

# RENALYTIX AI

## Update regarding proposed IPO of Renalytix AI

August 31, 2018

Further to the Company's announcement on 4 July 2018 in relation to Renalytix AI plc ("Renalytix AI"), EKF announces that it intends to undertake further market soundings with institutional and other qualifying potential investors, ahead of a prospective equity Fundraising (defined below) by Renalytix AI and the admission of its shares to trading on AIM ("Admission").

Renalytix AI is a developer of artificial intelligence enabled clinical decision support tools for improving risk assessment and clinical care in kidney disease, one of the largest and costliest chronic medical indications globally. The product solutions being developed by Renalytix AI are designed to make significant improvements in kidney disease risk assessment, clinical care, patient stratification for drug clinical trials and drug target discovery.

Assuming a successful Fundraising, the boards of EKF and Renalytix AI currently anticipate a pre-new money equity valuation in the range of £43 – 55 million for Renalytix AI. Assuming a total gross equity fundraising of approximately £21 – 25 million (approximately \$27.3 – 32.5 million) (the "Fundraising") at the indicative valuation range, EKF's shareholding in Renalytix AI following Admission would be approximately 37.4 – 42.8 per cent. This would correspond to an equity interest in Renalytix AI of £25.4 – 32.5 million.

The Fundraising is expected to include both a placing of and a subscription for new Renalytix AI shares to institutional and other qualifying investors (the "Placing and Subscription"), and a restricted offer of new Renalytix AI shares of up to approximately £2.5 million (and in any event not more than €5 million, c. £4.5 million) available only to certain eligible existing EKF shareholders who are resident in the European Union and that are otherwise not subscribing for securities in the Placing and Subscription (the "Restricted Offer"). The Restricted Offer is expected to commence as soon as practicable following announcement of the pricing of new Renalytix AI shares in the Placing and Subscription. Irrespective of whether EKF shareholders participate in the Fundraising, they will in any event have an indirect economic interest in Renalytix AI through their shareholdings in EKF.

In order to complete the spin-out of Renalytix AI as a separate business, it is expected that the Company's shareholding in Renalytix AI will be distributed to shareholders in the Company as soon as practicable following Admission by way of a dividend in specie. This process will be subject to shareholder approval at a general meeting of EKF shareholders.

EKF shareholders should note that the proposed Fundraising process is at a preliminary stage and an initial public offering may or may not be completed by Renalytix AI and, if completed, the valuation achieved and the Fundraising amount may both vary from the ranges currently expected. Further updates will be provided as appropriate, including as to details of a general meeting as described above.

**This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.**

Currency translations in this announcement have been calculated at the following approximate rates: £1.00 = \$1.300 and £1.00=€1.115.

The person who arranged for the release of this announcement on behalf of the Company was Julian Baines, CEO.

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