject to the prior approval of the Company's Remuneration Committee.

(b) Participant hereby acknowledges and agrees to the following:

(i) Participant hereby appoints such FINRA Dealer appointed by the Company for purposes of this Section 3.2(b) as Participant's agent (the "***Agent***"), and authorize the Agent:

(A) To sell on the open market at the then prevailing market price(s), on Participant's behalf, as soon as practicable on or after each date on which the shares underlying Participant's PSUs vest, the number (rounded up to the next whole number) of the shares to be delivered to Participant in connection with the vesting of those shares sufficient to generate proceeds to cover (A) the Withholding Taxes that Participant is required to pay pursuant to the Plan and this Agreement as a result of the shares vesting (or being issued, as applicable) and (B) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto; and

(B) To remit any remaining funds to Participant.

(ii) Participant hereby authorizes the Company and the Agent to cooperate and communicate with one another to determine the number of shares that must be sold pursuant to this Section 3.2(b).

(iii) Participant understands that the Agent may effect sales as provided in this Section 3.2(b) in one or more sales and that the average price for executions resulting from bunched orders will be assigned to Participant's account. In addition, Participant acknowledges that it may not be possible to sell shares underlying Participant's PSUs as provided by in this Section 3.2(b) due to (A) a legal or contractual restriction applicable to Participant or the Agent, (B) a market disruption, or (C) rules governing order execution priority on the national exchange where the shares may be traded. In the event of the Agent's inability to sell shares underlying Participant's PSUs, Participant will continue to be responsible for the timely payment to the Company of all Withholding Taxes and any other federal, state, local and foreign taxes that are required by Applicable Laws and regulations to be withheld, including but not limited to those amounts specified in this Section 3.2(b).

(iv) Participant acknowledges that regardless of any other term or condition of this Section 3.2(b), the Agent will not be liable to Participant for (A) special, indirect, punitive, exemplary, or consequential damages, or incidental losses or damages of any kind, or (B) any failure to perform or for any delay in performance that results from a cause or circumstance that is beyond its reasonable control.

(v) Participant hereby agrees to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of this Section 3.2(b). The Agent is a third-party beneficiary of this Section 3.2(b).

(vi) Participant hereby agrees that if Participant has signed the Grant Notice at a time that Participant is in possession of material non-public information, unless Participant informs the Company in writing within five business days following the date Participant ceases to be in possession of material non-public information that Participant is not in agreement with the provisions of this Section 3.2(b), Participant not providing such written determination shall be a determination and agreement that Participant has agreed to the provisions set forth in this Section 3.2(b) on such date as Participant has ceased to be in possession of material non-public information.

(vii) This Section 3.2(b) shall terminate not later than the date on which all withholding taxes arising in connection with the vesting of Participant's PSUs have been satisfied.

(c) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the PSUs, regardless of any action the Company or any Subsidiary takes with respect to any tax and/or social security withholding obligations that arise in connection with the PSUs. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax and/or social security withholding in connection with the awarding, vesting or payment of the PSUs or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the PSUs to reduce or eliminate Participant's tax and/or social security liability.

12. OTHER PROVISIONS

12.1. Adjustments

Participant acknowledges that the PSUs and the Shares subject to the PSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

12.2. Notices

Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address or email address in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given: (i) if sent by email, when actually received; and (ii) if sent by certified mail (return receipt requested) and deposited with postage prepaid in the applicable national mail, when delivered by a nationally recognized express shipping company.

12.3. Titles

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

12.4. Conformity to Applicable Laws

Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws, and the PSUs may be unilaterally cancelled by the Company (with the effect that all Participant's rights hereunder lapse with immediate effect) if the Administrator determines in its reasonable discretion that such conformity is not possible or practicable.

12.5. Successors and Assigns

The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the Plan, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

12.6. Limitations Applicable to Section 16 Persons

Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Grant Notice, this Agreement and the PSUs will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

12.7. Entire Agreement

The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

12.8. Agreement Severable

In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

12.9. Limitation on Participant's Rights

Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any

underlying program, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the PSUs, and rights no greater than the right to receive cash or the Shares as a general unsecured creditor with respect to the PSUs, as and when settled pursuant to the terms of this Agreement.

12.10. Not a Contract of Employment

Nothing in the Plan, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

12.11. Counterparts

The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Laws, each of which will be deemed an original and all of which together will constitute one instrument.

RENALYTIX AI PLC
2020 EMPLOYEE SHARE PURCHASE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: 22 JUNE 2020
APPROVED BY THE SHAREHOLDERS: [●] JULY 2020

1. GENERAL; PURPOSE.

(a) The Plan provides a means by which Eligible Employees of the Company and certain designated Related Corporations may be given an opportunity to purchase Shares. The Plan permits the Company to grant a series of Purchase Rights to Eligible Employees under an Employee Stock Purchase Plan.

(b) The Company, by means of the Plan, seeks to retain the services of such Employees, to secure and retain the services of new Employees and to provide incentives for such persons to exert maximum efforts for the success of the Company and its Related Corporations.

2. ADMINISTRATION.

(a) The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine when and how Purchase Rights will be granted and the provisions of each Offering (which need not be identical).

(ii) To designate from time to time which Related Corporations will be eligible to participate in the Plan.

(iii) To construe and interpret the Plan and Purchase Rights, and to establish, amend and revoke rules and regulations for the administration of the Plan. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it deems necessary or expedient to make the Plan fully effective.

(iv) To settle all controversies regarding the Plan and Purchase Rights.

(v) To amend the Plan at any time as provided in Section 12.

(vi) To suspend or terminate the Plan at any time as provided in Section 12.

(vii) Generally, to exercise such powers and to perform such acts as it deems necessary or expedient to promote the best interests of the Company and its Related Corporations and to carry out the intent that the Plan be treated as an Employee Stock Purchase Plan.

(viii) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees who are nationals of, or employed in, a jurisdiction outside the United States.

(c) The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references to the Board in this Plan and in any applicable Offering Document will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated. Whether or not the Board has delegated administration of the Plan to a Committee, the Board will have the final power to determine all questions of policy and expediency that may arise in the administration of the Plan.

(d) All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. SHARES SUBJECT TO THE PLAN.

(a) Subject to Section 11(a) relating to Capitalization Adjustments, the aggregate number of Shares that may be issued under the Plan will not exceed 850,000 Ordinary Shares (including as part of the process for the issue of new ADSs) (the "***Share Reserve***"). In addition, the Share Reserve will automatically increase on January 1st of the year following the year in which the Company's shareholders approve the Plan and ending on (and including) January 1, 2030, in an amount equal to the lesser of 1% of the total number of Ordinary Shares outstanding on December 31st of the preceding calendar year and 2 million Ordinary Shares.

(b) If any Purchase Right terminates without having been exercised in full, the Shares not purchased under such Purchase Right will again become available for issuance under the Plan.

(c) The shares issuable under the Plan will be new Shares.

4. GRANT OF PURCHASE RIGHTS; OFFERING.

(a) The Board may from time to time grant or provide for the grant of Purchase Rights to Eligible Employees under an Offering (consisting of one or more Purchase Periods) on an Offering Date or Offering Dates selected by the Board. Each Offering will be in such form and will contain such terms and conditions as the Board will deem appropriate and will comply with the requirement of Section 423(b)(5) of the Code that all Employees granted Purchase Rights will have the same rights and privileges. The terms and conditions of an Offering will be incorporated by reference into the Plan and treated as part of the Plan. The provisions of separate Offerings need not be identical, but each Offering will include (through incorporation of the provisions of this Plan by reference in the document comprising the Offering or otherwise) the period during which the Offering will be effective, which period will not exceed twenty-seven (27) months beginning with the Offering Date, and the substance of the provisions contained in Sections 5 through 8, inclusive.

(b) If a Participant has more than one Purchase Right outstanding under the Plan, unless he or she otherwise indicates in forms delivered to the Company: (i) each form will apply to all of his or her Purchase Rights under the Plan, and (ii) a Purchase Right with a lower exercise price (or an earlier-granted Purchase Right, if different Purchase Rights have identical exercise prices) will be exercised to the fullest possible extent before a Purchase Right with a higher exercise price (or a later-granted Purchase Right if different Purchase Rights have identical exercise prices) will be exercised.

(c) The Board will have the discretion to structure an Offering so that if the Fair Market Value of a Share on the first Trading Day of a new Purchase Period within that Offering is less than or equal to the Fair Market Value of a Share on the Offering Date for that Offering, then (i) that Offering will terminate immediately as of that first Trading Day, and (ii) the Participants in such terminated Offering will be automatically enrolled in a new Offering beginning on the first Trading Day of such new Purchase Period.

5. ELIGIBILITY.

(a) Purchase Rights may be granted only to Employees of the Company or, as the Board may designate in accordance with Section 2(b), to Employees of a Related Corporation. Except as provided in Section 5(b), an Employee will not be eligible to be granted Purchase Rights unless, on the Offering Date, the Employee has been in the employ of the Company or the Related Corporation, as the case may be, for such continuous period preceding such Offering Date as the Board may require, but in no event will the required period of continuous employment be equal to or greater than two (2) years. In addition, subject to applicable law, the Board may provide that no Employee will be eligible to be granted Purchase Rights unless, on the Offering Date, such Employee's customary employment with the Company or the Related Corporation is more than twenty (20) hours per week and more than five (5) months per calendar year or such other criteria as the Board may determine consistent with Section 423 of the Code and applicable law.

(b) The Board may provide that each person who, during the course of an Offering, first becomes an Eligible Employee will, on a date or dates specified in the Offering which coincides with the day on which such person becomes an Eligible Employee or which occurs thereafter, receive a Purchase Right under that Offering, which Purchase Right will thereafter be deemed to be a part of that Offering. Such Purchase Right will have the same characteristics as any Purchase Rights originally granted under that Offering, as described herein, except that:

(i) the date on which such Purchase Right is granted will be the "Offering Date" of such Purchase Right for all purposes, including determination of the exercise price of such Purchase Right;

(ii) the period of the Offering with respect to such Purchase Right will begin on its Offering Date and end coincident with the end of such Offering; and

(iii) the Board may provide that if such person first becomes an Eligible Employee within a specified period of time before the end of the Offering, he or she will not receive any Purchase Right under that Offering.

(c) No Employee will be eligible for the grant of any Purchase Rights if, immediately after any such Purchase Rights are granted, such Employee owns securities possessing five percent (5%) or more of the total combined voting power or value of all classes of securities of the Company or of any Related Corporation. For purposes of this Section 5(c), the rules of Section 424(d) of the Code will apply in determining the security ownership of any Employee, and securities which such Employee may purchase under all outstanding Purchase Rights and options will be treated as securities owned by such Employee.

(d) As specified by Section 423(b)(8) of the Code, an Eligible Employee may be granted Purchase Rights only if such Purchase Rights, together with any other rights granted under all Employee Stock Purchase Plans of the Company and any Related Corporations, do not permit such Eligible Employee's rights to purchase securities of the Company or any Related Corporation to accrue at a rate which exceeds twenty-five thousand United States Dollars ($25,000) of Fair Market Value of such securities (determined at the time such rights are granted, and which, with respect to the Plan, will be determined as of their respective Offering Dates) for each calendar year in which such rights are outstanding at any time.

(e) Officers of the Company and any designated Related Corporation, if they are otherwise Eligible Employees, will be eligible to participate in Offerings under the Plan. Notwithstanding the foregoing, the Board may provide in an Offering that Employees who are highly compensated Employees within the meaning of Section 423(b)(4)(D) of the Code will not be eligible to participate.

6. PURCHASE RIGHTS; PURCHASE PRICE.

(a) On each Offering Date, each Eligible Employee, pursuant to an Offering made under the Plan, will be granted a Purchase Right to purchase up to that number of Shares purchasable either with a percentage or with a maximum amount (in United States Dollars), as designated by the Board, but in either case not exceeding fifteen percent (15%) of such Employee's earnings (as defined by the Board in each Offering) during the period that begins on the Offering Date (or such later date as the Board determines for a particular Offering) and ends on the date stated in the Offering, which date will be no later than the end of the Offering.

(b) The Board will establish one (1) or more Purchase Dates during an Offering on which Purchase Rights granted pursuant to that Offering will be exercised and Shares will be purchased in accordance with such Offering.

(c) In connection with each Offering made under the Plan, the Board may specify (i) a maximum number of Shares that may be purchased by any Participant pursuant to such Offering, (ii) a maximum number of Shares that may be purchased by any Participant on any Purchase Date pursuant to such Offering, (iii) a maximum aggregate number of Shares that may be purchased by all Participants pursuant to such Offering, and/or (iv) a maximum aggregate number of Shares that may be purchased by all Participants on any Purchase Date pursuant to

such Offering. If the aggregate purchase of Shares issuable upon exercise of Purchase Rights granted under such Offering would exceed any such maximum aggregate number, then, in the absence of any Board action otherwise, a pro rata (based on each Participant's accumulated Contributions) allocation of the Shares available will be made in as nearly a uniform manner as will be practicable and equitable.

(d) The purchase price of Shares acquired pursuant to Purchase Rights will be not less than the lesser of:

(i) an amount equal to eighty-five percent (85%) of the Fair Market Value of the Shares on the Offering Date; or

(ii) an amount equal to eighty-five percent (85%) of the Fair Market Value of the Shares on the applicable Purchase Date.

7. PARTICIPATION; WITHDRAWAL; TERMINATION.

(a) An Eligible Employee may elect to authorize payroll deductions as the means of making Contributions by completing and delivering to the Company, within the time specified in the Offering, an enrollment form provided by the Company. The enrollment form will specify the amount of Contributions not to exceed the maximum amount specified by the Board. Each Participant's Contributions will be credited to a bookkeeping account for such Participant under the Plan and will be deposited with the general funds of the Company except where applicable law requires that Contributions be deposited with a third party. To the extent provided in the Offering, a Participant may begin such Contributions on or after the Offering Date. To the extent provided in the Offering, a Participant may thereafter decrease (including to zero) or increase his or her Contributions. To the extent specifically provided in the Offering, in addition to or instead of making Contributions by payroll deductions, a Participant may make Contributions through payment by cash or check prior to a Purchase Date.

(b) During an Offering, a Participant may cease making Contributions and withdraw from the Offering by delivering to the Company a withdrawal form provided by the Company. The Company may impose a deadline before a Purchase Date for withdrawing. Upon such withdrawal, such Participant's Purchase Right in that Offering will immediately terminate and the Company will distribute to such Participant all of his or her accumulated but unused Contributions without interest. A Participant's withdrawal from an Offering will have no effect upon his or her eligibility to participate in any other Offerings under the Plan, but such Participant will be required to deliver a new enrollment form to participate in subsequent Offerings.

(c) Purchase Rights granted pursuant to any Offering under the Plan will terminate immediately if the Participant either (i) is no longer an Employee for any reason or for no reason (subject to any post-employment participation period required by law) or (ii) is otherwise no longer eligible to participate. The Company will distribute to such individual all of his or her accumulated but unused Contributions without interest.

(d) Purchase Rights will not be transferable by a Participant except by will, by the laws of descent and distribution, or, if permitted by the Company, by a beneficiary designation as described in Section 10. During a Participant's lifetime, Purchase Rights will be exercisable only by such Participant.

(e) Unless otherwise specified in an Offering, the Company will have no obligation to pay interest on Contributions.

8. EXERCISE OF PURCHASE RIGHTS.

(a) On each Purchase Date, each Participant's accumulated Contributions will be applied to the purchase of Shares, up to the maximum number of Shares permitted by the Plan and the applicable Offering, at the purchase price specified in the Offering. No fractional shares will be issued upon the exercise of Purchase Rights unless specifically provided for in the Offering.

(b) If any amount of accumulated Contributions remains in a Participant's account after the purchase Shares and such remaining amount is less than the amount required to purchase one Share on the final Purchase Date of an Offering, then such remaining amount will be held in such Participant's account for the purchase of Shares under the next Offering under the Plan, unless such Participant withdraws from or is not eligible to participate in such next Offering, in which case such amount will be distributed to such Participant after the final Purchase Date without interest. If the amount of Contributions remaining in a Participant's account after the purchase of Shares is at least equal to the amount required to purchase one (1) whole Share on the final Purchase Date of an Offering, then such remaining amount will be distributed in full to such Participant after the final Purchase Date of such Offering without interest.

(c) No Purchase Rights may be exercised to any extent unless the Shares to be issued upon such exercise under the Plan are covered by an effective registration statement pursuant to the Securities Act and the Plan is in material compliance with all applicable federal, state, foreign and other securities and other laws applicable to the Plan. If, on a Purchase Date, the Shares are not so registered or the Plan is not in such compliance, no Purchase Rights will be exercised on such Purchase Date, and the Purchase Date will be delayed until the Shares are subject to such an effective registration statement and the Plan is in such compliance, except that the Purchase Date will not be delayed more than twelve (12) months and the Purchase Date will in no event be more than twenty-seven (27) months from the Offering Date. If, on the Purchase Date, as delayed to the maximum extent permissible, the Shares are not so registered or the Plan is not in such compliance, no Purchase Rights will be exercised and all accumulated but unused Contributions will be distributed to the Participants without interest.

9. COVENANTS OF THE COMPANY.

The Company will seek to obtain from each federal, state, foreign or other regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Purchase Rights and issue and sell Shares thereunder. If, after commercially reasonable efforts, the Company is unable to obtain the authority that counsel for the Company deems necessary for the grant of Purchase Rights or the lawful issuance and sale of Shares under the Plan, and at a commercially reasonable cost, the Company will be relieved from any liability for failure to grant Purchase Rights and/or to issue and sell Shares upon exercise of such Purchase Rights.

10. DESIGNATION OF BENEFICIARY.

(a) The Company may, but is not obligated to, permit a Participant to submit a form designating a beneficiary who will receive any Shares and/or Contributions from the Participant's account under the Plan if the Participant dies before such shares and/or Contributions are delivered to the Participant. The Company may, but is not obligated to, permit the Participant to change such designation of beneficiary. Any such designation and/or change must be on a form approved by the Company.

(b) If a Participant dies, and in the absence of a valid beneficiary designation, the Company will deliver any Shares and/or Contributions to the executor or administrator of the estate of the Participant. If no executor or administrator has been appointed (to the knowledge of the Company), the Company, in its sole discretion, may deliver such Shares and/or Contributions to the Participant's spouse, dependents or relatives, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

11. ADJUSTMENTS UPON CHANGES IN CAPITALIZATION; CORPORATE TRANSACTIONS.

(a) In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a); (ii) the class(es) and number of securities subject to, and the purchase price applicable to outstanding Offerings and Purchase Rights; and (iii) the class(es) and number of securities that are the subject of the purchase limits under each ongoing Offering. The Board will make these adjustments, and its determination will be final, binding and conclusive.

(b) In the event of a Corporate Transaction, (i) any surviving or acquiring corporation (or its parent company) may assume or continue outstanding Purchase Rights or may substitute similar rights (including a right to acquire the same consideration paid to the shareholders in the Corporate Transaction) for outstanding Purchase Rights, or (ii) if any surviving or acquiring corporation (or its parent company) does not assume or continue outstanding Purchase Rights or does not substitute similar rights for outstanding Purchase Rights, then the Participants' accumulated Contributions will be used to purchase Shares within ten (10) business days prior to the Corporate Transaction under such Purchase Rights, and such Purchase Rights will terminate immediately after such purchase.

12. AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN.

(a) The Board may amend the Plan at any time in any respect the Board deems necessary or advisable. However, except as provided in Section 11(a) relating to Capitalization Adjustments, shareholder approval will be required for any amendment of the Plan for which shareholder approval is required by applicable law or listing requirements, including any amendment that either (i) materially increases the number of Shares available for issuance under the Plan, (ii) materially expands the class of individuals eligible to become Participants and receive Purchase Rights, (iii) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at which Shares may be purchased under the Plan, (iv) materially extends the term of the Plan, or (v) expands the types of awards available for issuance under the Plan, but in each of (i) through (v) above only to the extent shareholder approval is required by applicable law or listing requirements.

(b) The Board may suspend or terminate the Plan at any time. No Purchase Rights may be granted under the Plan while the Plan is suspended or after it is terminated.

(c) Any benefits, privileges, entitlements and obligations under any outstanding Purchase Rights granted before an amendment, suspension or termination of the Plan will not be materially impaired by any such amendment, suspension or termination except (i) with the consent of the person to whom such Purchase Rights were granted, (ii) as necessary to comply with any laws, listing requirements, or governmental regulations (including, without limitation, the provisions of Section 423 of the Code and the regulations and other interpretive guidance issued thereunder relating to Employee Stock Purchase Plans) including, without limitation, any such regulations or other guidance that may be issued or amended after the Adoption Date, or (iii) as necessary to obtain or maintain favorable tax, listing, or regulatory treatment. To be clear, the Board may amend outstanding Purchase Rights without a Participant's consent if such amendment is necessary to ensure that the Purchase Right and/or the Plan complies with the requirements of Section 423 of the Code.

Notwithstanding anything in the Plan or any Offering Document to the contrary, the Board will be entitled to: (i) establish the exchange ratio applicable to amounts withheld in a currency other than United States Dollars; (ii) permit Contributions in excess of the amount designated by a Participant in order to adjust for mistakes in the Company's processing of properly completed Contribution elections; (iii) establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Shares for each Participant properly correspond with amounts withheld from the Participant's Contributions; (iv) amend any outstanding Purchase Rights or clarify any ambiguities regarding the terms of any Offering to enable the Purchase Rights to qualify under and/or comply with Section 423 of the Code; and (v) establish other limitations or procedures as the Board determines in its sole discretion advisable that are consistent with the Plan. The actions of the Board pursuant to this paragraph will not be considered to alter or impair any Purchase Rights granted under an Offering as they are part of the initial terms of each Offering and the Purchase Rights granted under each Offering.

13. EFFECTIVE DATE OF PLAN.

The Plan will become effective on the Effective Date. No Purchase Rights will be exercised unless and until the Plan has been approved by the shareholders of the Company, which approval must be within 12 months before or after the date the Plan is adopted (or if required under Section 12(a), materially amended) by the Board.

14. MISCELLANEOUS PROVISIONS.

(a) Proceeds from the sale of Shares pursuant to Purchase Rights will constitute general funds of the Company.

(b) A Participant will not be deemed to be the holder of, or to have any of the rights of a holder with respect to, Shares subject to Purchase Rights unless and until the Participant's Shares acquired upon exercise of Purchase Rights are recorded in the books of the Company (or its transfer agent).

(c) The Plan and Offering do not constitute an employment contract. Nothing in the Plan or in the Offering will in any way alter the at will nature of a Participant's employment or be deemed to create in any way whatsoever any obligation on the part of any Participant to continue in the employ of the Company or a Related Corporation, or on the part of the Company or a Related Corporation to continue the employment of a Participant.

(d) The Plan and all Purchase Rights, including any non-contractual obligations arising in connection therewith, will be governed by and interpreted in accordance with the laws of England and Wales, disregarding any jurisdiction's choice-of-law principles requiring the application of a jurisdiction's laws other than that of England and Wales and the courts of England and Wales shall have exclusive jurisdiction to hear any dispute.

15. DEFINITIONS.

As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***Adoption Date***" means 22 June 2020 which is the date the Plan was adopted by the Board.

(b) "***ADSs***" means American Depositary Shares, representing Ordinary Shares on deposit with a U.S. banking institution selected by the Company and which are registered pursuant to a Form F-6.

(c) "***Board***" means the Board of Directors of the Company.

(d) "***Capitalization Adjustment***" means a nonreciprocal transaction between the Company and its shareholders, such as a share dividend, share split, spin-off, rights offering or recapitalization through a large, nonrecurring cash dividend, that affects the number or kind of Shares (or other Company securities) or the price of Shares (or other Company securities) and causes a change in the per share value of the Shares underlying outstanding Purchase Rights.

(e) "***Code***" means the US Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(f) "***Committee***" means a committee of one (1) or more members of the Board to whom authority has been delegated by the Board in accordance with Section 2(c).

(g) "***Company***" means Renalytix AI plc, registered in England and Wales with company number 11257655, or any successor.

(h) "***Contributions***" means the payroll deductions and other additional payments specifically provided for in the Offering that a Participant contributes to fund the exercise of a Purchase Right. A Participant may make additional payments into his or her account if specifically provided for in the Offering, and then only if the Participant has not already had the maximum permitted amount withheld during the Offering through payroll deductions.

(i) "***Control***" has the meaning given in section 995(2) of the UK Income Tax Act 2007, unless otherwise specified.

(j) "***Corporate Transaction***" means and includes each of the following:

(i) a Sale; or

(ii) a Takeover.

The Board shall have full and final authority, which shall be exercised in its sole discretion, to determine conclusively whether a Corporate Transaction has occurred pursuant to the above definition, the date of the occurrence of such Corporate Transaction and any incidental matters relating thereto.

(k) "***Director***" means a member of the Board.

(l) "***Effective Date***" means the effective date of this Plan document, which is the date of the general meeting of the shareholders of the Company held on [•] July 2020, provided that this Plan is approved by the Company's shareholders at such meeting.

(m) "***Eligible Employee***" means an Employee who meets the requirements set forth in the document(s) governing the Offering for eligibility to participate in the Offering, provided that such Employee also meets the requirements for eligibility to participate set forth in the Plan.

(n) "***Employee***" means any person, including an Officer or Director, who is "employed" for purposes of Section 423(b)(4) of the Code by the Company or a Related Corporation. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(o) "***Employee Stock Purchase Plan***" means a plan that grants Purchase Rights intended to be options issued under an "employee stock purchase plan," as that term is defined in Section 423(b) of the Code.

(p) "***Exchange Act***" means the US Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(q) "***Fair Market Value***" means, as of any date, the value of the Shares determined as follows:

(i) If the Shares are listed on any established stock exchange or traded on any established market, the Fair Market Value of a Share will be, unless otherwise determined by the Board, the closing sales price for such a Share as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Shares) on the date of determination, as reported in a source the Board deems reliable.

(ii) Unless otherwise provided by the Board, if there is no closing sales price for the Shares on the date of determination, then the Fair Market Value will be the closing sales price on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Shares, the Fair Market Value will be determined by the Board in good faith in compliance with applicable laws and in a manner that complies with Section 409A of the Code.

(iv) If such Fair Market Value is in a currency other than United States Dollars, it shall be converted into United States Dollars using the exchange rate as reported in a source the Board deems reliable.

(r) "***Offering***" means the grant to Eligible Employees of Purchase Rights, with the exercise of those Purchase Rights automatically occurring at the end of one or more Purchase Periods. The terms and conditions of an Offering will generally be set forth in the "***Offering Document***" approved by the Board for that Offering.

(s) "***Offering Date***" means a date selected by the Board for an Offering to commence.

(t) "***Officer***" means a person who is an officer of the Company or a Related Corporation within the meaning of Section 16 of the Exchange Act.

(u) "***Ordinary Share***" means an ordinary share of £0.0025 each in the capital of the Company.

(v) "***Participant***" means an Eligible Employee who holds an outstanding Purchase Right.

(w) "***Plan***" means this Renalytix AI plc 2020 Employee Share Purchase Plan.

(x) "***Purchase Date***" means one or more dates during an Offering selected by the Board on which Purchase Rights will be exercised and on which purchases of Shares will be carried out in accordance with such Offering.

(y) "***Purchase Period***" means a period of time specified within an Offering, generally beginning on the Offering Date or on the first Trading Day following a Purchase Date and ending on a Purchase Date. An Offering may consist of one or more Purchase Periods.

(z) "***Purchase Right***" means an option to purchase Shares granted pursuant to the Plan.

(aa) "***Related Corporation***" means any "parent corporation" or "subsidiary corporation" of the Company whether now or subsequently established, as those terms are defined in Sections 424(e) and (f), respectively, of the Code.

(bb) "***Sale***" means the sale of all or substantially all of the assets of the Company.

(cc) "***Securities Act***" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(dd) "***Share***" means an Ordinary Share or the number of ADSs equal to a Share.

(ee) "***Subsidiary***" means any entity (other than the Company), whether domestic or foreign, in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain beneficially owns, at the time of the determination, securities or interests representing at least 50% of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

(ff) "***Takeover***" means if any person (or a group of persons acting in concert) (the "***Acquiring Person***"):

(i) obtains Control of the Company as the result of making a general offer to:

(1) acquire all of the issued Share capital of the Company, which is made on a condition that, if it is satisfied, the Acquiring Person will have Control of the Company; or

(2) acquire all of the shares in the Company which are of the same class as the Shares; or

(ii) obtains Control of the Company as a result of a compromise or arrangement sanctioned by a court under Section 899 of the UK Companies Act 2006, or sanctioned under any other similar law of another jurisdiction; or

(iii) becomes bound or entitled under Sections 979 to 985 of the UK Companies Act 2006 (or similar law of another jurisdiction) to acquire shares of the same class as the Shares; or

(iv) obtains Control of the Company in any other way.

(gg) "***Trading Day***" means any day on which the exchange(s) or market(s) on which Shares are listed (including, but not limited to, AIM, the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market, the NYSE, or any successors thereto) is open for trading.

Exhibit 10.8

[*Name of Director*]
c/o Renalytix AI plc
Avon House
19 Stanwell Road
Penarth
Cardiff CF64 2EZ
United Kingdom

____ June 2020

Dear [*Name of Director*],

RenalytixAI plc (the "Company") and your role as a director/officer of the Company

As you are aware the articles of association of the Company (the "**Articles**") contain provisions, at Article 152, granting an indemnity to the directors and officers of the Company from time to time. We are taking this opportunity to afford you the direct benefit of this indemnity in the form of a deed for your benefit (this "**Deed**"). The arrangements contemplated by this Deed are within the scope of permitted directors' indemnities under the Companies Act 2006 (the "**Act**"). For the avoidance of doubt the Company will maintain directors and officers insurance ("**D&O Cover**"), which is intended to operate for your protection in addition to this indemnity.

1. Interpretation

1.1 In this Deed:

1.1.1 any defined terms (to the extent undefined herein) shall have the meanings given to them in the Articles;

1.1.2 any reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;

1.1.3 unless the context otherwise requires, reference to paragraphs are to paragraphs of this Deed;

1.1.4 any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms; and

1.1.5 other and otherwise are illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding them.

2. Indemnity

2.1 Subject to paragraph 2.2, without prejudice to any indemnity to which you may otherwise be entitled pursuant to Article 152 of the Articles, under general law or otherwise and subject to the terms of this Deed, you shall be indemnified and held harmless by the Company to the fullest extent permitted by law against all liabilities, costs, charges, expenses, judgments, settlements, compensation and other awards, damages and losses (including any direct, indirect or consequential losses and all interest, penalties, fines, taxes and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses ("**Liabilities**") incurred by you in the execution and discharge of your duties to the Company and any "Associated Company" of the Company (as defined in section 256(b) of the Act for these purposes), including any Liability incurred by you in defending any proceedings, civil or criminal, administrative, investigative, regulatory or other proceeding whether instigated, imposed or incurred under the laws of England and Wales or the laws of any other jurisdiction ("**Proceedings**") which relate to any act done or omitted or alleged to be done or omitted by you whilst in the course of acting or purporting to act as a director or officer (or equivalent position under the laws of any relevant jurisdiction) of the Company and/or any Associated Company or which arises by virtue of you holding or having held such a position ("**Claim**").

2.2 The indemnity in paragraph 2.1 shall not apply to:

2.2.1 the extent prohibited by the Act or otherwise prohibited by law;

2.2.2 any Liability incurred by you:

2.2.2.1 in defending any criminal Proceedings in which you are convicted;

2.2.2.2 in defending any civil Proceedings brought by the Company or any Associated Company in which judgement is given against you; and

2.2.2.3 in connection with any application under section 661(3) or (4) or section 1157 of the Act (a "**Relevant Application**") in which the court refuses to grant you relief on the application,

2.2.3 where, in any such case, any such conviction, judgement or refusal of relief has become final (reference in this paragraph 2.2.3 to a conviction, judgement or refusal of relief being "final" shall be construed in accordance with section 234(4) and (5) of the Act);

2.2.4 any Liability incurred by you to the Company or any Associated Company;

2.2.5 any fine imposed in any criminal Proceedings;

2.2.6 any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising); or

2.2.7 any Liability incurred by, or Claim made against, you which the board of directors of the Company (the "**Board**") reasonably determines arises out of your fraud or dishonesty or by you obtaining any personal profit or advantage to which you were not entitled ("**Misconduct**"), save that if a court, tribunal or regulatory authority thereafter finally determines that the relevant Liability or Claim did not arise as a result of your Misconduct, you may, by notice to the Company, request payment of such amount from the Company as the Company would have been liable to pay under this Deed had the Board not made such a determination and the Company shall make a payment to you upon satisfaction of the obligation in paragraph 2.5,

however the D&O Cover in place is designed to provide cover for these specific areas which the Act prescribes that the indemnity cannot extend, and for which it is possible to obtain coverage on commercial terms.

2.3 Without prejudice and in addition to any indemnity to which you may otherwise be entitled pursuant to Article 152 of the Articles, under general law or otherwise and subject to the terms of this Deed, you shall be indemnified and held harmless by the Company to the fullest extent permitted by law against all Liabilities incurred by you and Claims in connection with the Company's activities as a trustee of an occupational pension scheme (as defined by section 750(5) of the Finance Act 2004) established under a trust provided that no such indemnity shall extend to any Liability arising out of your fraud or dishonesty or the obtaining by you of any personal profit or advantage to which you were not entitled and you shall not be entitled to be indemnified for:

2.3.1 any fine imposed in any criminal proceedings;

2.3.2 any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising; and

2.3.3 any amount for which you have become liable in defending any criminal proceedings in which you are convicted and the conviction has become final (reference in this paragraph 2.3 to a conviction becoming "final" shall be construed in accordance with section 235(4) and (5) of the Act).

2.4 References in paragraphs 2.1 and 2.3 to acts or omissions are to acts or omissions made or omitted to be made before, on or after the date of this Deed, however:

2.4.1 if a company ceases to be an Associated Company after the date of this Deed, the Company shall only be liable to indemnify you in respect of Liabilities in relation to that company which were incurred before the date on which the company ceased to be an Associated Company; and

2.4.2 you, as director or officer (or equivalent position under the laws of any relevant jurisdiction) of any company which becomes an Associated Company after the date of this Deed, shall be indemnified only in respect of Liabilities incurred after the date on which that company becomes an Associated Company.

2.5 The Company's obligation to make any payment to you under paragraphs 2.1 and/or 2.3 depends on you having made an application in writing to the Company supported by such documentation and evidence which, in the reasonable opinion of the Board, is satisfactory to prove that:

2.5.1 the Liability suffered or incurred by you and of the date(s) on which it was suffered or incurred and that it falls within the scope of the indemnities given in paragraphs 2.1 and/or 2.3; and

2.5.2 any costs and expenses of any third party (including legal costs) which are to be reimbursed by the Company in accordance with paragraphs 2.1 and/or 2.3 were properly incurred and reasonable in amount,

and to the extent that the Company is satisfied that these conditions have been fulfilled, the Company shall make payment to you within 28 days of receipt of such application.

2.6 The Company hereby waives (to the maximum extent permitted the provisions of the Act or by any other provision of law) all and any claims that it may have against you as a result of, and in connection with, your tenure as a director or officer of the Company, whether actual or contingent, direct or indirect and irrevocably waives any such claims or rights of action and releases and forever discharges you from all and any liability in respect thereof.

3. Defence Costs

3.1 Subject to the Act and the provisions of this Deed, the Company will loan to you such amounts as are required to meet the legal and other reasonable costs, charges and expenses incurred or to be incurred by you:

3.1.1 in defending any criminal or civil Proceedings which relate to anything done or omitted or alleged to have been done or omitted by you as a director and/or officer of the Company or any Associated Company of the Company or in connection with any alleged negligence, default, breach of duty or breach of trust by you in relation to the Company or an Associated Company; or

3.1.2 in connection with any Relevant Application.

3.2 The Company shall lend any such amount as provided for in paragraph 3.1 ("**Loan Amounts**") to you within fourteen days of receiving a notice in writing from you of the amount required, together with such evidence of the costs as the Company may reasonably require. No interest shall accrue on the Loan Amounts.

3.3 All Loan Amounts outstanding to you in respect of particular Proceedings shall be repaid by you if:

3.3.1 in respect of criminal Proceedings, you are convicted;

3.3.2 in respect of civil Proceedings, judgement is given against you; or

3.3.3 in respect of any Relevant Application, the court refuses to grant you relief on the application,

and such outstanding Loan Amounts shall be repaid no later than the date when the conviction, judgement or refusal of relief becomes final (reference in this paragraph 3.3 to a conviction, judgement or refusal of relief being "final" shall be construed in accordance with section 205(3) and (4) of the Act).

3.4 The Company shall not be required to lend any amount under paragraph 3.1, and any amounts lent shall become immediately repayable upon demand from the Company, to the extent that the Board reasonably determines that the relevant Proceedings arose out of your Misconduct.

3.5 In the event that the relevant Proceedings are either (i) abandoned, withdrawn or discontinued, (ii) settled, (iii) a permanent stay is granted, or (iv) a final determination of the court is made (or Proceedings otherwise finally conclude) without any of the events referred to in paragraph 3.3 (as applicable) occurring (each such conclusion of Proceedings being referred to hereafter as a "**Favourable Conclusion**") then the indemnity provided under paragraph 2.1 shall thereafter apply with respect to all legal and other reasonable costs, charges and expenses of those Proceedings as were incurred by you. Any liability of the Company to so indemnify you shall be set-off against any liability of you to repay to the Company any Loan Amounts outstanding in respect of those Proceedings and shall be subject to the exclusions and limitations contained in paragraph 2.2, and paragraph 5 shall be applied (with such changes as are appropriate).

3.6 In the event that a Favourable Conclusion is reached in relation to particular Proceedings but any Loan Amount lent to you in relation to those Proceedings remains outstanding in circumstances where the Company is (for any reason) not liable or is no longer liable to indemnify you in relation to those Proceedings, then all such Loan Amounts which remain outstanding shall be repayable upon demand from the Company.

4. Directors' and Officers' Liability Insurance

The Company shall purchase and maintain D&O Cover to insure you as a director of the Company during the period of your appointment and for a minimum of six years thereafter. The Company shall ensure that you are provided at all times with a copy, or a summary of the terms, of the Company's current D&O Cover policy.

5. Notification and Conduct

5.1 If you receive any demand relating to a Claim or become aware of any circumstances which might or may be reasonably expected to give rise to the Company being required to indemnify you pursuant to this Deed and before incurring any costs, charges or expenses in respect of any Claim (including securing legal representation), you shall:

5.1.1 as soon as reasonably practicable, give written notice of the circumstances to the Company, as well as any other information which the Company may reasonably request from time to time;

5.1.2 take all reasonable actions to mitigate any Liability you suffer in respect of the circumstances giving rise to the Claim (including any action that the Company may reasonably request to avoid, dispute, resist, appeal or defend any Claim and shall not make any admission of liability, agreement or compromise with any person in relation to any Claim without the prior written consent of the Company);

5.1.3 forward all documents you receive in respect of such Claim to the Company as soon as reasonably practical following receipt;

5.1.4 assist the Company as it may reasonable require in resisting, defending or settling the Claim; and

5.1.5 provide to the Company all such information in relation to any Claim or Liabilities as the Company may reasonably request, and shall take all such action as the Company may reasonably request.

5.2 Notwithstanding the provisions of paragraph 5.1, you shall not be required to provide any document or information to the Company where doing so would result in a loss of privilege in that document or information.

5.3 The Company or an Associated Company (as the case may be) will be entitled to take over, negotiate and conduct in your name the defence to or settlement of any Claim or to prosecute in your name for its own behalf any proceedings relating to a Claim.

5.4 If the Company or an Associated Company exercises its right pursuant to paragraph 5.3, the Company or relevant Associated Company shall:

5.4.1 consult with you in relation to the conduct of the Claim or Proceedings on aspects of the Claim or Proceedings materially relevant to you and keep you reasonably information of material developments in the Claim or Proceedings, provided that the Company or Associated Company shall be under no obligation to provide any information the provision of which is reasonably likely to adversely affect the ability of the Company or an Associated Company to claim in respect of the relevant loss under any applicable policy of insurance;

5.4.2 take into account the your reasonable requests relating to the Claim or Proceedings (including any settlement) on issues which may be reasonably likely to result in material damage to your reputation; and

5.4.3 have full discretion in the conduct or settlement of the Claim or Proceedings relating to such Claim provided you are not required to make any contribution to the settlement and the settlement contains no admission of liability by you.

6. Miscellaneous

6.1 *Effect of Ceasing to be a Director or Officer of the Company or any Associated Company*

In the event that you cease to be a director or officer (or equivalent position under the laws of any relevant jurisdiction) of the Company or any Associated Company, this Deed shall remain in force and you will continue to be indemnified in accordance with the terms and conditions of this Deed, until such time as any relevant limitation periods for bringing Claims against you have expired, or for so long as you remain liable for any Liabilities, notwithstanding that you may have ceased to be a director or officer (or equivalent position under the laws of any relevant jurisdiction) of the Company or any Associated Company.

6.2 *Payments*

The Company shall, in the event that a payment is made to you under this Deed in respect of a particular Liability, be entitled to recover from you an amount equal to any payment received by you under any policy of insurance or from any other third party source to the extent that such payment relates to the Liability, or if the payment received by you is greater than the payment made under this Deed, a sum equal to the payment made under this Deed. You shall pay over such sum promptly on the Company’s request.

6.3 *Taxation*

The Company shall pay such amount to you as shall after the payment of any tax thereon leave you with sufficient funds to meet any Liability to which this Deed applies. For the avoidance of doubt, when calculating the amount of any such tax the amount of any tax deductions, credits or reliefs which are or may be available to you in respect of the relevant payment under this Deed received by you or any payment made by you to a third party in respect of the relevant Liability will be taken into account. In the event that any amount is paid to you under this Deed but a tax deduction, credit or relief is or becomes available to you in respect of the relevant payment or any payment made by you to a third party in respect of the relevant Liability which was not taken into account in calculating the amount payable in respect of the relevant payment under this Deed, you shall make a payment to the Company of such an amount as is equal to the benefit of such deduction, credit or relief which was not taken into account.

6.4 *No Double Recovery*

You shall not be entitled to recover any Liability more than once and in the event that the Company makes payment under this Deed, the Company shall be subrogated to the extent of such payment to all of your rights of recovery against third parties (including any claim under any applicable directors' and officers' insurance policy) in respect of the payment and you shall do everything that may be necessary to secure any such rights including:

6.4.1 the execution of any documents necessary to enable the Company effectively to bring an action in your name; and

6.4.2 the provision of assistance as a witness.

6.5 *Assignment*

The Company may at any time assign, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights under this Deed, provided that it gives notice of such dealing to you. You shall not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of your rights and obligations under this Deed.

6.6 *Entire Agreement*

This Deed constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

6.7 *Severance*

If any provision or part-provision of this Deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this paragraph 6.7 shall not affect the validity and enforceability of the rest of this Deed. If one party gives notice to the other of the possibility that any provision or part-provision of this Deed is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

6.8 *Notices and Demands*

6.8.1 Any notice or demand given to a party under or in connection with this Deed:

6.8.1.1 shall be in writing and in English;

6.8.1.2 shall be signed by or on behalf of the party giving it;

6.8.1.3 shall be sent by a method listed in paragraph 6.8.2; and

6.8.1.4 is deemed received as set out in paragraph 6.8.2 if prepared and sent in accordance with this paragraph.

6.8.2 This paragraph 6.8.2 sets out the delivery methods for sending a notice to a party under this Deed and, for each delivery method, the date and time when the notice is deemed to have been received (provided that all other requirements of this paragraph have been satisfied and subject to the provisions in paragraph 6.8.3):

6.8.2.1 if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the address;

6.8.2.2 if sent by pre-paid first class post or other next working day delivery service, at the time recorded by the delivery service;

6.8.2.3 if sent by pre-paid airmail, at the time recorded by the delivery service; or

6.8.2.4 if sent by email, at the time of transmission.

6.8.3 If deemed receipt under paragraph 6.8.2 would occur outside business hours in the place of receipt, it shall be deferred until business hours resume. In this paragraph, business hours means 9.00 a.m. to 5.00 p.m. Monday to Friday on a day that is not a public holiday in the place of receipt.

6.8.4 This paragraph 6.8 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

6.9 *Variation*

6.9.1 No variation of this Deed shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

6.9.2 No failure or delay by a party to exercise any right or remedy provided under this Deed or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

6.10 *Counterparts*

6.10.1 This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one deed.

6.10.2 Transmission of an executed counterpart of this Deed (but for the avoidance of doubt not just a signature page) by email (in PDF, JPEG or other agreed format), shall take effect as delivery of an executed counterpart of this Deed.

6.10.3 No counterpart shall be effective until each party has executed and delivered at least one counterpart.

6.11 *Third Party Rights*

Unless this Deed expressly states otherwise, this Deed does not confer any rights on any person or party (other than the parties to this Deed and any Associated Company) pursuant to the Contracts (Rights of Third Parties) Act 1999.

6.12 *Governing Law and Jurisdiction*

6.12.1 This Deed and any dispute or claim arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

6.12.2 You and the Company irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Deed or its subject matter or formation (including non-contractual disputes or claims).

[*Deliberately left blank, signature page to follow*.]

IN WITNESS WHEREOF, this Deed has been executed as a deed by the Company and you, or such parties' duly authorised attorneys on the day and year first above written.

EXECUTED as a **DEED** and delivered by)
for and on behalf of)
RENALYTIX AI PLC) _____

In the presence of:

Witness signature: _____

Name: _____

Address: _____

_____

_____

Occupation: _____

EXECUTED as a **DEED** and delivered by)
[***Name of Director***])

) _____

In the presence of:

Witness signature: _____

Name: _____

Address: _____

_____

_____

Occupation: _____

[*Name of Officer*]
c/o Renalytix AI plc
Avon House
19 Stanwell Road
Penarth
Cardiff CF64 2EZ
United Kingdom

____ June 2020

Dear [*Name of Officer*],

Renalytix AI plc (the "Company") and your role as an officer of the Company

You are [*describe nature of the* office] at the Company. The Company has agreed to indemnify you on the terms and conditions set out in this deed of indemnity (this "**Deed**"). For the avoidance of doubt the Company will maintain directors and officers insurance ("**D&O Cover**"), which is intended to operate for your protection in addition to this indemnity.

1. Interpretation

1.1 In this Deed:

1.1.1 any defined terms (to the extent undefined herein) shall have the meanings given to them in the articles of association of the Company;

1.1.2 any reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;

1.1.3 unless the context otherwise requires, reference to paragraphs are to paragraphs of this Deed;

1.1.4 any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms; and

1.1.5 other and otherwise are illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding them.

2. Indemnity

2.1 Subject to paragraph 2.2, without prejudice to any indemnity to which you may otherwise be entitled and subject to the terms of this Deed, you shall be indemnified and held harmless by the Company to the fullest extent permitted by law against all liabilities, costs, charges, expenses, judgments, settlements, compensation and other awards, damages and losses (including any direct, indirect or consequential losses and all interest, penalties, fines, taxes and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) ("**Liabilities**") incurred by you in the execution and discharge of your duties to the Company and any "Associated Company" of the Company (as defined in section 256(b) of the Act for these purposes), including any Liability incurred by you in defending any proceedings, civil or criminal, administrative, investigative, regulatory or other proceeding whether instigated, imposed or incurred under the laws of England and Wales or the laws of any other jurisdiction ("**Proceedings**") which relate to any act done or omitted or alleged to be done or omitted by you whilst in the course of acting or purporting to act as a director or officer (or equivalent position under the laws of any relevant jurisdiction) of the Company and/or any Associated Company or which arises by virtue of you holding or having held such a position ("**Claim**").

2.2 The indemnity in paragraph **2.1** shall not apply to:

2.2.1 any Liability relating to any taxation or national insurance payable by you in connection with your remuneration or other benefits received from the Company or any Associated Company;

2.2.2 the extent you are entitled to recover from any other person (including under any policy of insurance) any amount in relation to a Claim;

2.2.3 any Liability incurred by, or Claim made against, you which the board of directors of the Company (the "**Board**") reasonably determines arises out of your fraud or dishonesty or by obtaining any personal profit as advantage to which you were not previously entitled ("**Misconduct**"), save that if a court, tribunal or regulatory authority thereafter finally determines that the relevant Liability or Claim did not arise as a result of your Misconduct, you may, by notice to the Company, request payment of such amount from the Company as the Company would have been liable to pay under this Deed had the Board not made such a determination and the Company shall make a payment to you upon satisfaction of the obligation in paragraph 2.4;

2.2.4 any Claim initiated by you, including any Claim initiated by you against the Company or an Associated Company or any of their respective directors, officers, employees or other indemnified persons, unless the Board has authorised the Claim prior to its initiation.

2.3 References in paragraph 2.1 to acts or omissions are to acts or omissions made or omitted to be made before, on or after the date of this Deed, however:

2.3.1 if a company ceases to be an Associated Company after the date of this Deed, the Company shall only be liable to indemnify you in respect of Liabilities in relation to that company which were incurred before the date on which the company ceased to be an Associated Company; and

2.3.2 you, as an officer (or equivalent position under the laws of any relevant jurisdiction) of any company which becomes an Associated Company after the date of this Deed, shall be indemnified only in respect of Liabilities incurred after the date on which that company becomes an Associated Company.

2.4 The Company's obligation to make any payment to you under paragraph **2.1.** depends on you having made an application in writing to the Company supported by such documentation and evidence which, in the reasonable opinion of the Board, is satisfactory to prove that:

2.4.1 the Liability suffered or incurred by you and of the date(s) on which it was suffered or incurred and that it falls within the scope of the indemnity given in paragraph 2.1; and

2.4.2 any costs and expenses of any third party (including legal costs) which are to be reimbursed by the Company in accordance with paragraph 2.1 were properly incurred and reasonable in amount,

and to the extent that the Company is satisfied that these conditions have been fulfilled, the Company shall make payment to you within 28 days of receipt of such application.

3. Defence Costs

3.1 Without prejudice to the generality of the indemnity set out in paragraph 2.1 of this Deed, and subject to the remainder of this paragraph 3, the Company agrees to fund all or part of the legal costs and other costs and expenses incurred by you in connection with any Claims.

3.2 Any request for funding under this paragraph shall be made by you to the Company and made subject to such conditions as the Board thinks fit. The Company shall provide the relevant funding within fourteen days of receipt of any such written request.

3.3 The Company shall not be required to pay any amounts due under paragraph 3.1, and any amounts paid shall become immediately repayable upon demand from the Company, to the extent that the Board reasonably determines that the relevant Proceedings arose out of your Misconduct.

3.4 The Company shall not be required to fund any legal or other costs and expenses incurred by you in respect of any Claims initiated by you, including any Claim initiated by you against the Company or an Associated Company or any of their respective directors, officers, employees or other indemnified persons, unless the Board has authorised the Claim prior to its initiation.

4. Directors' and Officers' Liability Insurance

The Company shall use all reasonable endeavours to provide and maintain appropriate D&O Cover (including ensuring that premiums are properly paid) for your benefit for so long as any Claims may lawfully be brought against you. The Company shall ensure that you are provided at all times with a copy, or a summary of the terms, of the Company's current D&O Cover policy.

5. Notification and Conduct

5.1 If you receive any demand relating to a Claim or become aware of any circumstances which might or may be reasonably expected to give rise to the Company being required to indemnify you pursuant to this Deed and before incurring any costs, charges or expenses in respect of any Claim (including securing legal representation), you shall:

5.1.1 as soon as reasonably practicable, give written notice of the circumstances to the Company, as well as any other information which the Company may reasonably request from time to time;

5.1.2 take all reasonable actions to mitigate any Liability you suffer in respect of the circumstances giving rise to the Claim (including any action that the Company may reasonably request to avoid, dispute, resist, appeal or defend any Claim and shall not make any admission of liability, agreement or compromise with any person in relation to any Claim without the prior written consent of the Company);

5.1.3 forward all documents you receive in respect of such Claim to the Company as soon as reasonably practical following receipt;

5.1.4 assist the Company as it may reasonable require in resisting, defending or settling the Claim; and

5.1.5 provide to the Company all such information in relation to any Claim or Liabilities as the Company may reasonably request, and shall take all such action as the Company may reasonably request.

5.2 Notwithstanding the provisions of paragraph 5.1, you shall not be required to provide any document or information to the Company where doing so would result in a loss of privilege in that document or information.

5.3 The Company or an Associated Company (as the case may be) will be entitled to take over, negotiate and conduct in your name the defence to or settlement of any Claim or to prosecute in your name for its own behalf any proceedings relating to a Claim.

5.4 If the Company or an Associated Company exercises its right pursuant to paragraph 5.3, the Company or relevant Associated Company shall:

5.4.1 consult with you in relation to the conduct of the Claim or Proceedings on aspects of the Claim or Proceedings materially relevant to you and keep you reasonably information of material developments in the Claim or Proceedings, provided that the Company or Associated Company shall be under no obligation to provide any information the provision of which is reasonably likely to adversely affect the ability of the Company or an Associated Company to claim in respect of the relevant loss under any applicable policy of insurance;

5.4.2 take into account the your reasonable requests relating to the Claim or Proceedings (including any settlement) on issues which may be reasonably likely to result in material damage to your reputation; and

5.4.3 have full discretion in the conduct or settlement of the Claim or Proceedings relating to such Claim provided you are not required to make any contribution to the settlement and the settlement contains no admission of liability by you.

6. Miscellaneous

6.1 *Effect of Ceasing to be an Officer of the Company or any Associated Company*

In the event that you cease to be an officer (or equivalent position under the laws of any relevant jurisdiction) of the Company or any Associated Company, this Deed shall remain in force and you will continue to be indemnified in accordance with the terms and conditions of this Deed, until such time as any relevant limitation periods for bringing Claims against you have expired, or for so long as you remain liable for any Liabilities, notwithstanding that you may have ceased to be an officer (or equivalent position under the laws of any relevant jurisdiction) of the Company or any Associated Company.

6.2 *Payments*

The Company shall, in the event that a payment is made to you under this Deed in respect of a particular Liability, be entitled to recover from you an amount equal to any payment received by you under any policy of insurance or from any other third party source to the extent that such payment relates to the Liability, or if the payment received by you is greater than the payment made under this Deed, a sum equal to the payment made under this Deed. You shall pay over such sum promptly on the Company's request.

6.3 *Taxation*

The Company shall pay such amount to you as shall after the payment of any tax thereon leave you with sufficient funds to meet any Liability to which this Deed applies. For the avoidance of doubt, when calculating the amount of any such tax the amount of any tax deductions, credits or reliefs which are or may be available to you in respect of the relevant payment under this Deed received by you or any payment made by you to a third party in respect of the relevant Liability will be taken into account. In the event that any amount is paid to you under this Deed but a tax deduction, credit or relief is or becomes available to you in respect of the relevant payment or any payment made by you to a third party in respect of the relevant Liability which was not taken into account in calculating the amount payable in respect of the relevant payment under this Deed, you shall make a payment to the Company of such an amount as is equal to the benefit of such deduction, credit or relief which was not taken into account.

6.4 *No Double Recovery*

You shall not be entitled to recover any Liability more than once and in the event that the Company makes payment under this Deed, the Company shall be subrogated to the extent of such payment to all of your rights of recovery against third parties (including any claim under any applicable directors' and officers' insurance policy) in respect of the payment and you shall do everything that may be necessary to secure any such rights including:

6.4.1 the execution of any documents necessary to enable the Company effectively to bring an action in your name; and

6.4.2 the provision of assistance as a witness.

6.5 *Assignment*

The Company may at any time assign, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights under this Deed, provided that it gives notice of such dealing to you. You shall not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of your rights and obligations under this Deed.

6.6 *Entire Agreement*

This Deed constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

6.7 *Severance*

If any provision or part-provision of this Deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this paragraph 6.7 shall not affect the validity and enforceability of the rest of this Deed. If one party gives notice to the other of the possibility that any provision or part-provision of this Deed is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

6.8 *Notices and Demands*

6.8.1 Any notice or demand given to a party under or in connection with this Deed:

6.8.1.1 shall be in writing and in English;

6.8.1.2 shall be signed by or on behalf of the party giving it;

6.8.1.3 shall be sent by a method listed in paragraph 6.8.2; and

6.8.1.4 is deemed received as set out in paragraph 6.8.2 if prepared and sent in accordance with this paragraph.

6.8.2 This paragraph 6.8.2 sets out the delivery methods for sending a notice to a party under this Deed and, for each delivery method, the date and time when the notice is deemed to have been received (provided that all other requirements of this paragraph have been satisfied and subject to the provisions in paragraph 6.8.3):

6.8.2.1 if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the address;

6.8.2.2 if sent by pre-paid first class post or other next working day delivery service, at the time recorded by the delivery service;

6.8.2.3 if sent by pre-paid airmail, at the time recorded by the delivery service; or

6.8.2.4 if sent by email, at the time of transmission.

6.8.3 If deemed receipt under paragraph 6.8.2 would occur outside business hours in the place of receipt, it shall be deferred until business hours resume. In this paragraph, business hours means 9.00 a.m. to 5.00 p.m. Monday to Friday on a day that is not a public holiday in the place of receipt.

6.8.4 This paragraph 6.8 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

6.9 *Variation*

6.9.1 No variation of this Deed shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

6.9.2 No failure or delay by a party to exercise any right or remedy provided under this Deed or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

6.10 *Counterparts*

6.10.1 This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one deed.

6.10.2 Transmission of an executed counterpart of this Deed (but for the avoidance of doubt not just a signature page) by email (in PDF, JPEG or other agreed format), shall take effect as delivery of an executed counterpart of this Deed.

6.10.3 No counterpart shall be effective until each party has executed and delivered at least one counterpart.

6.11 *Third Party Rights*

Unless this Deed expressly states otherwise, this Deed does not confer any rights on any person or party (other than the parties to this Deed and any Associated Company) pursuant to the Contracts (Rights of Third Parties) Act 1999.

6.12 *Governing Law and Jurisdiction*

6.12.1 This Deed and any dispute or claim arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

6.12.2 You and the Company irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Deed or its subject matter or formation (including non-contractual disputes or claims).

[*Deliberately left blank, signature page to follow*.]

IN WITNESS WHEREOF, this Deed has been executed as a deed by the Company and you, or such parties' duly authorised attorneys on the day and year first above written.

EXECUTED as a **DEED** and delivered by)
for and on behalf)
of)
RENALYTIX AI PLC _____

In the presence of:

Witness signature: _____

Name: _____

Address: _____

_____

_____

Occupation: _____

EXECUTED as a **DEED** and delivered by)
[***Name of Officer***])
) _____

In the presence of:

Witness signature: _____

Name: _____

Address: _____

_____

_____

Occupation: _____

REGISTRATION RIGHTS AGREEMENT

by and between

Icahn School of Medicine at Mount Sinai

and

Renalytix AI plc

Dated as of June 24, 2020

Table of Contents

REGISTRATION RIGHTS AGREEMENT dated as of June 24, 2020, by and between Renalytix AI plc, incorporated and registered in England and Wales with company number 11257655 (the "Company"), and Icahn School of Medicine at Mount Sinai, a New York not-for-profit education corporation (together with any transferee referred to in Section 12 hereof, the "Investor").

In consideration of the mutual covenants and agreements herein contained and other good and valid consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

1. Certain Definitions.

In addition to the terms defined elsewhere in this Agreement, the following terms have the following meanings:

"Affiliate" of any Person means any other Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlling," "controlled by" and "under common control with") as used with respect to any Person means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" means this Registration Rights Agreement, including all amendments, modifications and supplements and any exhibits or schedules to any of the foregoing, and shall refer to this Registration Rights Agreement as the same may be in effect at the time such reference becomes operative.

"Blackout Period" has the meaning set forth in Section 8(e) hereof.

"Business Day" means any day, except a Saturday, Sunday or legal holiday on which banking institutions in The City of New York are authorized or obligated by law or executive order to close.

"Company" has the meaning set forth in the introductory paragraph and includes any other person referred to in the second sentence of Section 14(c) hereof.

"Delay Period" has the meaning set forth in Section 3(d) hereof.

"Demand Registration" has the meaning set forth in Section 3(a) hereof.

"Demand Registration Statement" has the meaning set forth in Section 3(a) hereof.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Full Cooperation" means, in connection with any underwritten offering, where, in addition to the cooperation otherwise required by this Agreement, (a) appropriate members of senior management of the Company cooperate with the underwriter(s) in connection therewith and make themselves available to participate in conference calls as recommended by the underwriter(s) and (b) the Company prepares preliminary and final prospectuses (preliminary and final prospectus supplements in the case of an offering pursuant to the Shelf Registration Statement) for use in connection therewith.

"Fully Marketed Underwritten Offering" means an underwritten offering in which there is Full Cooperation.

"Governmental Entity" means any national, federal, state, municipal, local, territorial, foreign or other government or any department, commission, board, bureau, agency, regulatory authority or instrumentality thereof, or any court, judicial, administrative or arbitral body or public or private tribunal.

"IPO" means the Company's first underwritten public offering of its Ordinary Shares under the Securities Act.

"Nasdaq" means the Nasdaq quotation system, or any successor reporting system.

"NYSE" means the New York Stock Exchange, Inc.

"Ordinary Shares" means ordinary shares, nominal value £0.0025 per share, of the Company, and/or depositary shares or depositary receipts in respect thereof.

"Person" means any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, unincorporated organization, association, corporation, institution, public benefit corporation, Governmental Entity or any other entity.

"Piggyback Registration" has the meaning set forth in Section 4(a) hereof.

"Piggyback Registration Statement" has the meaning set forth in Section 4(a) hereof.

"Prospectus" means the prospectus or prospectuses forming a part of, or deemed to form a part of, or included in, or deemed included in, any Registration Statement, as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Ordinary Shares covered by such Registration Statement and by all other amendments and supplements to the prospectus, including post-effective amendments and all material incorporated by reference in such prospectus or prospectuses.

"Registrable Ordinary Shares" or "Registrable Securities" means (i) all Ordinary Shares owned by the Investor on the date hereof, (ii) any Ordinary Shares acquired by the Investor after the date hereof and (iii) any other security into or for which the Ordinary Shares referred to in (i) or (ii) above has been converted, substituted or exchanged, and any security issued or issuable with respect thereto upon any stock dividend or stock split or in connection with a combination of shares, reclassification, recapitalization, merger, consolidation or other reorganization or otherwise.

"Registration Expenses" has the meaning set forth in Section 9(a) hereof.

"Registration Statement" means any registration statement of the Company that covers any of the Registrable Ordinary Shares pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all materials incorporated by reference in such Registration Statement.

"Rule 144" means Rule 144 promulgated by the SEC pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC as a replacement thereto having substantially the same effect as such rule.

"Rule 415" means Rule 415 promulgated by the SEC pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC as a replacement thereto having substantially the same effect as such rule.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Shelf Registration Statement" has the meaning set forth in Section 2(a) hereof.

"Suspension Notice" has the meaning set forth in Section 8(e) hereof.

"underwritten registration or underwritten offering" means an offering in which securities of the Company are sold to or through one or more underwriters (as defined in Section 2(a)(11) of the Securities Act) for resale to the public.

2. Shelf Registration Statements.

(a) Right to Request Registration. At the request of the Investor at any time following the first date on which the Company is eligible to file a registration statement under the Securities Act on Form F-3 or Form S-3 (or any successor form thereto), the Company, within forty-five (45) days of such request, shall use its commercially reasonable best efforts to file a registration statement under the Securities Act providing for the resale pursuant to Rule 415 from time to time by the Investor of such number of Registrable Ordinary Shares requested by the Investor to be included in such registration statement (including the Prospectus, amendments and supplements to the shelf registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto and all material incorporated by reference or deemed to be incorporated by reference, if any, in such shelf registration statement, a "Shelf Registration Statement"). The Company shall use its commercially reasonable best efforts to cause such Shelf Registration Statement to be declared effective by the SEC as promptly as practicable following such filing. The Company shall maintain the effectiveness of such Shelf Registration Statement for a period of at least three years in the aggregate plus the duration of any Blackout Period. Thereafter, the Investor shall have the right to so request one or more additional Shelf Registration Statements for the term of this Agreement, and the requirements of this Section 2 shall apply to any such additional request and Shelf Registration Statement. The plan of distribution contained in a Shelf Registration Statement (or related Prospectus supplement) shall be in the form attached as Exhibit A hereto, unless otherwise determined by the Investor.

(b) Number of Fully Marketed Underwritten Offerings. The Investor shall be entitled to request Fully Marketed Underwritten Offerings pursuant to the Shelf Registration Statement; provided, however, that the Investor shall be entitled to request no more than two (2) underwritten offerings pursuant to the Shelf Registration Statement in any 12 month period that require involvement by management of the Company in marketing activities. If the Investor requests a Fully Marketed Underwritten Offering, the Company shall cause there to occur Full Cooperation in connection therewith. An underwritten offering shall not count as one of the two (2) permitted underwritten offerings per 12 month period if there is not Full Cooperation in connection therewith or the Investor is not able to sell at least 50% of the Registrable Ordinary Shares desired to be sold in such offering. Except as provided in this Section 2(b), there shall be no limitation on the number of takedowns off the Shelf Registration Statement.

3. Additional Demand Registrations.

(a) Right to Request Registration. Any time following one (1) year after completion of an initial public offering of Ordinary Shares (an "IPO") and at a time when the Company is not eligible to file a registration statement under the Securities Act on Form F-3 or Form S-3 (or any successor form thereto), the Investor may request registration for resale under the Securities Act of all or part of the Registrable Ordinary Shares pursuant to a Registration Statement separate from the Shelf Registration Statement (a "Demand Registration"). As promptly as practicable after such request, but in any event within 45 days of such request by the Investor, the Company shall file a registration statement registering for resale such Registrable Ordinary Shares held by the Investor as requested to be so registered (including the Prospectus, amendments and supplements to such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto and all material incorporated by reference or deemed to be incorporated by reference, if any, in such registration statement, a "Demand Registration Statement"). In connection with each such Demand Registration, the Company shall cause there to occur Full Cooperation.

(b) Number of Demand Registrations. The Investor will be entitled to request one (1) Demand Registration during any 12-month period pursuant to Section 3(a) minus the number of Fully Marketed Underwritten Offerings completed off of all Shelf Registration Statements. A registration shall not count as one of the permitted Demand Registrations (i) until the related Demand Registration Statement has become effective, (ii) if the Investor is not able to register and sell at least 50% of the Registrable Ordinary Shares requested to be included in such registration, or (iii) if there was not Full Cooperation in connection therewith.

(c) Priority on Demand Registrations. If a Demand Registration pursuant to this Section 3 involves an underwritten offering and the managing underwriter shall advise the Company that in its opinion the number of securities requested to be included in such registration exceeds the number that can be sold in such offering without having an adverse effect on such offering, including the price at which such securities can be sold, then the Company shall include in such registration the maximum number of shares that such underwriter advises can be so sold without having such effect, allocated (i) first, to Registrable Ordinary Shares requested by the Investor to be included in such registration and (ii) second, among all Ordinary Shares requested to be included in such registration by any other Persons (including securities to be sold for the account of the Company) allocated among such Persons in such manner as they may agree.

(d) Restrictions on Demand Registrations. The Company may postpone the filing or the effectiveness of a Demand Registration Statement if, based on the good faith judgment of the Company's Board of Directors, such postponement is necessary in order to avoid premature disclosure of a matter the Board of Directors has determined would not be in the best interest of the Company to be disclosed at such time; provided, however, that the Investor shall be entitled, at any time after receiving notice of such postponement and before such Demand Registration Statement becomes effective, to withdraw such request and, if such request is withdrawn, such Demand Registration shall not count as one of the permitted Demand Registrations. The Company shall provide written notice to the Investor of (x) any postponement of the filing or effectiveness of a Demand Registration Statement pursuant to this Section 3(d), (y) the Company's decision to file or seek effectiveness of such Demand Registration Statement following such postponement and (z) the effectiveness of such Demand Registration Statement. The Company may defer the filing or effectiveness of a particular Demand Registration Statement pursuant to this Section 3(d) only once during any 12-month period. Notwithstanding the provisions of this Section 3(d), the Company may not postpone the filing or effectiveness of a Demand Registration Statement past the date that is the earliest of (a) the date upon which any disclosure of a matter the Board of Directors has determined would not be in the best interest of the Company to be disclosed is disclosed to the public or ceases to be material, (b) thirty (30) days after the date upon which the Board of Directors has determined such matter should not be disclosed and (c) such date that, if such postponement continued, would result in there being more than 45 days in the aggregate in any 12 month period during which the filing or effectiveness of one or more Registration Statements has been so postponed. The period during which filing or effectiveness is so postponed hereunder is referred to as a "Delay Period."

(e) Effective Period of Demand Registrations. After any Demand Registration filed pursuant to this Agreement has become effective, the Company shall use its commercially reasonable best efforts to keep such Demand Registration Statement effective for a period of at least 180 days from the date on which the SEC declares such Demand Registration Statement effective plus the duration of any Delay Period and any Blackout Period, or such shorter period that shall terminate when all of the Registrable Ordinary Shares covered by such Demand Registration Statement has been sold pursuant to such Demand Registration Statement in accordance with the plan of distribution set forth therein.

4. Piggyback Registrations.

(a) Right to Piggyback. If at any time following the completion of an IPO, the Company proposes to publicly sell or register for sale any of its equity securities pursuant to a registration statement (a "Piggyback Registration Statement") under the Securities Act (other than a registration statement on Form F-8 or on Form F-4 or any similar successor forms thereto), whether for its own account or for the account of one or more securityholders of the Company (a "Piggyback Registration"), the Company shall give prompt written notice to the Investor of its intention to effect such sale or registration and, subject to Sections 4(b) and 4(c), shall include in such transaction all Registrable Ordinary Shares with respect to which the Company has received a written request from the Investor for inclusion therein within 15 days after the receipt of the Company's notice. The Company may postpone or withdraw the filing or the effectiveness of a Piggyback Registration at any time in its sole discretion, without prejudice to the Investor's right

to immediately request a Demand Registration or Shelf Registration Statement hereunder. A Piggyback Registration shall not be considered (i) a Demand Registration for purposes of Section 3 of this Agreement if the Investor was unable to register and sell all of the Registrable Ordinary Shares requested to be included in such registration or (ii) a Shelf Registration Statement for purposes of Section 2 of this Agreement.

(b) Priority on Primary Registrations. If a Piggyback Registration is initiated as an underwritten primary offering on behalf of the Company where the primary use of proceeds does not include the repurchase, redemption or retirement of capital shares of the Company (a "Stock Repurchase"), and the managing underwriter advises the Company in writing that in its opinion the number of securities requested to be included in such offering exceeds the number that can be sold in such offering without having an adverse effect on such offering, including the price at which such securities can be sold, then the Company shall include in such offering the maximum number of shares that such underwriter advises can be so sold without having such effect, allocated (i) first, to the securities the Company proposes to sell, (ii) second, to the Registrable Ordinary Shares requested to be included therein by the Investor, and (iii) third, among other securities requested to be included in such registration by other security holders of the Company on such basis as such holders may agree among themselves and the Company.

(c) Priority on Secondary Registrations. If a Piggyback Registration is initiated as an underwritten offering on behalf of a holder of the Company's securities other than Registrable Ordinary Shares or on behalf of the Company where the use of proceeds includes a Stock Repurchase, and the managing underwriter advises the Company in writing that in its opinion the number of securities requested to be included in such offering exceeds the number that can be sold in such offering without having an adverse effect on such offering, including the price at which such securities can be sold, then the Company shall include in such offering the maximum number of shares that such underwriter advises can be so sold without having such effect, allocated (i) first, to the securities requested to be included therein by the holder(s) requesting such registration and the Registrable Ordinary Shares requested to be included therein, pro rata among the holders of such securities on the basis of the number of shares requested to be included therein and (ii) second, to other securities (including Registrable Ordinary Shares) requested to be included by other security holders, the Company and the Investor, pro rata among such holder(s), the Company and the Investor on the basis of the number of shares requested to be included by them.

5. Other Registrations

The Company shall not grant to any Person the right, other than as set forth herein and except to employees of the Company with respect to registrations on Form F-8 (or any successor forms thereto), to request the Company to register any securities of the Company except such rights as are not more favorable than or inconsistent with the rights granted to the Investor and that do not adversely affect the priorities set forth herein of the Investor.

6. Selection of Underwriters.

If any of the Registrable Ordinary Shares covered by a Demand Registration Statement or a Shelf Registration Statement (but not a Piggyback Registration) are to be sold in an underwritten offering, the Investor shall have the right to select the managing underwriter(s) to administer the offering subject to the prior approval of the Company, which approval shall not be unreasonably withheld.

7. Holdback Agreements.

The Company agrees not to, and shall exercise its commercially reasonable best efforts to obtain agreements (in the underwriters' customary form) from its directors and executive officers not to, directly or indirectly offer, sell, pledge, contract to sell, (including any short sale), grant any option to purchase or otherwise dispose of any equity securities of the Company or enter into any hedging transaction relating to any equity securities of the Company during the 90 days beginning on the effective date of any Demand Registration Statement involving an underwritten offering or any Piggyback Registration Statement involving an underwritten offering or the pricing date of any underwritten offering pursuant to any Registration Statement (except as part of such underwritten offering or pursuant to registrations on Form F-8 or F-4 or any successor forms thereto) unless the underwriter managing the offering otherwise agrees to a shorter period; provided that, any such holdback agreements may contain exceptions for existing 10b5-1 trading plans, unless the managing underwriter shall advise the Company that in its opinion such exception will have an adverse effect on the relevant offering.

8. Procedures.

(a) In connection with the registration and sale of Registrable Ordinary Shares pursuant to this Agreement, the Company shall use its commercially reasonable best efforts to effect the registration and the sale of such Registrable Ordinary Shares in accordance with the Investor's intended methods of disposition thereof, and pursuant thereto the Company shall as expeditiously as possible:

(i) prepare and file with the SEC a Registration Statement with respect to such Registrable Ordinary Shares and use its commercially reasonable best efforts to cause such Registration Statement to become effective as soon as practicable thereafter; and before filing a Registration Statement or Prospectus or any amendments or supplements thereto (including any prospectus supplement for a shelf takedown), furnish to the Investor and the underwriter(s), if any, copies of all such documents proposed to be filed, including documents incorporated by reference in the Prospectus and, if requested by the Investor, the exhibits incorporated by reference, and the Investor (and the underwriter(s), if any) shall have the opportunity to review and comment thereon, and the Company will make such changes and additions thereto as reasonably requested by the Investor (and the underwriter(s), if any) prior to filing any Registration Statement or amendment thereto or any Prospectus or any supplement thereto;

(ii) prepare and file with the SEC such amendments and supplements to such Registration Statement and the Prospectus used in connection therewith as may be necessary to keep such Registration Statement effective for a period of not less than 180 days, in the case of a Demand Registration Statement or an aggregate of three years, in the case of a Shelf Registration Statement (plus, in each case, the duration of any Delay Period and any Blackout Period), or such shorter period as is necessary to complete the distribution of the securities covered by such Registration Statement and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during such period in accordance with the intended methods of disposition by the Investor thereof set forth in such Registration Statement and, in the case of the Shelf Registration Statement, prepare such prospectus supplements containing such disclosures as may be reasonably requested by the Investor or any underwriter(s) in connection with each shelf takedown;

(iii) furnish to the Investor such number of copies of such Registration Statement, each amendment and supplement thereto, each Prospectus (including each preliminary Prospectus and Prospectus supplement) and such other documents as the Investor and any underwriter(s) may reasonably request in order to facilitate the disposition of the Registrable Ordinary Shares, provided, however, that the Company shall have no such obligation to furnish copies of a final prospectus if the conditions of Rule 172(c) under the Securities Act are satisfied by the Company;

(iv) use its commercially reasonable best efforts to register or qualify such Registrable Ordinary Shares under such other securities or blue sky laws of such jurisdictions (domestic or foreign) as the Investor and any underwriter(s) reasonably requests and do any and all other acts and things that may be reasonably necessary or advisable to enable the Investor and any underwriter(s) to consummate the disposition in such jurisdictions of the Registrable Ordinary Shares (provided, that the Company will not be required to (1) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph (iv), (2) subject itself to taxation in any such jurisdiction or (3) consent to general service of process in any such jurisdiction);

(v) notify the Investor and any underwriter(s), at any time when a Prospectus relating thereto is required to be delivered under the Securities Act, of the occurrence of any event as a result of which any Prospectus contains an untrue statement of a material fact or omits any material fact necessary to make the statements therein not misleading, and, at the request of the Investor or any underwriter(s), the Company shall prepare a supplement or amendment to such Prospectus so that, as thereafter supplemented and/or amended, such Prospectus shall not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading;

(vi) in the case of an underwritten offering, (i) enter into such agreements (including underwriting agreements in customary form), (ii) take all such other actions as the Investor or the underwriter(s) reasonably request in order to expedite or facilitate the disposition of such Registrable Ordinary Shares (including, without limitation, causing senior management and other Company personnel to cooperate with the Investor and the underwriter(s) in connection with performing due diligence) and (iii) cause its counsel to issue opinions of counsel and negative assurance letters in form, substance and scope as are customary in primary underwritten offerings, addressed and delivered to the underwriter(s) and the Investor;

(vii) in connection with each Demand Registration pursuant to Section 3 and each Fully Marketed Underwritten Offering requested by the Investor under Section 2, cause there to occur Full Cooperation and, in all other cases, cause appropriate members of management of the Company to cooperate with the underwriter(s) in connection therewith;

(viii) make available for inspection by the Investor, any underwriter participating in any disposition pursuant to a Registration Statement, and any attorney, accountant or other agent retained by the Investor or underwriter, all financial and other records, corporate documents and properties of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by the Investor, underwriter, attorney, accountant or agent in connection with such Registration Statement;

(ix) use its commercially reasonable best efforts to cause all such Registrable Ordinary Shares to be listed on each securities exchange on which securities of the same class issued by the Company are then listed or, if no such similar securities are then listed, on Nasdaq or the NYSE or other national securities exchange selected by the Company;

(x) provide a transfer agent and registrar for all such Registrable Ordinary Shares not later than the effective date of such Registration Statement;

(xi) if requested, cause to be delivered, immediately prior to the pricing of any underwritten offering, immediately prior to effectiveness of each Registration Statement (and, in the case of an underwritten offering, at the time of closing of the sale of Registrable Ordinary Shares pursuant thereto), letters from the Company's independent registered public accountants addressed to the Investor and each underwriter, if any, stating that such accountants are independent public accountants within the meaning of the Securities Act and the applicable rules and regulations adopted by the SEC thereunder, and otherwise in customary form and covering such financial and accounting matters as are customarily covered by letters of the independent registered public accountants delivered in connection with primary underwritten public offerings;

(xii) make generally available to its Investors a consolidated income statement (which need not be audited) for the 12 months beginning after the effective date of a Registration Statement as soon as reasonably practicable after the end of such period, which income statement shall satisfy the requirements of an "earning statement" under Section 11(a) of the Securities Act; and

(xiii) promptly notify the Investor and the underwriter(s), if any:

(1) when the Registration Statement, any pre-effective amendment, the Prospectus or any Prospectus supplement or post-effective amendment to the Registration Statement has been filed and, with respect to the Registration Statement or any post-effective amendment, when the same has become effective;

(2) of any written request by the SEC for amendments or supplements to the Registration Statement or any Prospectus or of any inquiry by the SEC relating to the Registration Statement or, if applicable, the Company's status as a well-known seasoned issuer;

(3) of the notification to the Company by the SEC of its initiation of any proceeding with respect to the issuance by the SEC of any stop order suspending the effectiveness of the Registration Statement; and

(4) of the receipt by the Company of any notification with respect to the suspension of the qualification of any Registrable Ordinary Shares for sale under the applicable securities or blue sky laws of any jurisdiction.

(b) The Company represents and warrants that no Registration Statement (including any amendments or supplements thereto and Prospectuses contained therein) shall contain any untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements therein not misleading (except that the Company makes no representation or warranty with respect to information relating to the Investor furnished to the Company by or on behalf of the Investor specifically for use therein).

(c) The Company shall make available to the Investor (i) promptly after the same is prepared and publicly distributed, filed with the SEC, or received by the Company, copies of each Registration Statement and any amendment thereto, each preliminary Prospectus and Prospectus and each amendment or supplement thereto, each letter written by or on behalf of the Company to the SEC or the staff of the SEC (or other governmental agency or self-regulatory body or other body having jurisdiction, including any domestic or foreign securities exchange), and each item of correspondence from the SEC or the staff of the SEC (or other governmental agency or self-regulatory body or other body having jurisdiction, including any domestic or foreign securities exchange), in each case relating to such Registration Statement or to any of the documents incorporated by reference therein, and (ii) such number of copies of each Prospectus, including a preliminary Prospectus, and all amendments and supplements thereto and such other documents as the Investor or any underwriter may reasonably request in order to facilitate the disposition of the Registrable Ordinary Shares. The Company will promptly notify the Investor of the effectiveness of each Registration Statement or any post-effective amendment or the filing of any supplement or amendment to such Shelf Registration Statement or of any Prospectus supplement. The Company will promptly respond to any and all comments received from the SEC, with a view towards causing each Registration Statement or any amendment thereto to be declared effective by the SEC as soon as practicable and shall file an acceleration request, if necessary, as soon as practicable following the resolution or clearance of all SEC comments or, if applicable, following notification by the SEC that any such Registration Statement or any amendment thereto will not be subject to review.

(d) The Company may require the Investor to furnish to the Company any other information regarding the Investor and the distribution of such securities as the Company reasonably determines, based on the advice of counsel, is required to be included in any Registration Statement.

(e) The Investor agrees that, upon notice from the Company of the happening of any event as a result of which the Prospectus included (or deemed included) in such Registration Statement contains an untrue statement of a material fact or omits any material fact necessary to make the statements therein not misleading (a "Suspension Notice"), the Investor will forthwith discontinue disposition of Registrable Ordinary Shares pursuant to such Registration Statement for a reasonable length of time not to exceed 10 days (not to exceed 30 days in the case of an event described in Section 3(d)) until the Investor is advised in writing by the Company that the use of the Prospectus may be resumed and is furnished with a supplemented or amended Prospectus as contemplated by Section 8(a) hereof; provided, however, that such postponement of sales of Registrable Ordinary Shares by the Investor shall not exceed forty-five (45) days in the aggregate in any 12 month period. If the Company gives the Investor any Suspension Notice, the Company shall extend the period of time during which the Company is required to maintain the applicable Registration Statements effective pursuant to this Agreement by the number of days during the period from and including the date of the giving of such Suspension Notice to and including the date the Investor either is advised by the Company that the use of the Prospectus may be resumed or receives the copies of the supplemented or amended Prospectus contemplated by Section 8(a) (a "Blackout Period"). In any event, the Company shall not be entitled to deliver more than a total of three (3) Suspension Notices or notices of any Delay Period in any 12 month period.

(f) The Company shall not permit any officer, director, underwriter, broker or any other person acting on behalf of the Company to use any free writing prospectus (as defined in Rule 405 under the Securities Act) in connection with any registration statement covering Registrable Ordinary Shares, without the prior written consent of the Investor and any underwriter.

9. Registration Expenses.

(a) All expenses incident to the Company's performance of or compliance with this Agreement, including, without limitation, all registration and filing fees (including SEC registration fees and FINRA filing fees), fees and expenses of compliance with securities or blue sky laws, listing application fees, printing expenses, transfer agent's and registrar's fees, cost of distributing Prospectuses in preliminary and final form as well as any supplements thereto, and fees and disbursements of counsel for the Company and all accountants and other Persons retained by the Company (all such expenses being herein called "Registration Expenses") (but not including any underwriting discounts or commissions or transfer taxes, if any, attributable to the resale of Registrable Ordinary Shares), shall be borne by the Company. In addition, the Company shall pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit or quarterly review, the expense of any liability insurance and the expenses and fees for listing the securities to be registered on each securities exchange on which they are to be listed.

(b) The Company shall pay, or shall reimburse the Investor for, the costs and expenses of any "road show" and other customary marketing activities and for the reasonable fees and disbursements of one law firm chosen by the Investor as its counsel in connection with each Registration Statement and sale of Registrable Ordinary Shares pursuant thereto.

(c) The obligation of the Company to bear the expenses described in Section 9(a) and to pay or reimburse the Investor for the expenses described in Section 9(b) shall apply irrespective of whether any sales of Registrable Ordinary Shares ultimately take place.

10. Indemnification.

(a) The Company shall indemnify, to the fullest extent permitted by law, the Investor and its officers, directors, employees and Affiliates and each Person who controls the Investor (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and expenses arising out of or based upon any untrue or alleged untrue statement of material fact contained in any Registration Statement, the IPO registration statement, Prospectus, preliminary Prospectus or any "issuer free writing prospectus" (as defined in Securities Act Rule 433) or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading or any violation or alleged violation by the Company of the Securities Act, the Exchange Act or applicable "blue sky" laws, except insofar as the same are made in reliance on and in conformity with information relating to the Investor furnished in writing to the Company by the Investor expressly for use therein. In connection with an underwritten offering, the Company shall indemnify such underwriter(s), their officers, employees and directors and each Person who controls such underwriter(s) (within the meaning of the Securities Act) at least to the same extent as provided above with respect to the indemnification of the Investor.

(b) In connection with any Registration Statement in which the Investor is participating, the Investor shall furnish to the Company in writing such information as the Company reasonably determines, based on the advice of counsel, is required to be included in any such Registration Statement or Prospectus and shall indemnify, to the fullest extent permitted by law, the Company, its officers, employees, directors, Affiliates, and each Person who controls the Company (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and expenses arising out of or based upon any untrue or alleged untrue statement of material fact contained in the Registration Statement, Prospectus or preliminary Prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that the same are made in reliance on and in conformity with information relating to the Investor furnished in writing to the Company by the Investor expressly for use therein.

(c) Any Person entitled to indemnification hereunder shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying

party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel (in addition to any local counsel) for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party there may be one or more legal or equitable defenses available to such indemnified party that are in addition to or may conflict with those available to another indemnified party with respect to such claim. Failure to give prompt written notice shall not release the indemnifying party from its obligations hereunder.

(d) The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party and shall survive the transfer of securities.

(e) If the indemnification provided for in or pursuant to this Section 10 is due in accordance with the terms hereof, but is held by a court to be unavailable or unenforceable in respect of any losses, claims, damages, liabilities or expenses referred to herein, then each applicable indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified Person as a result of such losses, claims, damages, liabilities or expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions that result in such losses, claims, damages, liabilities or expenses as well as any other relevant equitable considerations. The relative fault of the indemnifying party on the one hand and of the indemnified Person on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party, and by such party's relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. In no event shall the liability of the Investor be greater in amount than the amount of net proceeds received by the Investor upon such sale.

11. Rule 144 and Term of Agreement.

(a) Rule 144 Compliance. Following an IPO (or any other transaction or event as a result of which the Company becomes subject to the periodic reporting requirements of the Exchange Act), the Company covenants that it will file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder, and it will take such further action as the Investor may reasonably request to make available adequate current public information with respect to the Company meeting the current public information requirements of Rule 144, to the extent required to enable the Investor to sell Registrable Ordinary Shares without registration under the Securities Act in accordance with Rule 144. Upon the request of the Investor, the Company will deliver to the Investor a written statement as to whether it has complied with such information and requirements. At any time after that date hereof, to the extent that Rule 144 is available for the public resale by the Investor of Ordinary

Shares or other securities issued by the Company held by the Investor, the Company will cause to be removed any restrictive legends, stop transfer instructions or similar restrictions on transfer with respect to such securities (and, if required by any transfer agent or other Person, cause its counsel to deliver a letter or opinion to the effect that the same may be removed).

(b) Termination of Registration Rights. The right of the Investor to request registration or inclusion of Registrable Ordinary Shares in any registration pursuant to Sections 2 through 4 shall not apply at any time following consummation of the IPO when, in reasonable opinion of counsel to the Investor after consultation with counsel to the Company, Rule 144 or another similar exemption under the Securities Act is then available for the unlimited public sale of all of the Investors Registrable Ordinary Shares in the United States without registration under the Securities Act and without any volume or manner of sale limitations; provided that such rights shall nevertheless continue to apply if it is reasonably likely (after consultation with a U.S. nationally recognized investment banking firm) that the sale by the Investor of all of such securities in to the public market at that time in an unmanaged transaction or transactions would have a material adverse effect on the market price of the equity securities of the Company.

12. Transfer of Registration Rights.

(a) In connection with a transfer of Registrable Ordinary Shares following the first anniversary of the listing of the Ordinary Shares on Nasdaq (the "Listing Date"), the Investor may transfer all or any portion of its then-remaining rights under this Agreement to any transferee (each, a "transferee"); provided that, prior to the Listing Date, the Investor may only transfer its rights under this Agreement to any transferee that is an Affiliate of the Investor. Any transfer of registration rights pursuant to this Section 12 shall be effective upon receipt by the Company of (x) written notice from the Investor stating the name and address of any transferee and identifying the amount of Registrable Ordinary Shares with respect to which the rights under this Agreement are being transferred and the nature of the rights so transferred and (y) a written agreement from the transferee to be bound by all of the terms of this Agreement. In connection with any such transfer, the term "Investor" as used in this Agreement shall, where appropriate to assign such rights to such transferee, be deemed to refer to the transferee holder of such Registrable Ordinary Shares. The Investor and such transferees may exercise the registration rights hereunder in such proportion (not to exceed the then-remaining rights hereunder) as they shall agree among themselves.

(b) After such transfer, the Investor shall retain its rights under this Agreement with respect to all other Registrable Ordinary Shares owned by the Investor. Upon the request of the Investor, the Company shall execute a Registration Rights Agreement with such transferee or a proposed transferee substantially similar to the applicable sections of this Agreement.

13. Conversion or Exchange of Other Securities.

If the Investor offers Registrable Ordinary Shares by forward sale, or any options, rights, warrants or other securities issued by it, the Company or any other person that are offered with, convertible into or exercisable or exchangeable for any Registrable Ordinary Shares, the Registrable Ordinary Shares subject to such forward sale or underlying such options, rights, warrants or other securities shall be eligible for registration pursuant to Sections 2, 3 and 4 of this Agreement.

14. Miscellaneous.

(a) Notices. All notices, requests, consents and other communications required or permitted hereunder shall be in writing and shall be hand delivered or mailed postage prepaid by registered or certified mail or by email (with immediate telephone confirmation thereafter),

If to the Company:

1460 Broadway New York, NY 10036
Attention: Chief Executive Officer
Email address: jmccollough@renalytixai.com

with a copy to (which shall not constitute notice):

Cooley LLP
500 Boylston Street, Fl 14
Boston, MA 02116
Attention: Marc Recht
Email address: mrecht@cooley.com

If to the Investor:

Icahn School of Medicine at Mount Sinai
One Gustave L. Levy Place, Box 1675
New York, New York 10029
Attention: Senior Vice President Email address: erik.lium@mssm.com

With a copy (which shall not constitute notice) to:

Icahn School of Medicine at Mount Sinai
One Gustave L. Levy Place, Box 1675
New York, New York 10029
Attention: Office of General Counsel
Email address: beth.essig@mountsinai.org

If to a transferee Investor, to the address of such transferee Investor set forth in the transfer documentation provided to the Company;

in each case with copies to (which shall not constitute notice):

Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West New York, New York 10001
Attention: Gregory A. Fernicola
Email address: Gregory.Fernicola@skadden.com

or at such other address as such party each may specify by written notice to the others, and each such notice, request, consent and other communication shall for all purposes of the Agreement be treated as being effective or having been given when delivered personally, upon one Business Day after being deposited with a courier if delivered by courier, upon receipt of the related telephone confirmation if transmitted by email, or, if sent by mail, at the earlier of its receipt or 72 hours after the same has been deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and postage prepaid as aforesaid.

(b) No Waivers. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

(c) Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, the indemnified persons referred to in Section 10 and transferees referred to in Section 12. If the outstanding Ordinary Shares converted into or exchanged or substituted for other securities issued by any other Person, as a condition to the effectiveness of the merger, consolidation, reclassification, share exchange or other transaction pursuant to which such conversion, exchange, substitution or other transaction takes place, such other Person shall automatically become bound hereby with respect to such other securities constituting Registrable Securities and, if requested by the Investor or a transferee, shall further evidence such obligation by executing and delivering to the Investor and such transferee a written agreement to such effect in form and substance satisfactory to the Investor.

(d) Governing Law. The laws of the State of New York shall govern the enforceability and validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties.

(e) Jurisdiction. Any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby may be brought in any federal or state court located in the County and State of New York, and each of the parties hereby consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 14(a) shall be deemed effective service of process on such party.

(f) Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(g) Counterparts; Effectiveness. This Agreement may be executed in counterparts (including by facsimile) and by different parties hereto in separate counterparts, with the same effect as if all parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument. This Agreement shall become effective when each party hereto shall have received counterparts hereof signed by all of the other parties hereto.

(h) Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes and replaces all other prior agreements, written or oral, among the parties hereto with respect to the subject matter hereof.

(i) Captions. The headings and other captions in this Agreement are for convenience and reference only and shall not be used in interpreting, construing or enforcing any provision of this Agreement.

(j) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

(k) Amendments. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to or departures from the provisions hereof may not be given, without the written consent of the Company and the Investor.

(l) Aggregation of Stock. All Registrable Ordinary Shares held by or acquired by any Affiliated Persons will be aggregated together for the purpose of determining the availability of any rights under this Agreement.

(m) Equitable Relief. The parties hereto agree that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement.

[Execution Page Follows]

IN WITNESS WHEREOF, this Registration Rights Agreement has been duly executed by each of the parties hereto as of the date first written above.

RENALYTIX AI PLC

By: /s/ James McCullough
Name: James McCullough
Title: Chief Executive Officer

ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI

By: /s/ Erik Lium
Name: Erik Lium
Title: Executive Vice President and Chief Commercial Innovation Officer, Mount Sinai Health System

PLAN OF DISTRIBUTION

The Company is registering the shares of common stock covered by this prospectus for the selling Investor. As used in this prospectus, “selling Investor” includes the donees, transferees, pledgees or others who may later hold the selling Investor’s interests. Pursuant to a registration rights agreement, dated as of June 24, 2020, the Company agreed to register the common stock owned by the selling Investor and to indemnify the selling Investor against certain liabilities related to the selling of the common stock, including liabilities arising under the Securities Act. Under the registration rights agreement, the Company also agreed to pay the costs and fees of registering the shares of common stock; however, the selling Investor will pay any brokerage commissions or underwriting discounts relating to the sale of the shares of common stock.

The selling Investor may sell the common stock being offered hereby in one or more of the following ways at various times:

- to underwriters for resale to the public or to institutional investors;
- directly to institutional investors; or
- through agents to the public or to institutional investors.

The selling shareholder may offer its shares of common stock in one or more offerings pursuant to one or more prospectus supplements, if required by applicable law, and any such prospectus supplement will set forth the terms of the relevant offering to the extent required. To the extent the shares of common stock offered pursuant to a prospectus supplement remain unsold, the selling shareholder may offer those shares of common stock on different terms pursuant to another prospectus supplement.

The selling Investor will act independently of the Company in making decisions with respect to the timing, manner and size of each sale. The selling Investor may sell the common stock on the [national securities exchange] or otherwise, at market prices prevailing at the time of sale, at prices related to the prevailing market prices, or at negotiated prices. If underwriters are used in the sale, the common stock will be acquired by the underwriters for their own account and may be resold at various times in one or more transactions, including negotiated transactions, at a fixed public offering price or prices, which may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices, or at negotiated prices. A distribution of the common stock by the selling Investor may also be effected through the issuance by the selling Investor or others of derivative securities, including without limitation, warrants, exchangeable securities, forward delivery contracts and the writing of options.

In addition, the selling Investor may sell some or all of the shares of common stock covered by this prospectus through:

- a block trade in which a broker-dealer will attempt to sell as agent, but may position or resell a portion of the block, as principal, in order to facilitate the transaction;
- purchases by a broker-dealer, as principal, and resale by the broker-dealer for its account;
- ordinary brokerage transactions and transactions in which a broker solicits purchasers; or
- privately negotiated transactions.

The selling Investor may also enter into hedging transactions. For example, the selling Investor may:

- enter into transactions with a broker-dealer or affiliate thereof in connection with which such broker-dealer or affiliate will engage in short sales of the common stock pursuant to this prospectus, in which case such broker-dealer or affiliate may use shares of common stock received from the selling Investor to close out its short positions;
- sell common stock short itself and redeliver such shares to close out its short positions;
- enter into option or other types of transactions that require the selling Investor to deliver common stock to a broker-dealer or an affiliate thereof, who will then resell or transfer the common stock under this prospectus; or
- loan or pledge the common stock to a broker-dealer or an affiliate thereof, who may sell the loaned shares or, in an event of default in the case of a pledge, sell the pledged shares pursuant to this prospectus.

In addition, the selling Investor may enter into derivative or hedging transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. In connection with such a transaction, the third parties may sell securities covered by and pursuant to this prospectus and an applicable prospectus supplement. If so, the third party may use securities borrowed from the selling Investor or others to settle such sales and may use securities received from the selling Investor to close out any related short positions. The selling Investor may also loan or pledge securities covered by this prospectus and an applicable prospectus supplement to third parties, who may sell the loaned securities or, in an event of default in the case of a pledge, sell the pledged securities pursuant to this prospectus and the applicable prospectus supplement.

The applicable prospectus supplement will set forth the terms of the offering of the common stock covered by this prospectus, including:

- the name or names of any underwriters, dealers or agents and the amounts of securities underwritten or purchased by each of them, if any; and

- the public offering price of the common stock and the proceeds to the selling shareholder and any discounts, commissions or concessions or other items constituting compensation allowed, reallowed or paid to underwriters, dealers or agents, if any.

Any public offering price and any discounts, commissions, concessions or other items constituting compensation allowed or reallowed or paid to underwriters, dealers or agents may be changed from time to time.

The selling Investor may negotiate and pay broker-dealers' commissions, discounts or concessions for their services. Broker-dealers engaged by the selling Investor may allow other broker-dealers to participate in resales. The selling Investor and any broker-dealers involved in the sale or resale of the common stock may qualify as "underwriters" within the meaning of Section 2(a)(11) of the Securities Act. In addition, the broker-dealers' commissions, discounts or concessions may qualify as underwriters' compensation under the Securities Act. If the selling Investor qualifies as an "underwriter," it will be subject to the prospectus delivery requirements of Section of the Securities Act.

In addition to selling its common stock under this prospectus, the selling Investor may:

- agree to indemnify any broker-dealer or agent against certain liabilities related to the selling of the common stock, including liabilities arising under the Securities Act;
- transfer its common stock in other ways not involving market makers or established trading markets, including directly by gift, distribution, or other transfer;
- sell its common stock in accordance with Rule 144 under the Securities Act rather than under this prospectus, if the transaction meets the requirements of Rule 144; or
- sell its common stock by any other legally available means.

Exhibit 21.1

Subsidiaries of Renalytix AI plc

Name	Jurisdiction
Renalytix AI, Inc.	United States
Verici Dx Limited	United Kingdom

Exhibit 23.1

We consent to the use in this Registration Statement on Form F-1 of our report dated May 15, 2020, relating to the financial statements of Renalytix AI plc. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ Deloitte & Touche LLP

Parsippany, New Jersey
June 24, 2020