Renalytix plc
("**Renalytix**" or the "**Company**" or the "**Group**")

Half Year Report

LONDON and NEW YORK, 18 March 2025 – Renalytix plc (LSE: RENX) (OTCQB: RNLXY), a precision medicine company with lead testing service *kidneyintelX.dkd*, the only FDA-approved and Medicare reimbursed prognostic test to support early-stage risk assessment in chronic kidney disease, announces its unaudited results for the six months ended 31 December 2024 ("H1 FY25").

Renalytix's precision medicine technology relies on the combination of proprietary blood biomarkers, advanced machine learning algorithms and clinical data to generate accurate measurements of chronic disease progression and therapeutic drug response. The Company's first FDA validated prognostic test, *kidneyintelX.dkd* is recommended in the international clinical care guidelines and is available to help prevent the worst effects and unsustainable costs associated with diabetic kidney disease ("DKD") in an estimated 14 million patients In the United States today.

Key Financial Highlights

- On track to meet, or potentially exceed, target of 20% average quarter-to-quarter growth
- Forward guidance on expected revenue remains: $3.2m in FY25, $8.5m in FY26 and $17.5m in FY27
- Revenues of $1.3m
  - *Continued quarterly sales growth moving into Q3 FY25*
  - *With full Medicare insurance payment beginning in July 2024, commercial insurance reimbursed testing revenue increased 28% over the H1 FY24, and now accounts for 80% of total testing revenues.*
  - *The total number of commercial payers increased by 51% over H1 FY24.*
  - *Additional integrated testing service with ACPNY, a large doctor practice in New York*
- Significant progress to reduce overall cash burn rate to c.£560,000 ($710,000) per month by end of FY FY25 as stated in the Company's FY24 results announcement
  - *Disciplined cost controls have led to a 56.5% reduction in administrative costs to $8.0m (HY 2024: $18.4m)*
- Cash and cash equivalents as at 31 December 2024 of $9.2m (30 June 2024: $4.7m)

Strong progress against commercial strategy

- Approximately 850 individual doctors have now ordered over 15,000 *kidneyintelX.dkd* tests to date
- Revenue and ordering doctor base has further diversified with full roll-out of ACPNY care network New York
- Time from submitted bill for test to payment received has been reduced by 65% during H1 FY25
- Operational improvements have also resulted in a 50% reduction in laboratory test turn-around time
- Increasing depth of pharmaceutical collaborations applying *KidneyIntelX* technology in precision medicine therapeutic development
- Series of data release scheduled for calendar year 2025
- Progress with discussions for:
  - *additional care provider implementations*
  - *additional insurance payors for coverage contracts and supported deployment of testing services*
  - *collaborations with Pharmaceutical and Clinical Research to incorporate kidneyintelX technology in their clinical development and commercial programmes*
  - *third-parties to generate value from our intellectual property assets*

James McCullough, CEO of Renalytix commented: "*With Medicare coverage and additional insurance contracts in place this fiscal year, we are now seeing a significantly higher portion of our total revenue coming from commercially insured testing versus clinical study work. We expect this trend to continue during the next reporting period. Further, we expect to expand distribution of kidneyintelX.dkd with initiatives from both new insurance payors, care networks and hospital systems this year."*

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About Renalytix (www.renalytix.com)
Renalytix (LSE: RENX) (OTCQB: RNLXY) is an artificial intelligence-enabled *in vitro* diagnostics company, focused on optimizing clinical management of kidney disease to drive improved patient outcomes. Renalytix has received FDA approval and Medicare reimbursement for *kidneyintelX.dkd* which is now offered commercially in the United States.

Unrecognized and uncontrolled kidney disease remains one of the largest barriers to controlling cost and suffering in the United States and the United Kingdom's medical system, affecting over 14 million and 8 million people, respectively. After five years of development and clinical validation, *kidneyintelX.dkd* is the only FDA-approved and Medicare reimbursed prognostic tool capable of understanding a patient's risk with kidney disease early where treatment has maximal effect. *kidneyintelX.dkd* is now being deployed across large physician group practices and health systems in select regions of the United States.

The over 15,000 patients that have been tested by *kidneyintelX.dkd* have produced a substantial body of real-world performance data. In patient populations where *kidneyintelX.dkd* has been deployed, a demonstrated and significant increase in diagnosis, prognosis, and treatment rates have been recorded. *kidneyintelX.dkd* now has full reimbursement established by Medicare, the largest insurance payer in the United States, at $950 per reportable result. *kidneyintelX.dkd* is also recommended for use in the international chronic kidney disease clinical guidelines (KDIGO).

CHAIRMAN'S STATEMENT

Overview

As I approach 100 days as Executive Chairman, I am pleased to report that we continued to make strong progress against the commercial strategy outlined to shareholders at our fundraise in October last year. Most importantly, we remain on track to deliver against revenue and expense targets for the year ended June 2025 and beyond.

With new customers onboarding we continue to deliver quarterly revenue growth and I'm pleased to confirm that Q2 to Q3 quarterly revenue growth is in line with our 20% average growth expectations. Discussions regarding further distribution partnerships continue to advance and our cost control efforts remain on track.

I firmly believe Renalytix has the technology, reimbursement support and clinical care guidelines backing to change the course of one of the largest and costliest chronic disease classes in the US and ultimately beyond.

kidneyintelX.dkd, is the only kidney prognostic test that is FDA approved; has full Medicare reimbursement granted at $950 per test; is recommended in the international clinical care guidelines; is available to approximately 14m US diabetic kidney disease ("DKD") patients; and is able to address the needs of approximately ~250 million DKD patients globally.

For the first time an early prognosis is now available through *kidneyintelX.dkd*, and with the availability of new life saving medications, expensive dialysis for advanced kidney disease is largely preventable. *kidneyintelX.dkd* is able to identify early-on those chronic kidney disease patients at high-risk of ending up with kidney failure and on dialysis, before it's too late. Those receiving a *kidneyintelX.dkd high-risk* score are identified as being 18 times more likely to have a significant decline in kidney function or kidney failure than those with a *low-risk* result. Real-world deployment of *KidneyIntelX* has resulted in increased, but targeted, use (to higher risk patients) of kidney protective therapies, timely referrals to kidney specialists and risk assessment by *KidneyIntelX* is associated with improved clinical outcomes.

Renalytix has now generated over 15,000 patient risk reports and over 850 unique doctors have ordered KidneyIntelX – distribution milestones we intend to expand through advancing partnership discussions and our own direct sales efforts in 2025.

There are four key areas of our business where we have made good progress and which will support value creation for shareholders:

1. Test Service Sales

At this stage in our growth I know that the most important short-term deliverable is to demonstrate consistent and accumulative test sales growth and ensure we hit our overall revenue expectations as set out at the end of last year. In H1 FY25 we recognised a total of $1.3m in revenues, and I am delighted to say that we have continued to demonstrate quarterly testing sales growth moving into Q3 FY25, and remain on track to meet, or potentially exceed, our target of 20% average quarter-over-quarter growth expectations across the full year and beyond. The team has been actively and successfully growing our customer pipeline and are confident that we will meet or exceed our $3.2m forecast for FY25, as well as providing a visible pathway to reaching our FY26 revenue target of $8.4m, and $17.5m in FY27.

It is also significant that we continue to expand the diversity of our revenue sources. In addition to our robust business which continues with Mount Sinai Health System, we have added integrated testing services with a large doctor practice ACPNY in New York, and an expanded programme with existing Gulf Coast customer Singing River and others. These have increased daily testing volumes and we expect to announce additional programmes in the near future, which will continue to grow the base of doctors deploying *KidneyIntelX* to fight kidney disease.

2. Pharmaceutical and Clinical Research Opportunities

Revenue diversification has received a boost in Q2-25 from increasing activity with our pharmaceutical collaborations and this has continued into Q3 and we expect to report additional activities over the coming months. *KidneyIntelX* is increasingly playing a role in understanding which patients will benefit from drug interventions and when. A "precision medicine solution" like *KidneyIntelX* is becoming more and more critical in the United States,

where the availability of multiple therapies to treat kidney disease and diabetes has created a great opportunity for improved patient outcomes, but where inappropriate use can result in enormous expense running to thousands of dollars per month over a patient's lifetime. The recently released KDIGO guidelines stressed the importance of a validated, solution to understand risk earlier in the disease cycle, to inform complex and costly therapy decisions, and that this is absolutely essential for cost control and minimizing unnecessary side effects. *KidneyIntelX* is the only available product that does just that!

We believe our close working relationships with leading pharmaceutical and research organisations, including disclosed programmes with Astra Zeneca, the PRIME-CKD Consortium, University of Michigan, University Medical Center Groningen and Steno Diabetes Center are building a substantial value proposition in the *KidneyIntelX* platform and follow-on products in development. At this pivotal time where Governments are struggling to address the unsustainable cost of exploding chronic disease, *KidneyIntelX* offers a pathway to a validated, regulated and paid-for preventative medicine tool that is standardized for use by anyone.

In FY25, we have or are beginning active programmes with pharmaceuticals companies looking to incorporate *KidneyIntelX* technology in their clinical development and commercial programmes and will update shareholders as these advance. We would also expect to provide updates on additional data for publication in coming months, which will provide additional support for generating and concluding these commercial opportunities.

3. Reimbursement

With Medicare coverage granted in August 2024, over 50% of our addressable patient population gained full insurance coverage for *KidneyIntelX* at $950 per test. Medicare coverage, coupled with learned improvements in customer service and billing operations have brought about a 65% reduction in H1 FY25 in the time from when we submit an insurance claim to when we collect cash payment. We are continuing to pursue new coverage with a large regional insurance payer who operates in our Northeast and Southwest existing markets. The United States insurance reimbursement market is severely complex and we are proud that a majority of the 14 million patients in our addressable market now have full insurance coverage for *KidneyIntelX* testing services.

4. Cost Control

Cost control remains a top priority while we expand our revenue base. Whilst launching a product of this nature into the US market is expensive, we have continued to make significant progress on reducing our expenses. Our new Global Financial Controller, Dominic O'Brien, has been working with the Board since December 2024 to ensure we reduce costs wherever possible without compromising revenue generation.

Conclusion

We have made significant progress in a short space of time and I am confident we will achieve our goals for this financial year in terms of revenue growth and cost reduction.

It is clear to me that *KidneyIntelX* is a unique prognostic test that supports significant improvements in patient outcomes, whilst dramatically reducing the high costs to healthcare systems globally associated with the management of this chronic disease. With quarterly sales and third-party strategic interest increasing, we believe the market is beginning to understand the enormous benefits of utilising *kidneyIntelX* in patient care.

Thank you for all of your support and I look forward to continuing to deliver on expectations.

Julian Baines MBE
Executive Chairman

FINANCIAL REVIEW

The results presented cover the six months ended 31 December 2024 ("H1 FY25"). The presentational currency for Renalytix plc and its subsidiaries (together, the "Group") is the United States Dollar.

INCOME STATEMENT

Revenue
Commercial test revenues grew significantly during the period following Medicare insurance coverage, the successful electronic integration of KidneyIntelX testing in a large New York integrated healthcare provider, deployment of additional direct to doctor sales personnel, and an increase in activity with pharmaceutical collaborators. Broader commercial adoption with Medicare payment has helped to reduce our reliance on revenues generated through non-recurring activities such as non-insurance reimbursed clinical study testing. The Group's commercial test revenues are sensitive to insurance reimbursement coverage and particularly Medicare and Medicare Advantage timely payment. KidneyIntelX billed testing to Medicare and Medicare Advantage has now achieved 95%+ payment on submitted testing claims.

Commercial test volumes represented 82% of total volume compared to 60% in the prior period and is expected to increase through the remainder of the fiscal year. The Group recognised $1.3 million in total revenue in H1 FY25 (H1 FY24: $1.2 million), with $1.2 million in testing revenue in the period (H1 FY24: $1.2 million) and $0.1 million in pharmaceutical services revenue (H1 FY24: $nil).

Cost of sales
The cost of sales associated with the revenue was $0.8 million for H1 FY25, compared to $1.0 million for the cost of sales associated with the revenue for H1 FY24. The decrease in cost of sales mainly relates to the reclassification of depreciation of $26k (H1 FY24: $0.2 million) related to equipment used in the revenue process from cost of sales to administrative expenses due to a review of standard cost methodology.

Administrative costs
Significant cost reduction across the business led to lower administrative costs of $10.4 million in H1 FY25 compared with H$18.4 million in H1 FY24, a reduction of $8.0 million for the period.

The major items of expenditure were general and administrative costs which included $4.6 million in employee-related costs (H1 FY24: $7.2 million), $1.6 million in subcontractors, legal, accounting, and other professional fees (H1 FY24: $3.8 million), $0.3 million in external R&D Services, lab supplies and lab services (H1 FY24: $3.7 million), $0.02 million in depreciation and amortisation (H1 FY24: $1.1 million), $0.4 million in insurance (H1 FY24: $0.7 million), $0.4 million in IT related costs (H1 FY24: $0.6 million), $0.2 million in marketing and public relations (H1 FY24: $0.5 million), $nil in impairment loss on property and equipment (H1 FY24: $0.3 million), $0.2 million in office related expenses including rent (H1 FY24: $0.2 million), $0.2 million in stock exchange listing and filing fees (H1 FY24: $0.1 million), and $0.1 million in other miscellaneous expenses (H1 FY24: $0.2 million). We anticipate further expense reductions to occur through the remainder of FY25.

Gain (loss) on financial assets at fair value through profit or loss
The Group accounts for the investment in VericiDx equity securities at fair value, with changes in fair value recognised in the income statement. During H1 FY25, we recorded a loss of $0.2 million to adjust the VericiDx investment to fair value. During H1 FY24, we recorded a loss of $0.2 million to adjust the VericiDx investment to fair value.

Fair value adjustment of convertible debt
During the period we settled the previous convertible bond and issued a new convertible bond in its place. The derecognition of the previous convertible bond led to a recognised loss of $0.4 million in the statement of comprehensive income.

We elected to account for the previous convertible notes at fair value with qualifying changes in fair value recognised through the income statement until the notes are settled. This excludes fair value adjustments related to instrument-specific credit risk, which are recognised in other comprehensive income. During H1 FY25, we

recorded a loss of $0.4 million to adjust the old convertible notes to fair value. During H1 FY24, we recorded a loss of $1.3 million to adjust the old convertible notes to fair value.

The new convertible bonds have been accounted for as an embedded derivative with changes in fair value of the embedded derivatives recognised in the income statement. The change in fair value recognised in the income statement at H1 FY25 was $nil.

Finance income (expense)
During H1 FY25, we recognised a loss of $0.5 million (H1 FY24: $0.5 million gain), which was comprised of $0.01 million interest income earned on our cash deposits (H1 FY24: $0.2 million), $0.5 million of foreign exchange losses (H1 FY24: $0.2 million gain), $0.1m interest expense(H1 FY24: $0.0 million) and $0.04 million of grant income (H1 FY24: $0.1million).

BALANCE SHEET

Net current assets
In October 2025 the Group refinanced its debt financing into long term non-amortising bonds. The Group also raised £11.8 million ($14.8m) in capital from an equity raise. The increase in capital combined with the significant reduction in short term debt liability helped the Group to move from a net current liability position of ($5.0 million) at 30 June 2024 to a net current asset position of $6.6 million at 31 December 2024.

Inventory
Inventory consists of consumable materials used by the labs to carry out KidneyIntelX tests. Inventory on hand at 31 December 2024 totaled $0.4 million (30 June 2024: $0.3 million). Inventory increased in the period to ensure sufficient inventory to fulfill increased volume demand.

Fixed assets
Property, plant, and equipment consists of laboratory equipment being used to support testing and product development activities. At 31 December 2024, the Group held $0.2 million in net property, plant, and equipment (30 June 2024: $0.2 million).

There was no impairment of fixed assets during the period. At 30 June 2024 the Group recognised an impairment of $10.2 million in relation its intangible assets which comprised of trademark trade names, licenses, trade secrets and capitalised development costs. Despite that the financial forecast model showed a steady growth in revenues, the Directors took a conservative approach in recognising the impairment of intangible assets.

Investment in Verici Dx plc (“Verici Dx”)
At 31 December 2024, the group held 8,581,682 shares in Verici Dx. The fair value of the investment in Verici Dx was $0.4 million (30 June 2024: $0.7 million).

Convertible note
In April 2022, the Company issued amortising senior convertible bonds with a principal amount of $21.2 million due in April 2027 (the "Bonds"). The Bonds were issued at 85% par value with total net proceeds of $18.0 million. The Group elected to account for the Bonds at fair value. This bond was settled during the period with a new convertible bond issued in its place with the previous convertible bond derecognised.

A new non-amortising bond was issued in November 2024 for $7.8 million with a maturity date of July 2029. Interest accrues on a quarterly basis and may be settled or rolled into the Bond on a payment in kind (“PIK”) election. The bond contains a conversion feature allowing the bond to be converted to shares during the Bond period. This conversion feature meets the definition of an embedded derivative. The debt component is recognised on an effective interest basis and the equity component is accounted for at fair value at the reporting date with changes in fair value recognised in the income statement. Changes in fair value of the embedded derivatives recognised in the income statement at H1 FY25 were $nil. The value of the debt host contract at 31 December 2024 was $6.4 million and the value of the embedded derivative was $1.5 million.

Cash

The Group raised gross proceeds of £11.8 million ($14.8m) through an equity placing in October 2024. At 31 December 2024 the Group had cash and cash equivalents of $9.2 million (30 June 2024: $4.7 million). The cash is held in multiple short term deposit accounts.

Unaudited Consolidated Income Statement
FOR THE PERIOD ENDED 31 DECEMBER 2024

	UNAUDITED Period to 31 December 2024	UNAUDITED Period to 31 December 2023	AUDITED Year to 30 June 2024
	$'000	$'000	$'000
Continuing Operations			
Revenue	1,251	1,168	2,289
Cost of Sales	(753)	(954)	(2,076)
Gross profit	**498**	**214**	**213**
Administrative expenses	(8,026)	(18,395)	(30,733)
Operating loss	**(7,528)**	**(18,181)**	**(30,520)**
Impairment of Intangibles	-	-	(10,472)
Loss on financial assets at fair value through profit or loss	(229)	(244)	(505)
Fair value adjustment of convertible debt	(384)	(1,320)	(3,750)
Finance (expenses) income - net	(469)	459	(223)
Loss before tax	**(8,610)**	**(19,286)**	**(45,470)**
Taxation	-	-	-
Loss for the Period	**(8,610)**	**(19,286)**	**(45,470)**
Earnings per Ordinary share			
Basic	$(0.05)	($0.20)	($0.42)
Diluted	$(0.05)	($0.20)	($0.42)

Consolidated Statement of Comprehensive Income
FOR THE PERIOD ENDED 31 DECEMBER 2024

	UNAUDITED Period to 31 December 2024	UNAUDITED Period to 31 December 2023	AUDITED Year to 30 June 2024
	$'000	$'000	$'000
Loss for the period – continuing operations	(8,610)	(19,286)	(45,470)
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss			
Changes in the fair value of the convertible notes	(125)	75	306
Settlement of convertible notes	(252)	-	-
Currency translation differences	(348)	(281)	(270)
Other comprehensive (loss) / income for the period	**(725)**	**(206)**	**36**
Total comprehensive loss for the period	**(9,335)**	**(19,492)**	**(45,434)**

Unaudited Consolidated Statements of Financial Position
AS AT 31 DECEMBER 2024

	UNAUDITED As at 31 December 2024	UNAUDITED As at 31 December 2023	AUDITED As at 30 June 2024
	$'000	$'000	$'000
Assets			
Non-current assets:			
Property, plant and equipment	187	570	213
Right of Use Asset	-	113	-
Intangible Assets	-	11,563	-
Other long term assets	64	161	71
Total non-current assets	**251**	**12,407**	**284**
Current Assets			
Inventory	417	512	271
Security Deposits	65	132	77
Financial asset at fair value through profit or loss	417	1,220	698
Trade and other receivables	510	1,370	722
Prepaid and other current assets	572	614	364
Cash and cash equivalents	9,209	5,619	4,680
Total current assets	**11,190**	**9,467**	**6,812**
Total assets	**11,441**	**21,874**	**7,096**
Equity attributable to owners of the parent			
Share capital	1,063	318	491
Share premium	137,864	108,162	121,814
Share-based payment reserve	14,779	13,988	14,452
Accumulated other comprehensive income	(1,811)	(1,331)	(1,086)
Retained earnings/(deficit)	(153,264)	(118,470)	(144,654)
Total equity	**(1,369)**	**2,667**	**(8,984)**
Liabilities			
Current liabilities:			
Trade and other payables	4,605	10,716	7,544
Current lease liabilities	-	118	46
Note payable current	-	3,063	4,159
Total current liabilities	**4,605**	**13,897**	**11,749**
Non-current liabilities			
Note payable non-current	8,205	5,310	4,331
Total non-current liabilities	**8,205**	**5,310**	**4,331**
Total liabilities	**12,810**	**19,207**	**16,080**
Total equity and liabilities	**11,441**	**21,874**	**7,096**

Unaudited Consolidated Statements of Cash Flows
FOR THE PERIOD ENDED 31 DECEMBER 2024

	UNAUDITED Period to 31 December 2024	UNAUDITED Period to 31 December 2023	AUDITED Year to 30 June 2024
	$'000	$'000	$'000
Cash flows from operating activities:			
Loss before income tax	(8,610)	(19,286)	(45,470)
Adjustments for			
Depreciation	26	152	184
Amortisation and impairment charges	-	1,102	2,255
Impairment of Assets			10,472
Impairment of property and equipment	-	306	631
Share-based payments	327	620	1,083
Unrealised loss (gain) on financial asset at fair value through profit or loss	217	244	505
Realised loss on sale of ordinary shares in VericiDx	42	-	136
Fair value adjustment of convertible debt	384	1,058	3,750
Foreign Exchange loss (gain)	387	(1,008)	(154)
Changes in working capital			
Trade and other receivables	213	(594)	54
Prepaid assets and other current assets	(643)	684	235
Inventory	(146)	206	447
Trade and other payables	(2,530)	(831)	(3,958)
Net cash used in operating activities	**(10,333)**	**(17,347)**	**(29,830)**
Cash flows from investing activities:			
Proceeds from sale of investments	22	-	117
Net cash generated by investing activities	**22**	**-**	**117**
Cash flows from financing activities			
Repayment of convertible notes	-	(1,660)	(1,660)
Payment of costs		(5)	-
Proceeds from issuance of ordinary shares (net of issue costs)	18,511	-	11,817
Cost of repayment of convertible bond	(3,476)	-	-
Proceeds from the issuance of ordinary shares under employee share purchase plan	-	93	93
Lease payments	-	(81)	(156)
Net cash generated from/(used in) financing activities	**15,035**	**(1,653)**	**10,094**
Net increase/(decrease) in cash and cash equivalents	**4,724**	**(19,000)**	**(19,619)**
Cash and cash equivalents at beginning of period	4,680	24,682	24,682
Effect of exchange rate changes on cash	(195)	(63)	(383)
Cash and cash equivalents at end of period	**9,209**	**5,619**	**4,680**

Unaudited Consolidated Statement of Changes in Equity
FOR THE PERIOD ENDED 31 DECEMBER 2024

	Share Capital	Share Premium	Share-based payment reserve	Accumulated other comprehensive income	Retained earnings	Total Equity
	$'000	$'000	$'000	$'000	$'000	$'000
At 30 June 2023 and 1 July 2023	299	104,953	13,513	(1,127)	(99,184)	18,454
Comprehensive income						
Loss for the period	-	-	-	-	(19,286)	(19,286)
Other comprehensive income						
Changes in fair value of convertible notes	-	-	-	75	-	75
Currency translation differences	-	-	-	(281)	-	(281)
Total comprehensive income	**-**	**-**	**-**	**(206)**	**(19,286)**	**(19,492)**
Transactions with Owners						
Share-based payments	-	-	620	-	-	620
Shares issues under ESPP	-	93	-	-	-	93
Shares issued for repayment of convertible bond	18	2,978	-	-	-	2,996
Vesting RSUs	1	138	(143)			(4)
Total transactions with owners of the parent, recognised directly in equity	**19**	**3,209**	**476**	**-**	**-**	**3,705**
At 31 December 2023 and 1 January 2024	**318**	**108,162**	**13,989**	**(1,333)**	**(118,470)**	**2,667**
Comprehensive income						
Loss for the period					(26,184)	(26,184)
Other comprehensive income						
Changes in fair value of convertible notes				231		231
Currency translation differences		(5)		16		11
Total comprehensive income	**-**	**(5)**	**-**	**247**	**(26,184)**	**(25,942)**
Transactions with Owners						
Share-based payments			463			463
Shares issued for repayment of convertible bond	12	2,000				2,012
Shares issued under Securities Purchase Agreement	161	13,372				13,533
Less issue costs		(1,716)				(1,716)
Total transactions with owners of the parent, recognised directly in equity	**173**	**13,651**	**463**	**247**	**(26,184)**	**(11,650)**
At 30 June 2024 and 1 July 2024	**491**	**121,813**	**14,452**	**(1,086)**	**(144,654)**	**(8,984)**
Comprehensive income						
Loss for the period	-	-	-	-	(8,610)	(8,610)
Other comprehensive income						
Changes in fair value of convertible notes	-	-	-	(125)	-	(125)
Settlement of convertible notes				(252)		(252)
Currency translation differences	-	-	-	(348)	-	(348)
Total comprehensive income	**-**	**-**	**-**	**(725)**	**(8,610)**	**(9,335)**
Transactions with Owners						
Share-based payments	-	-	327	-	-	327
Shares issued for repayment of convertible bond	37	1,551	-	-	-	1,588
Shares capital issued	535	17,976	-	-	-	18,511
Cost of repayment of convertible bond	-	(3,476)	-	-	-	(3,476)
Total transactions with owners of the parent, recognised directly in equity	**572**	**16,051**	**327**	**-**	**-**	**16,950**
At 31 December 2024	**1,063**	**137,864**	**14,779**	**(1,811)**	**(153,264)**	**(1,369)**

Notes to the Financial Statements

1. GENERAL INFORMATION AND BASIS OF PRESENTATION

Renalytix Plc (the "Company") is a company incorporated in the United Kingdom. The Company is a public limited company, which is listed on the AIM market of the London Stock Exchange and OTCQB market. The address of the registered office is 2 Leman Street, London, United Kingdom, E1W 9US. The Company was incorporated on 15 March 2018 and its registered number is 11257655.

The principal activity of the Company and its subsidiaries (together "the Group") is as a developer of artificial intelligence- enabled diagnostics for kidney disease.

The financial statements are presented in United States Dollars ("USD") because that is the currency of the primary economic environment in which the Group operates.

2. BASIS OF PRESENTATION

This interim financial report, which is unaudited, does not constitute statutory accounts within the meaning of section 434(3) of the Companies Act 2006. These interim financial statements have been prepared in accordance with the AIM rules and IAS 34.

The accounts of Renalytix plc for the period ended 30 June 2024, which were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 ("UK-adopted international accounting standards"), have been delivered to the Registrar of Companies. Those accounts were prepared and audited as required by the Companies Act 2006.

The financial statements are presented in United States Dollars ("USD") because that is the currency of the primary economic environment in which the Group operates. This interim financial report for the six-month period ended 31 December 2024 (including comparatives for the six months ended 31 December 2023 and 12 months to 30 June 2024) was approved by the Board of Directors on 17 March 2025.

New standards, amendments, and interpretations not adopted by the group
The group did not adopt any new standards, amendments or interpretations in year as they did not have a material impact on the financial statements.

New standards, amendments, and interpretations issued but not effective for the period ended 31 December 2024, and not early adopted
A number of new standards and amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2025 and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Group.

Amendments to IAS 21 -- Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025).

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026).

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027) Amendments to IAS 12: Deferred Tax Related to Assets and Liabilities Arising From a Single Transaction.

IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027) Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangement.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

Going concern

The Group and Company meet their day-to-day working capital requirements through the use of cash reserves.

The Directors have considered the applicability of the going concern basis in the preparation of these financial statements.

During the period the Group restructured its debt financing with all debt now repayable in 2029 with no capital repayments in the short term. The Group also has the option to capitalise interest payments. This, along with the £11.8 million equity raise completed in October 2024 has significantly strengthened our net current asset position, and reduces our short term debt obligations.

Revenues have continued to grow in line with the Group forecasts aided by our successful implementation of a New York healthcare system during the period. The Directors are confident of replicating the implementation with other healthcare systems over the next 12 months to grow revenues significantly. The Group has made significant cost savings through reduced headcount, as well as professional and service related fees following its delisting from the NASDAQ.

The Directors are aware that as opportunities arise, working capital restraints may mean the Group needs to seek additional funding through public or private equity offerings, debt financings, other collaborations, strategic alliances and licensing arrangement in order to ensure it can support growth potential and capitalise on current and new opportunities within the market.

The current cost base for the Group is built to support the future growth in revenues through increased test volumes and additional pharmaceutical services. Costs can be further reduced if the revenue growth is slower than anticipated to extend cashflow. The Directors have also identified additional cash inflows including R&D tax credits and divestment of assets to increase cash reserves. Despite having the ability to reduce costs if necessary, the Directors have concluded that as the business model relies on continued significant revenue growth and on additional cash receipts such as the R&D tax credit which have not yet been secured, there is a material uncertainty on the Group's ability to continue as a going concern.

The consolidated financial statements do not include any adjustments that may result from the outcome of this going concern uncertainty.

Accounting policies

The same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the company's annual financial statements for the year ended 30 June 2024.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual results may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to:

- Convertible debt recorded at fair value through profit or loss (note 10).
- Sharebased payments

5. SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, who is responsible for allocating resources and

assessing performance of the operating segments, has been identified as the Executive Directors who make strategic decisions. At present the Directors consider the business to operate in a single segment.

6. REVENUE

Testing services revenue

Testing services revenue is generated from the KidneyIntelX platform, which provides analytical services to customers. Each individual test is a performance obligation that is satisfied at a point in time upon completion of the testing process (when results are reported) which is when control passes to the customer and revenue is recognised. During H1 FY25, the Company recognised $1.2 million of testing services revenue. Sales tax and other similar taxes are excluded from revenues. There was $1.2 million of testing services revenue recognised in H1 FY24.

Pharmaceutical services revenue

Pharmaceutical services revenue is generated from the provision of analytical services to customers. Contracts with customers generally include an initial upfront payment and additional payments upon achieving performance milestones. The Group uses present right to payment and customer acceptance as indicators to determine the transfer of control to the customer which may occur at a point in time or over time depending on the individual contract terms. Sales tax and other similar taxes are excluded from revenues. During the period ended 31 December 2024, $0.1 million of pharmaceutical services revenue was recognised. The amount of pharmaceutical services revenue recognised in the period ended 31 December 2023 was $nil.

7. COST OF SALES – ANALYSIS BY NATURE

	UNAUDITED Period to 31 December 2024	UNAUDITED Period to 31 December 2023	AUDITED Period to 30 June 2024
	$'000	$'000	$'000
Direct labour	222	280	585
Rent	190	171	338
Freight and sample collection	186	132	309
Depreciation and amortisation	-	195	409
Inventory movements	71	90	275
Royalties	84	86	160
Total cost of sales	**752**	**954**	**2,076**

The total cost of sales reduced in H1 FY25. This is due to depreciation and amortisation of $26k (H1 FY24: $0.2m) being reclassified to administrative expenses due to a review of standard cost methodology.

8. EXPENSES – ANALYSIS BY NATURE

	UNAUDITED Period to 31 December 2024	UNAUDITED Period to 31 December 2023	AUDITED Period to 30 June 2024
	$'000	$'000	$'000
Employee benefit expense	4,631	7,174	12,077
Contract labour	816	1,589	2,418
Depreciation and amortisation	26	1,060	2,030
Professional fees	931	5,381	9,104
Laboratory supplies	64	301	401
Impairment loss on property and equipment	-	306	-
Other expenses	1,558	2,584	4,703
Total administration expenses	**8,026**	**18,395**	**30,733**

The Group significantly reduced its administrative expenses during H1 FY25 through cost cutting measures, including a reduction in headcount. We anticipate further expense reductions to occur through the remainder of FY25.

9. EARNINGS PER 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. Potentially dilutive securities outstanding as of 31 December 2024 have been excluded from the computation of diluted weighted average shares outstanding as they would be anti-dilutive. Therefore, the weighted average number of shares used to calculate both basic and diluted net loss per share is the same.

The following potentially dilutive securities have been excluded from the computation of diluted weighted-average shares of ordinary shares outstanding as they would be anti-dilutive:

	UNAUDITED Period to 31 December 2024	UNAUDITED Period to 31 December 2023	AUDITED Period to 30 June 2024
Stock options to purchase ordinary shares	7,916,182	7,259,741	7,473,866
Restricted stock units	1,120	11,105	7,930
Conversion of convertible note	2,992,660	4,625,019	3,264,719
	10,909,962	11,895,865	10,746,515

The Company was incorporated on 15 March 2018 with 50,000 ordinary shares of £1.00 each, and as a result of subdivisions (100:1 on 4 May 2018 and then 4:1 on 24 October 2018), the resulting founding shares became 20,000,000 at £0.0025 each.

9. SHARE CAPITAL

Group and Company		Movement	Total Number of Shares	Ordinary Shares $'000	Share Premium $'000	Total $'000
At 30 June 2022			**74,760,432**	**241**	**85,444**	**85,685**
12-Sep-22	Shares issues under ESPP	131,412	74,891,844	-	116	116
At 31 December 2022			**74,891,844**	**241**	**85,560**	**85,801**
8-Feb-23	Private Placement	18,722,960	93,614,804	57	19,248	19,305
7-Mar-23	Shares issues under ESPP	166,674	93,781,478	1	144	145
At 30 June 2023			**93,781,478**	**299**	**104,952**	**105,251**
17-Jul-23	Shares issued for repayment of convertible bond	1,052,422	94,833,900	3	1,673	1,676
4-Aug-23	Vesting of RSUs	185,540	95,019,440	1	138	139
6-Oct-23	Shares issues under ESPP	75,328	95,094,768	-	93	93
19-Oct-23	Shares issued for repayment of convertible bond	2,335,388	97,430,156	7	1,338	1,345
15-Dec-23	Shares issued for repayment of convertible bond	2,500,000	99,930,156	8	523	531
At 31 December 2023			**99,930,156**	**318**	**108,717**	**109,035**
14-Mar-24	Shares issued under the Securities Purchase Agreement	19,986,031	119,916,187	63	3,964	4,027
10-Apr-24	Shares issued for repayment of convertible bond	3,636,162	123,552,349	11	1,442	1,454
16-Apr-24	Shares issued under the Securities Purchase Agreement	2,666,667	126,219,016	8	989	998
22-Apr-24	Shares issued under the Securities Purchase Agreement	1,333,334	127,552,350	4	498	502
24-Apr-24	Shares issued under the Securities Purchase Agreement	26,815,841	154,368,191	85	6,203	6,288
At 30 June 2024			**154,368,191**	**491**	**121,813**	**122,304**
17-Jul-24	Shares issued for repayment of convertible bond	11,557,322	165,925,513	37	1,551	1,588
9-Oct-24	Shares capital issued	24,007,773	189,933,286	78	2,515	2,594
6-Nov-24	Shares capital issued	141,272,726	331,206,012	456	11,985	12,441
At 31 December 2024			**331,206,012**	**1,063**	**137,864**	**138,927**

Ordinary Shares have a par value of £0.0025 each. All issued shares are fully paid.

10. CONVERTIBLE DEBT

The amortising senior bonds with a due date in April 2027 ("old bond") were settled in the period and replaced with a new non amortising convertible bond with a due date in July 2029 ("new bond"). The old bond was recognised at fair value with changes in the value recognised through profit or loss. The fair value of the instrument specific credit risk was recognised through other comprehensive income. During H1 FY25 repayments of capital and interest were $1.2 million (H1 FY24: $5.0 million), changes recognised for the fair value of the bond were $0.8 million (H1 FY24: $1.3 million) and changes in fair value of instrument specific risk were $0.1million (H1 FY24: ($0.1 million)). The old bond was settled by the issuance of 33,000,000 shares (£2,500,000) and the issuance of a new bond for $7.8 million.

The new bond was issued in November 2024 and has a maturity date of July 2029. There are no capital repayments for the bond. Interest is payable in cash at 5.5% of the bond on a quarterly basis, or the Group can elect to pay 7.5% on a Payment in Kind ("PIK") basis where the interest is added to the bond at the end of each quarter. The bond holder has a right to convert the bonds into shares at a price of $0.30 per share during the conversion period which starts on 1 April 2026. The bond issuer has a cash alternative election where by they can settle the amount of shares due upon conversion by the bond holder in cash. The cash price due is calculated by the weighted average share price in the 10 days prior to the election made by the bond holder.

The convertible debt option is considered to be an embedded derivative and in accordance with the applicable accounting standards must be recognised separately from the host debt contract at fair value. Upon initial recognition management obtained a quote for a Bond on the same terms without a conversion clause. The interest rate on the quoted bond was for 12%. Management used this to determine the fair value of the embedded derivative at inception of the bond. The fair value of the embedded derivative at inception was $1.5 million, with the debt host contract accounted for under the effective interest rate method at $6.4 million.

As the quote obtained for the fair value of the embedded derivative was close to the period end it was determined this was an appropriate fair value as at 31 December 2024. Therefore no charge has been booked in the profit and loss statement as there has been no change in fair value since inception. Interest of $0.1 million has been accrued on a PIK basis during the period.

	UNAUDITED As at 31 December 2024	UNAUDITED As at 31 December 2023	AUDITED As at 30 June 2024
	$'000	$'000	$'000
Beginning of Period	8,490	11,948	11,948
Fair value adjustments	762	1,320	3,750
Change due to payment of principal and interest	(1,209)	(4,950)	(6,176)
Change in credit risk	125	(75)	(306)
FX Impact	(46)	130	(726)
Subtotal	**8,123**	**8,373**	**8,490**
Derecognise Old Bond	(8,123)	-	-
Recognise New Bond	7,767	-	-
Accrued Interest on New Bond	121	-	-
Fair value adjustments	(378)	-	-
Settlement of convertible notes	782	-	-
FX Impact	(404)	-	-
End of Period	**7,888**	**8,373**	**8,490**