Venn Brown
Investment Research

Company update

Artrya Limited

Busy end to 2025 and revaluation

7th January 2026

Valuation increased to $6.62

Following the events at the end of 2025 (outlined below), we've revised our earnings forecasts, resulting in an increase in our valuation to $6.62 per share. Apart from including the dilution impact of the capital raise, this is our first valuation review since August.

The valuation uplift is due to an increase in expected scan volumes from the commercialisation of SAPPHIRE study partners, along with leveraging the awareness and credibility generated by the study.

High-calibre SAPPHIRE study partners add credibility to Salix

While the partners should be viewed as "warm leads", the size and calibre of the partners lend enormous credibility to the study and to Salix as a diagnostic and workflow tool, with Mass General and Ascension (the seventh-largest health care system in the US) now confirmed participants (see Table 11).

AYA has confirmed four SAPPHIRE partners, which we estimate complete a combined ~200,000–250,000 CCTA scans annually. We estimate the combined volumes represent 50-60% of the targeted 400,000 annual scans for study participants. We still expect the study to commence in 1Q26, with confirmation of the remaining 2-4 study partners expected in the coming months.

AYA set to be added to All Ords & ASX 300 in 2026

We expect AYA to be added to the All Ordinaries index at the March rebalance. Following the recent price increase, Artrya's market capitalisation has exceeded the current level (~$660) required for inclusion in the ASX 300. The earliest rebalance AYA could qualify for is September 2026. Unless there is a significant downward change in AYA's share price or uplift in the share price of the smallest 40 companies in the ASX 300, we expect AYA to be included in the index in September.

2026: Building a foundation in the US

The end of 2025 saw a flurry of activity setting 2026 up as a year of significant growth and development: AYA was added to the S&P/ASX All Technologies Index, commercial agreements were signed with AYA's remaining two foundation partners, and confirmation of two significant SAPPHIRE partners.

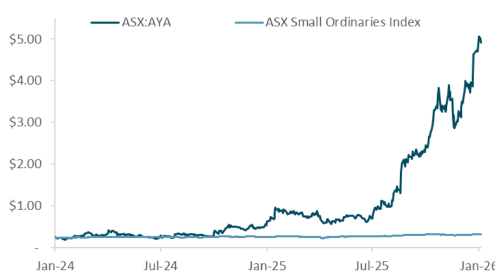
Artrya Limited

ASX:AYA

Industry	Health Care Technology
Date	6-Jan-26
Currency	AUD
Valuation	$6.62
Recommendation	Buy
Share price	$4.920
52-week range	$0.56 / $5.24
Market cap	$778m
Free float	70.3%
Dividend	-
Yield	-

Year-end 30 June	FY24	FY25	FY26e	FY27e
Revenue	$4m	$5m	$10m	$17m
EBITDA	-$12m	-$15m	-$15m	-$9m
EBIT	-$14m	-$17m	-$16m	-$11m
Net profit	-$14m	-$16m	-$16m	-$8m
Earnings per share	-$0.18	-$0.15	-$0.10	-$0.05
Op. cash flow	-$15m	-$14m	-$15m	-$7m
Free cash flow	-$15m	-$15m	-$15m	-$7m
Net debt	-$7m	-$11m	-$77m	-$69m
Net debt / EBITDA	1x	1x	5x	7x
Dividend per share	$-	$-	$-	$-
Dividend yield	-%	-%	-%	-%
P/E	-1x	-49x	-50x	-97x
EV/EBIT	-1x	-48x	-44x	-68x
ROA	-74%	-69%	-18%	-10%
ROE	-83%	-77%	-19%	-11%

3-year Price Chart



Analysts

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Increased valuation to $6.62

Following the events at the end of 2025 (outlined below), we've revised our earnings forecasts, resulting in an increase in our valuation to $6.62 per share. Apart from including the dilution impact of the capital raise, this is our first valuation review since August.

We were waiting for more certainty around Salix's commercial viability and visibility of the SAPPHIRE partners (see *SAPPHIRE update* below for more details). While the partners should be viewed as "warm leads", the size and calibre of the partners lend enormous credibility to the study, and Salix, with Mass General and Ascension (the seventh-largest health care system in the US[1] – see Table 12) now confirmed as participants (see Table 11).

Table 1: Increased cash flow is the main driver of valuation increase

Discounted cash flow	
Cash flow (through to FY35)	$454m
Terminal value	$515m
Cash & equiv	$77m
Equity value	**$1,046m**
shares outstanding	158m
per share	**$6.62**

Discount rate	Value
Tax rate	30.0%
Risk-free rate	4.5%
Market risk premium	5.0%
Beta	2.6
Cost of equity	**17.5%**
Terminal growth rate	2.5%

Source: Venn Brown estimates

The majority of the increase is due to changes we made to our scan volume forecasts (see Figure 1). The main changes were:

1. **Decreased near-term scan volume:** As outlined in greater detail below, we reduced our near-term scan volume because we expect AYA to focus on the SAPPHIRE study using it as the most efficient way to market Salix while also converting study members into commercial customers.

   Given the cash on balance sheet, we believe the company is best served leveraging the study to maximise market awareness while proving the clinical benefits of Salix, along with the operational, time-saving, revenue and point-of-care benefits of the system; and

2. **Increase medium/long term scan volumes:** We've lifted long term scan volumes, in recognistion of the interest shown by the market (partly through SAPPHIRE partners), the current size of the market (estimated 4.4 million CCTA scan performed in the US in 2025) and the rate of growth of the market (estimated to be 7 – 10% per year).

See below for a detailed breakdown of the elements contributing to our valuation increase.

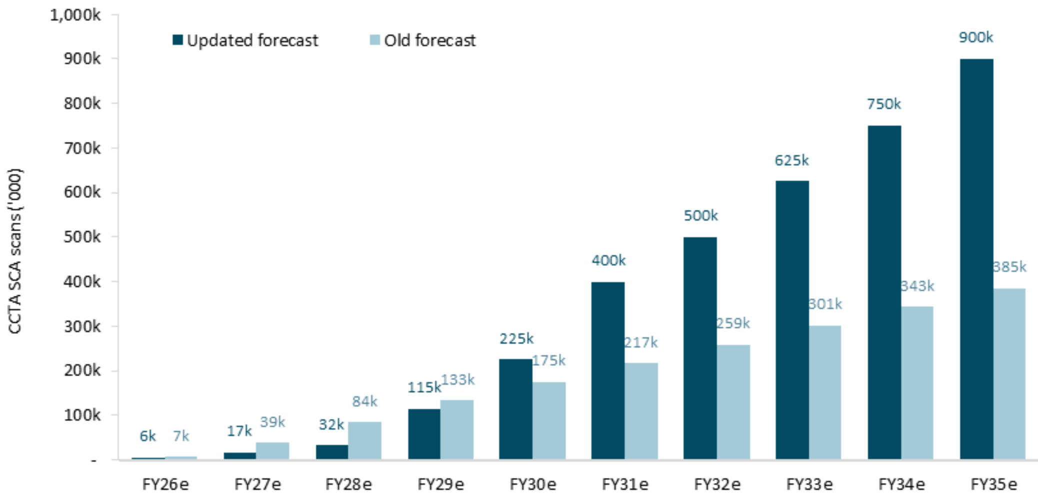
[1] Largest based on the number of hospitals, number of staffed beds, and net patient revenue (NPR) – according to Definitive Healthcare

Scan volume and revenue

Figure 1 shows the significant changes we've made to our expected scan volumes.

- **400,000 scans in FY31**
  - The changes are driven by in-principle enrollment of four SAPPHIRE study partners, which combine (we estimate) complete 50-60% of the 400,000 annual CCTA scans AYA say its identified potential SAPPHIRE study partners complete each year.
  - Using the 400,000 annual target, we set a scan figure of 400,000 for FY31 (roughly 9% of the current annual number of scans performed in the US).
  - The FY31 timetable is a result of:
    - AYA focusing on SAPPHIRE and its participants rather than chasing commercial activities;
    - The expected time to negotiate commercial arrangements (3 – 9mths); and
    - The time required to roll Salix out to sufficient health centres to complete 400,000 scans (4 years)
  - Management have said they aim to sign a commercial agreement with at least one SAPPHIRE partner in FY27. Our forecasts assume a modest contribution from a new commercial agreement in 4Q27.

Figure 1: Significant revenue growth due to increased scan growth assumption



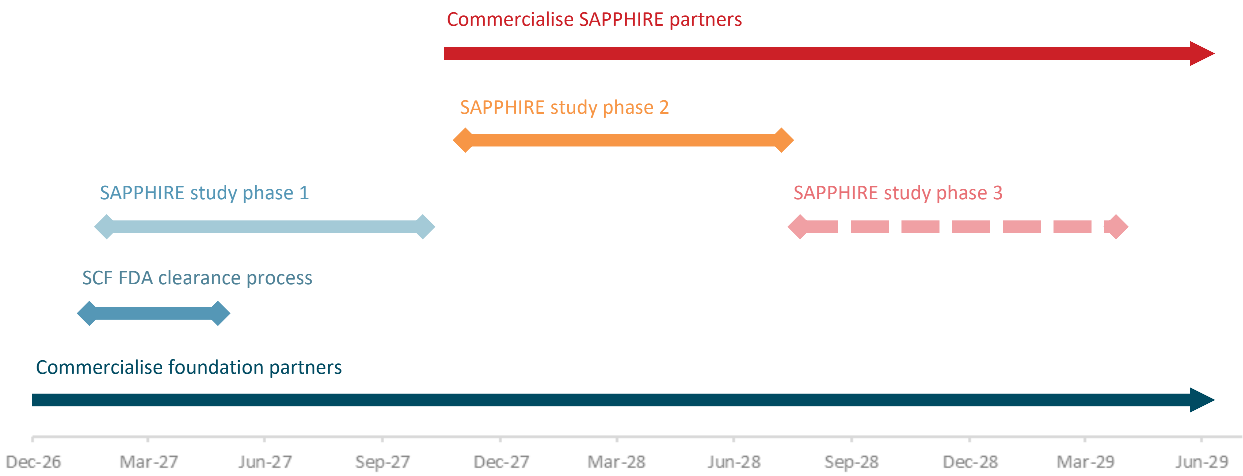
Source: Venn Brown estimates

Table 2: SAPPHIRE's potential justifies delaying other business development activities

Event	Period
Foundation partners commercialised	December 2025 forward
SCF FDA submission to clearance	February to June 2026
SAPPHIRE phase 1	February 2026 to February 2027
Commercialised SAPPHIRE partners	March 2027 forward
SAPPHIRE phase 2	March 2027 to March 2028
SAPPHIRE phase 3 (unconfirmed)	April 2028 to April 2029

Source: Venn Brown estimates

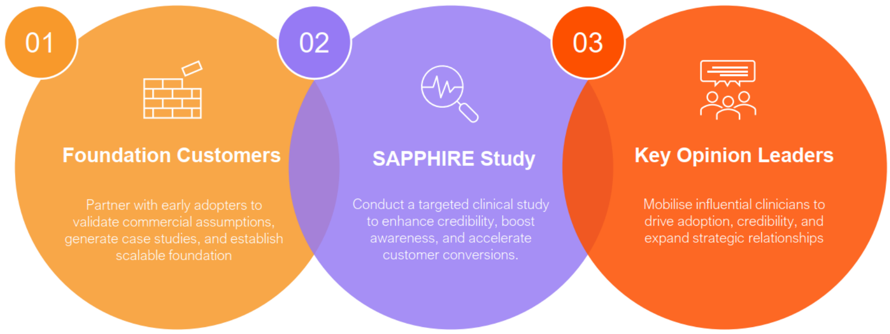
Figure 2: We have pushed back SCF FDA clearance & SAPPHIRE timelines



Source: Venn Brown estimates

- **Reduced near-term scans**
  - Given the near and long-term marketing and adoption benefits of the SAPPHIRE study, we've reduced our near-term scan expectations, instead expecting AYA to focus on building relationships with study partners and on the partners' likely desire to trial the platform and have visibility into the study's results before entering a commercial agreement.

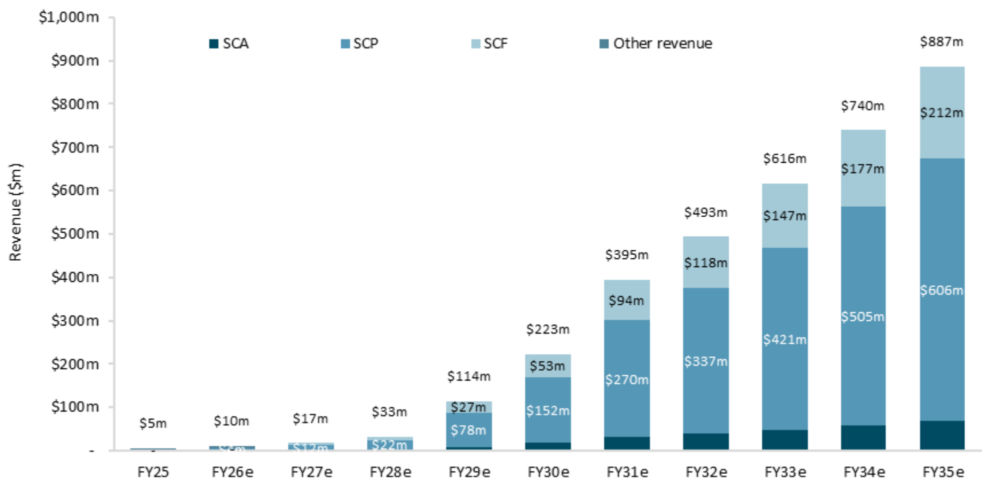
Figure 3: SAPPHIRE remains a key pillar of Artrya's go-to-market strategy



Sources: Artrya

- Having signed the third and final commercial agreement with its three foundation partners in late December, our forecasts do not include contributions from any other commercial partners until 4Q27.
- AYA estimates its three foundation partners (Tanner Health, Northeast Georgia and Cone Health) will complete around 15,000 CCTA scans using Salix Coronary Anatomy a year.
- We don't see it as a foregone conclusion that study partners will all become commercial partners, but given the lead time (FY31), if Salix delivers the benefits it's already demonstrated, we expect by FY31 the limiting factor will be AYA's ability to roll Salix out, rather than customer interest. Management has reported that it's already getting more inbound interest than it can manage, which partly motivates our interest in seeing the $80 million of cash put to good use to capitalise on the interest.
  We look forward to being surprised on the upside.

Figure 4: Salix Coronary Plaque remains the main revenue driver



Source: Venn Brown estimates

- **Removed contributions outside US and Australia**
    - We've removed all contributions from the UK and the Rest of World. Given the pricing difference between the US and the rest of the world, these contributions were negligible.

Costs

- Despite comments to the market about being cash flow positive in FY27, we have significantly increased our cost expectations for all future years.
- While we're against waste, given the size of the oppoortunity, the value of first mover advantage (as a workflow system Salix will be difficult to dislodge once integrated into a health centre's processes) and cash on balance sheet, we believe AYA is better served spending prudently to maximise its opportunities and capture market share rather than scrimping in order to meet its arbitray FY27 target.

Scan ratios

- We've maintained our Salix Coronary Plaque and Salix Coronary Flow scan ratios of 60% (SCP/SCA) and 35% (SCF/SCP) compared to guidance of 70% and 50%, respectively.
- We will maintain these assumptions until they are refuted by the scan patterns of paying customers. Increasing both these values to management's expectations adds $1.74 to our valuation.

Salix Coronarry Flow pricing

- We've maintained our pricing assumption of AYA charging US$750 per SCF assessment, below management's US$800 guidance.
- Lifting it to US$800 adds $0.10 to our target price.
- We will maintain this discount until we have further pricing visibility.

Free cash flow positive by FY27

- As discussed above, we've pushed out AYA reaching a cash flow position to FY28 compared to management guidance of reaching it in FY27.

Discount rate

- With around $80 million on balance sheet and more than half the targeted (400,000) scan volume signed onto SAPPHIRE, we reduced our discount rate by 100 basis points[2] to 17.5%.

Conservative assumptions leave significant upside to our valuation

Despite management guidance, we have maintained our more conservative view of key driver assumptions. Using management's guidance along with increasing the EBIT margin cap in later years adds $2.79 to our valuation, bringing it to $9.41 per share.

We will gain better visibility into scan volume and pricing following the FY26 results, which will include almost six months of revenue from Artrya's foundation partners.

[2] 100 basis points = 1 percentage point

Table 3: Increased cash flow is the main driver of our valuation increase

Drivers	Assumption	Upside	Upside per share
SCP scans per SCA	60%	70%	$0.99
SCF scans per SCP	35%	50%	$0.76
SCF price	US$750	US$800	$0.17
FY27 operating cash flow	-$7m	-	$0.04
Margin (cap FY34-35)*	65%	70 - 75%	$0.84
Valuation	**$6.62**		**$9.41**

* Increase FY34 EBIT margin to 70%, FY35 to 75%
Source: Venn Brown estimates, Artrya

Key risks

The key risks to our new valuation remain:

1. **Scan volumes:** Scan volumes provide both upside and downside risk. We have significantly reduced our near-term scan expectations, as we expect the company to focus on the SAPPHIRE study and on building relationships with its study partners rather than pursuing business development opportunities with smaller customers.

   Prior to September's $80 million capital raise, our forecasts assumed a much smaller cash balance, requiring the company to conserve costs and grow revenue more aggressively. The larger balance means AYA can take the time to pursue larger customers (such as SAPPHIRE partner Ascension) rather than the small and mid-size healthcare systems.

2. **Pricing:** We have assumed lower pricing than guidance. We're more confident in the limited downside risk of pricing, since AYA's prices are significantly lower than competitor Heartflow's (~US$1,300) while offering a far superior product.

3. **Cash flow:** Artrya management has not yet revised its target to achieve positive cash by FY27, so there is upside risk to our forecasts. Our preference remains to prudently use cash to pursue business growth, and with $80 million on the balance sheet, management has flexibility.

Catalysts and Revision Triggers

There are several short and medium-term events that will trigger a review of our valuation drivers, including volume, pricing, and the discount rate.

1. **SAPPHIRE partners:** The signing of the very large national health care system Ascension (see Table 11) in November was immensely positive for Artrya and the commercial outlook for Salix. Its inclusion is likely to lift the combined annual CCTA scans of SAPPHIRE participants above 250,000. The signing of another very large system would provide greater certainty to our forecasts. HCA (the largest system in the US) was mentioned on a call, but it's not clear whether it was just used as an example or whether it was more top of mind.

2. **Salix Coronary Flow (SCF) FDA submission and clearance:** AYA provided guidance that it expected to submit Salix Coronary Flow for FDA clearance in 4Q 2025, with

clearance achieved in 1Q 2026. AYA has not yet submitted its application nor announced that it's finished SCF development. As such, we have pushed our expectations back a quarter with SCF clearance not expected until mid-2026.

SCF represents approximately 24% of expected group revenue. While we fully expect SCF to gain FDA clearance, even without it, Artrya is still an incredibly valuable business.

3. **Pricing and scan ratio confirmation:** FY26 results should provide some visibility of pricing and scan volumes.

4. **Commercial agreements:** In December AYA announced it had reached commercial agreements with its two remaining foundation partners. Our forecasts don't expect any progress on commercial agreements with SAPPHIRE partners until 4Q27 at the earliest.

   Any earlier arrangements would be positive for our cash flow and valuation.

Table 4: Over the next 12 months, several catalysts will support our expectation

Expect time	Catalyst	Status
March 2025	SCA FDA Approval	Completed
June 2025	SCP FDA submission	Completed
Aug 2025	SCP FDA approval	Completed
3Q 2025	SAPPHIRE study participants update	Ongoing
4Q 2025	SCF Q-sub meeting	Completed
4Q 2025	Commercial agreements – Northeast Georgia & Cone Health	Completed
1Q 2026 (slipped)*	SCF FDA submission	Venn Brown est
1Q 2026	**SAPPHIRE launch**	**AYA est**
Feb 2026	1H26 results	Venn Brown est
2Q 2026*	**SCF FDA approval – slipped**	**Venn Brown est**
Aug 2026	**FY26 results – including 6 months of SCP & SCF US revenue**	**Venn Brown est**
4Q 2026	Confirm development of new product – most likely SPP	Venn Brown est
1Q 2027	SAPPHIRE – phase 1 – preliminary results	AYA est
2Q 2027	SAPPHIRE – phase 2 – launch	Venn Brown est
Feb 2027	Full year of SCP revenue	Venn Brown est
2Q 2028	SAPPHIRE – phase 2 – preliminary results	Venn Brown est

*AYA provided guidance that it expected to submit SCF for FDA clearance in 4Q 2025, with clearance achieved in 1Q 2026. AYA has not yet submitted its application so we have pushed our expectations back a quarter.
Source: Venn Brown estimates, Artrya

5. **New products:** Our estimates only include revenue for Artrya's current products, Salix Coronary Anatomy, Plague and Flow. As discussed previously, Salix is an ideal platform for launching new products, that, once developed, add only minor maintenance and support costs. In future years, the platform could also deliver third-party applications.

Confirmation of the development of any additional products (which we expect will be announced by the end of 2026) could add significant upside to our forecasts and valuation. The first new product will likely be Salix Procedure Planning (SPP), a system that allows clinicians to simulate the expected outcomes of cardiac interventions to help them better plan and evaluate treatment options. SPP has been listed on Artrya's public product roadmap as far back as 2021.

EV/EBIT multiple points to significant valuation growth

Salix offers an incredibly scalable software solution with high recurring revenue. Looking ahead to our forecast FY31 revenue and applying a conservative EBIT margin of 60% and an even more conservative 45x EBIT multiple (given the operating leverage, market opportunity and growth outlook) implies an equity value of $10.1 billion, or $57.08 per diluted share.

Applying the same multiple but instead assuming 250,000 scans are completed in FY31 (instead of 400,000), and reducing the SCP and SFC scan rates to 50% and 20%, respectively (Scenario 2), leaves an equity value of $4.5 billion, or $27.13 per diluted share.

Table 5: Using an EV/EBIT multiple implies a $57 diluted share price in FY31

		Scenario 1		Scenario 2	
	Fee (USD)	**Scans (#k)**	**Ratio**	**Scans (#k)**	**Ratio**
SCA	$50	400		250	
SCP	$750	240	60%	125	**50%**
SCF	$750	84	35%	25	**20%**
Avg fee per scan		$668		$505	
Revenue	US$m	$263m		$125m	
Revenue	A$m	$393m		$187m	
EBIT margin	%	60%		60%	
EBIT	$m	$236m		$112m	
EBIT multiple	x	45x		45x	
Enterprise value (EV)	$b	$10.6b		$5.0b	
Equity value	**$b**	**$10.1b**		**$4.5b**	
Current mkt cap ($5.07 per share)	$m	$801m		$801m	
Growth	x	13.2x		6.3x	
Shares outstanding	#m	158			
Diluted shares	#m	186			
Price	$	$63.90		$28.70	
Price - diluted	**$**	**$54.37**		**$24.42**	
Curr price: $5.07		10.7x		4.8x	

Source: Venn Brown estimates

Using the FY31 EV/EBIT multiples as the exit/terminal value and applying the same expected cash flows and discount rate (17.5%) used in our DCF, results in a current value of $19.76 per diluted share, 3.9x the current share price. Using the Scenario 2 figure as the terminal value gives us a current valuation of $9.24, which is still well above our new $6.62 valuation.

Table 6: Significant valuation upside implied by discounted FY31 EV/EBIT multiples

Discounted cash flow	Scenario 1	Scenario 2
SCA scans (FY31)	400,000	250,000
EBIT (FY31)	$393m	$187m
Discounted cash flow	$72m	$58m
Terminal value (FY31 EV/EBIT)	$3,521m	$1,581m
Cash & equiv	$77m	$77m
Equity value	**$3,669m**	**$1,715m**
shares outstanding (diluted)	186	186
per share (diluted)	**$19.76**	**$9.24**
return (vs $5.07)	3.9x	1.8x

Source: Venn Brown estimates

Table 7 below shows the implied FY31 share prices using various EBIT margins and EV/EBIT multiples. Compared to other technology companies, and given AYA's likely recurring revenue profile (very high) and growth outlook (400,000 scans <10% of FY25 market share), a 45x EV/EBIT is conservative and a 60%, while high, is reasonable and we expect will be exceeded.

Table 7: Implied share price using EV/EBIT multiple for FY31

Scenario 1: 400,000 scans in FY31, $393 million in revenue

	35x	40x	45x	5	55x	60x
50%	$34	$40	$45	$50	$55	$61
55%	$38	$44	$50	$55	$61	$67
60%	$42	$48	$54	$61	$67	$73
65%	$45	$52	$59	$66	$73	$80
70%	$49	$56	$64	$71	$79	$86

Scenario 2: 250,000 scans in FY31, reduced SCP & SCF scan rates, $187 million revenue

	35x	40x	45x	50x	55x	60x
50%	$15	$17	$20	$22	$25	$27
55%	$17	$19	$22	$25	$28	$30
60%	$18	$21	$24	$27	$30	$33
65%	$20	$23	$27	$30	$33	$36
70%	$22	$25	$29	$32	$36	$39

Source: Venn Brown estimates

Index inclusion – All Ordinaries & ASX 300

In early December 2025, S&P Global and the ASX announced Artrya had been added to the S&P ASX All Technology Index.

Based on the criteria outlined in Figure 5 below, we expect that Artrya will be added to the ASX All Ordinaries Index at its March rebalance (announced on the 6th March and effective on the 23rd March).

If the market cap remains above the higher limit (currently $661 million) for the 6 months to 21st August, it will most likely be added to the ASX 300 index.

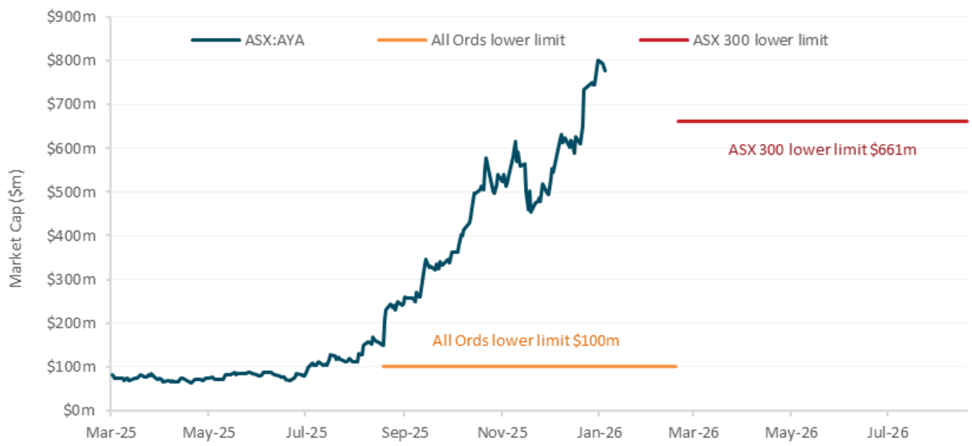
Inclusion in either or both of these indices is significant for the company and investors. Not only does it bring with it a lot of attention as 1) active funds use the indices as benchmarks; and 2) many active funds can only invest in companies that are in the index, but it also funnels significant capital into the stock, as passive funds are forced to take positions. This is becoming an increasingly important point as passive funds and ETFs now represent an estimated 20-40% of total ASX investment.

Table 8: We expect Artrya to be added to All Ordinaries in March

Index	Mkt cap hurdle	Measuring period	Announced	Effective
All Ordinaries	~$100 million	20-Aug-25 to 20-Feb-26	6-Mar-26	20-Mar-26
ASX 300	~$661 million	21-Feb-26 to 21-Aug-26	4-Sep-26	18-Sep-26

Source: S&P Global, Venn Brown estimates

Figure 5: Artrya on track to be added to ASX 300 in September



Source: S&P Global, Venn Brown estimates

Inclusion in the All Ordinaries is based on a company's market capitalisation, which must rank among the top 500 companies by average market cap measured over the six months prior to 20th February 2026 (the reference date).

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For inclusion in the ASX 300, the group's float-adjusted market cap[3] must average above that of the 274th largest ranked company in the index, measured over the six months prior to the reference date (18th September 2026). As of now, the required market cap is ~$661 million. While still nine months out, as shown in Figure 5, AYA is currently on track to clear the hurdle if its share price remains high, and the smallest ~40 companies in the index don't have significant price increases.

Table 9: All Ordinaries & ASX 300 are rebalanced twice a year in March & September

Criteria	S&P/ASX All Ordinaries	S&P/ASX 300
Index description	The 500 largest ASX-listed eligible securities	Up to the 300 largest, liquid, float-adjusted securities.
Inclusion rank	Top 500 by total market cap	Addition: 274th or higher[3]. Deletion: 326th or lower[3]
Required market cap (current)	~$100 million	$661 million
Relevant dates	20th February (reference) 6th March (announced) 20th March (effective)	21st August (reference) 4th September (announced) 18th September (effective)
AYA's current rank (not float adj[3]) *	299	263
Rebalance frequency	Semi-annual (March & September)	Semi-annual (March & September)
Float & liquidity criteria	No	Yes – free float and liquidity requirements
Number of current members	491	294
How the market cap hurdle is measured	Daily average market cap over the six months prior to the reference date	Daily average float-adjusted market cap over the six months prior to the reference date

* The rank difference is largely a result of the ASX300 using float-adjusted market cap and liquidity requirements for index inclusion.
Note: There are additional criteria for inclusion, including index committee discretion.
Source: ASX, S&P Global

Recent events

November and December last year saw a flurry of activity, which was the final catalyst for our valuation review. These activities were part of the groundwork to make 2026 a foundational year.

[3] The market cap is reduced by the value of shares deemed to be held by long-term strategic investors, typically founders or cornerstone investors. As such, the market cap is reduced to the value presented by the company's free float.

Table 10: The end of 2026 saw a flurry of positive activity

Announced	Topic	Details
5-Nov-25	SAPPHIRE	Mass General Brigham announced as the third SAPPHIRE study partner
13-Nov-25	SAPPHIRE	Ascension announced as fourth SAPPHIRE study partner. Ascension is the seventh largest health care system in the US.
1-Dec-25	Operations	Launch of Artrya's Customer Success team in Atlanta to support rollout, onboarding and training, clinician engagement, and provide technical support. In early October, Artrya appointed a US-based senior Customer Success Director.
5-Dec-25	Index inclusion	AYA was added to the S&P/ASX All Technology Index. This increased the visibility of the company, especially amongst institutional and passive index-tracking funds and put the market on notice of AYA's possible inclusion in other indices. As outlined above, we expect AYA to be added to the All Ordinaries and ASX 300 indices in 2026. See *Index inclusion – All Ordinaries & ASX 300* above.
8-Dec-25	Commercial	Northeast Georgia commercial agreement (second foundation partner to sign commercial agreement)
12-Dec-25	SCP	Tanner Health launched SCP, leading to the generation of the first SCP revenue
23-Dec-25	Commercial	Cone Health commercial agreement (third and final foundation partner to sign commercial agreement)

Source: Artrya

Figure 6: Artrya is building out its US team and in search of a US board member

Sources: Artrya

New board members

Although it hasn't been mentioned since, during the results presentation in October, Artrya's Chairman reported the board's intention to expand its expertise by adding two new members, one based in the US and the other in Australia.

Artrya's three-person board needs expansion as the business transitions from an early-stage, pre-revenue microcap to a genuine, rapid-growth small-cap technology business. Pressure will intensify as more institutional investors join the register, bringing higher expectations for governance and corporate and IR professionalism.

The company will benefit from expanding the board to include additional seasoned executives with experience running businesses in technology, health care, and especially the US health care space.

SAPPHIRE[4] update

In mid-November, Artrya announced that a fourth US healthcare system had agreed to participate in the SAPPHIRE study. Ascension Healthcare is the seventh-largest healthcare system in the US (see Table 12), operating 94 hospitals across 16 states (and DC), and to date, is the largest healthcare system to participate in the study.

This announcement followed Artrya's announcement on the 5th of November, reporting that Mass General Brigham (operator of 12 hospitals, including the world-leading Massachusetts General Hospital) had also signed onto the study.

Table 11: Four healthcare systems have joined Artrya's SAPPHIRE study

Healthcare system	Status	Locations	Estimated revenue[5]	Number of Hospitals	Heart/Cardiology Centres	Estimated Employees
Tanner Health	Foundation customer	Georgia & Alabama	Undisclosed	4	5 heart centres	Several thousand
Cone Health	Foundation customer	North Carolina	~$1 billion[6]	5	24 heart centres	~13,000+
Northeast Georgia Health System	Foundation customer	Georgia	Undisclosed	5	3 heart centres	3,000-5,000
Ascension Healthcare	SAPPHIRE	16 states + DC	$27 billion[7]	94	27 partner hospital centres	~142,000[7]
Mass General Brigham	SAPPHIRE	Massachusetts	$21 billion[8]	12	32 cardiology centres	~82,000
Piedmont Healthcare	SAPPHIRE	Georgia & Alabama	Undisclosed	25	75 cardiology centres	~3,200+
Huntsville Hospital Health System	SAPPHIRE	Alabama & Tennessee	Undisclosed	14	19 heart centres	~17,000+

Sources: various

- **Mass General Brigham (announced 5th November)**
  - 12 hospitals, 32 cardiology centres, including:
    - Massachusetts General Hospital
    - Corrigan Minehan Heart Centre and Cardiovascular Research Centre

[4] SAPPHIRE is a multi-phase, multi-centre retrospective study designed to validate Salix Plaque Analysis and Plaque Dispersion Score (PDS), with an emphasis on early detection in women who present differently to men and who have historically be under served in the diagnosis and treatment of coronary artery disease. See '*Artrya: FY25 results & valuation update*' for a more comprehensive overview of the SAPPHIRE study.

[5] All dollar amounts in US dollars

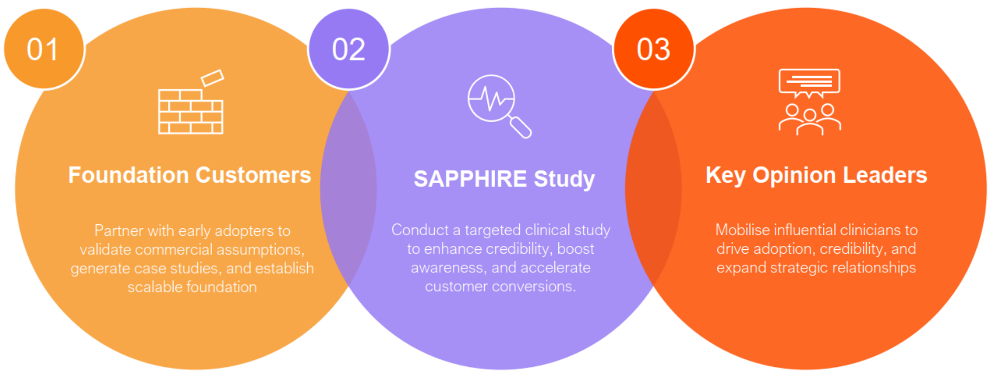
[6] Estimated. Not disclosed

[7] 2021

[8] 2024

- Global leader in cardiovascular care
    - One of the largest hospital-based research enterprises in the US
    - Nearly $2 billion in annual research funding and over 3,700 active clinical trials
- **Ascension Healthcare (announced 13th November)**
    - Sixth largest non-profit healthcare system in the US, seventh largest overall[9] (see Table 12).
    - Operates 94 hospitals with partnerships with 27 hospitals across 16 states and DC
    - Ascension Clinical Research Institute has nearly 3,000 active or approved studies at any time.
        - Ascension Cardiovascular Research Institute provides advanced research in cardiovascular care.
- **Dr Ron Blankstein (announced 5th November)**
    - AYA announced the appointment of Dr Ron Blankstein as Principal Investigator of the SAPPHIRE study.
    - Dr Blankstein has an impressive resume that aligns perfectly with the clinical and strategic importance of SAPPHIRE, as well as Artrya's strategy of leveraging key opinion leaders to build awareness, credibility, and, ultimately, sales.
        - Associate Director of the Cardiovascular Imaging Program, Director of Cardiac Computed Tomography, and a Senior Preventive Cardiology Specialist at Brigham and Women's Hospital.
        - Professor of Medicine and Radiology at Harvard Medical School.
        - Past president of the Society of Cardiovascular Computed Tomography
        - Served on the Board of Directors of the American Society of Preventive Cardiology.
        - Author of more than 600 publications, his research examines the comparative effectiveness of imaging techniques and their impact on patient management and outcomes.

Figure 7: SAPPHIRE remains a key pillar of Artrya's go-to-market strategy



Sources: Artrya

[9] According to Definitive Healthcare, Ascension Healthcare is the severth largest healthcare system based on the number of hospitals, number of staffed beds, and net patient revenue (NPR). See Table 12.

See '*Artrya: FY25 results & valuation update*' for a more comprehensive overview of the SAPPHIRE study.

Could HCA join SAPPHIRE?

- During the AGM, when discussing Artrya's plans to expand its US support footprint, the company's CEO, John Konstantopoulos, used HCA as an example of a large healthcare system (220 hospitals across 20 states) that would have its own dedicated support team (see Table 12 below).
    - HCA is the largest healthcare system in the US, with ~$75 billion in revenue, almost three times the size of Ascension.
    - We estimate that if involved, HCA likely completes around half of the total 400,000 scan volume Artrya is trying to capture.
- It's not clear if Konstantopoulos was using HCA as an easy example (given its size) or whether the group is more top of mind.
- With SAPPHIRE expected to commence in early 2026, we expect Artrya to confirm all the partners by February next year (if not earlier).

Table 12: SAPPHIRE partner Ascension is the seventh largest US healthcare system[10]

Rank	Healthcare system	Headquarters	Hospitals
1	HCA Healthcare (FKA Hospital Corporation of America)	Nashville, TN	222
2	Universal Health Services	King Of Prussia, PA	187
3	Encompass Health Corporation (FKA HealthSouth)	Birmingham, AL	172
4	Department of Veterans Affairs (AKA Veterans Health Administration)	Washington, DC	161
5	CommonSpirit Health	Chicago, IL	156
6	Select Medical Corporation	Mechanicsburg, PA	119
7	**Ascension Health**	**Saint Louis, MO**	**100**
8	LifePoint Health (FKA LifePoint Hospitals)	Brentwood, TN	95
9	ScionHealth	Louisville, KY	92
10	Trinity Health (FKA CHE Trinity Health)	Livonia, MI	90

Source: Definitive Healthcare

[10] Largest based on the number of hospitals, number of staffed beds, and net patient revenue (NPR) – according to Definitive Healthcare

Table 13: We're assuming cash flows remain below company FY27 guidance

		FY26e	FY27e	FY28e	FY29e	FY30e	FY31e	FY32e	FY33e	FY34e	FY35e	Terminal
EBITDA	$m	-15	-9	-2	63	134	257	321	401	481	577	
Interest	$m	0	2	2	2	4	8	15	23	32	44	
Tax	$m	-0	-	-	-	-	-34	-79	-101	-127	-154	
Other cash flow	$m	-0	-0	0	0	0	0	0	1	1	1	
Operating cash flow	**$m**	**-15**	**-7**	**1**	**65**	**138**	**231**	**257**	**323**	**387**	**468**	
capex	$m	-0	-0	-0	-0	-1	-1	-1	-1	-1	-1	
Free cash flow	**$m**	**-15**	**-7**	**0**	**64**	**138**	**231**	**256**	**323**	**386**	**467**	**3,190**
Discount rate	**%**	**17.5%**										
Discounted cash flow	$m	-14	-6	0	33	58	80	74	77	76	75	515
Total DCF	**$m**	**$454m**										

Source: Venn Brown estimates

Table 14: Revenue growth reduced near-term to focus on SAPPHIRE partners

		FY24	FY25	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e	FY32e	FY33e	FY34e	FY35e
Total Revenue	$m	4	5	10	17	33	114	223	395	493	616	740	887
Operating expenses	$m	-16	-21	-24	-27	-34	-51	-89	-138	-173	-216	-259	-310
EBITDA	$m	-12	-15	-15	-9	-2	63	134	257	321	401	481	577
D&A	$m	-2	-1	-2	-1	-1	-1	-1	-1	-1	-1	-1	-1
EBIT	$m	-14	-17	-16	-11	-3	62	133	256	320	400	480	576
Profit before tax	$m	-14	-16	-16	-8	-1	64	137	264	335	423	512	620
Tax	$m	-0	-0	0	0	0	0	-33	-79	-100	-126	-153	-185
Net profit after tax	$m	-14	-16	-16	-8	-0	64	104	185	235	296	359	434
Growth													
Revenue	%	270%	49%	79%	78%	88%	248%	96%	77%	25%	25%	20%	20%
Operating costs	%	35%	30%	17%	10%	28%	50%	74%	55%	25%	25%	20%	20%
EBITDA	%	14%	24%					114%	92%	25%	25%	20%	20%
NPAT	%	-%	-%	-%				62%	79%	27%	26%	21%	21%
Margins													
EBITDA	%	-%	-%	-304%	-53%	-5%	55%	60%	65%	65%	65%	65%	65%
EBIT	%	-%	-%	-343%	-61%	-8%	54%	60%	65%	65%	65%	65%	65%
NPAT	%	-%	-%	-333%	-47%	-1%	56%	46%	47%	48%	48%	49%	49%

Source: Venn Brown estimates

Table 15: Balance sheet

Balance Sheet		FY24	FY25	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e	FY32e	FY33e	FY34e	FY35e
Cash & equiv	$m	7	11.33	77	69	70	134	272	503	760	1,083	1,469	1,937
Receivables	$m	4	5	6	6	7	7	8	8	9	9	10	11
Other	$m	1	0	0	0	0	0	0	0	0	0	0	0
Current Assets	$m	12	17	83	76	77	142	280	512	769	1,092	1,480	1,948
PP&E	$m	1	1	-0	-1	-1	-2	-2	-2	-1	-1	-1	-0
Other	$m	6	5	5	5	4	4	4	4	4	4	4	3
Non-current Assets	$m	7	7	5	4	3	3	3	2	3	3	3	3
Total Assets	**$m**	**19**	**24**	**88**	**80**	**80**	**145**	**283**	**514**	**771**	**1,095**	**1,483**	**1,951**
Payables	$m	1	1	2	2	2	3	3	4	5	5	7	8
Other	$m	1	0	0	0	0	0	0	0	0	0	0	0
Current Liabilities	$m	2	2	2	2	3	3	37	84	106	133	161	194
Long term debt	$m	-	0	0	0	0	0	0	0	0	0	0	0
Other	$m	1	0	0	0	0	1	1	1	1	1	1	2
Non-current Liabilities	$m	1	0	0	0	1	1	1	1	1	1	1	2
Total Liabilities	**$m**	**2**	**2**	**2**	**3**	**3**	**4**	**38**	**84**	**107**	**134**	**162**	**196**
Equity													
Share capital	$m	56	75	155	155	155	155	155	155	155	155	155	155
Accumulated loss	$m	-48	-64	-80	-89	-89	-25	79	264	499	795	1,155	1,589
Other	$m	8	11	11	11	11	11	11	11	11	11	11	11
Total Equity	**$m**	**17**	**21**	**85**	**77**	**77**	**141**	**244**	**430**	**665**	**961**	**1,320**	**1,755**

Source: Venn Brown estimates

Table 16: Cash flow

Cash flow		FY24	FY25	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e	FY32e	FY33e	FY34e	FY35e
EBITDA	$m	-12	-20	-15	-9	-2	63	134	257	321	401	481	577
Interest	$m	0	-0	0	2	2	2	4	8	15	23	32	44
Tax & other	$m	-3	5	-0	-0	0	0	0	-33	-79	-100	-126	-153
Operating cash flow	**$m**	**-15**	**-14**	**-15**	**-7**	**1**	**65**	**138**	**231**	**257**	**323**	**387**	**468**
Capex	$m	-0	-0	-0	-0	-0	-0	-1	-1	-1	-1	-1	-1
Other	$m	3	0	0	0	0	0	0	0	0	0	0	1
Investing Cash Flow	**$m**	**3**	**0**	**-0**	**-0**	**-0**	**-0**	**-0**	**-0**	**-0**	**-0**	**-0**	**-1**
Issue of securities	$m	-	20	80	-	-	-	-	-	-	-	-	-
Change in debt	$m	-	-	-	-	-	-	-	-	-	-	-	-
Other	$m	-0	-2	-	-	-	-	-	-	-	-	-	-
Financing cash flow	**$m**	**-0**	**18**	**80**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Change in cash flow	$m	-13	4	65	-7	0	65	138	231	257	323	387	467

Source: Venn Brown estimates

About Artrya

The future of cardiac imaging diagnostics

Artrya is the Perth-based developer of Salix, an AI-driven diagnosis imaging solution for coronary artery disease. Salix is an automated workflow and diagnostic solution that integrates with hospitals and clinics existing imaging and patient management systems. Australian clinicians Venn Brown spoke with report that the time Salix saves in analysis and reporting would allow clinics to perform at least 2-4 additional scans a day, equating to $2,600 - $3,500/day of additional revenue. In the US, Salix turns a healthcare provider's cost centre into a revenue centre, earning them ~US$200-300/scan

$3 billion addressable market

Conservatively, Salix's existing addressable imaging market is $3 billion in annual revenue. This does not include the 7%+pa growth of CCTA imaging seen across Australia, the US, and most of Europe. CCTA imaging accounts for only around 10-15% of cardiac diagnostic testing, with leading cardiac specialists expecting this share to grow to 80% over the coming years.

Land and expand

Salix is the first near-real-time AI-enabled cardiac imaging solution to offer integrated workflow management and plaque assessment, providing Artrya a platform to roll out additional imaging products. As a SaaS, Salix offers enormous economies of scale. Once adopted and installed, Salix workflow is a highly sticky base on which Artrya can build additional products to capture a greater share of cardiac imaging spend.

Valuation

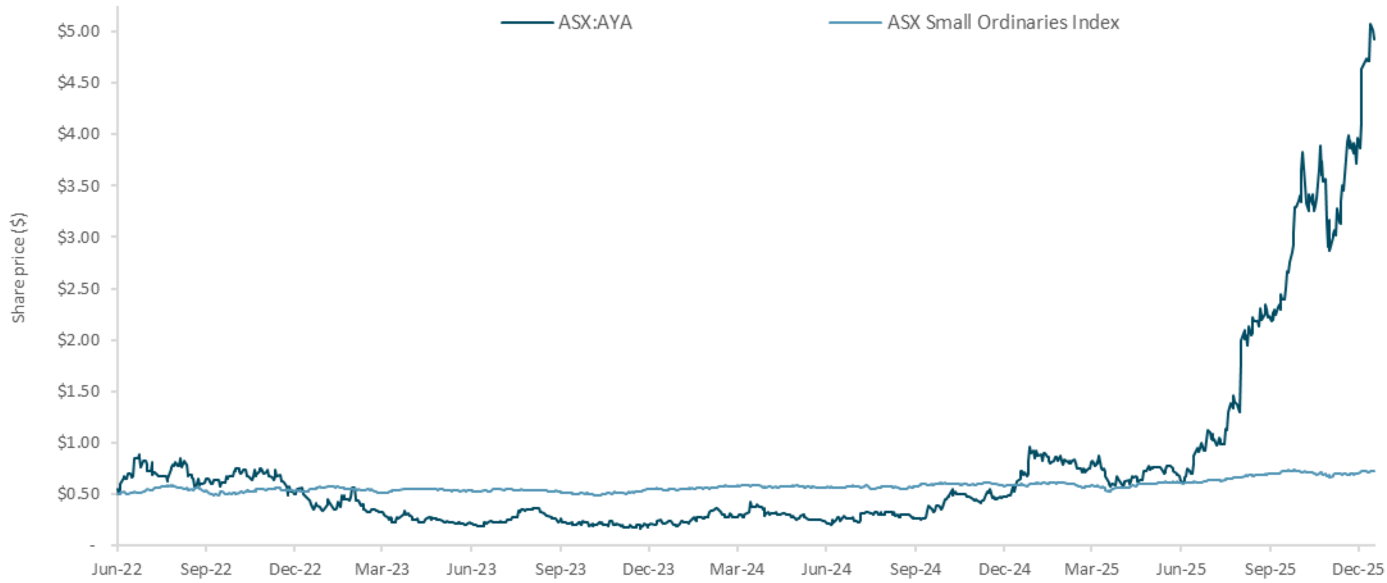
Based on our DCF, we value Artrya at $6.62 per share. The value is based on conservative assumptions around pricing, the speed of the group's rollout, and costs, and it assumes a 17.5% cost of equity and a 2.5% terminal growth rate. We expect to upwardly revise the valuation once there is greater certainty around the SAPPHIRE study.

Catalysts

We see several catalysts that will progressively see AYA value appreciate as greater visibility of future earnings appears. This includes: Commercial launch of SCP, FDA approval and launch of SCF, progress of the SAPPHIRE study, reporting its first US revenues, the launch of US sales activities and ongoing US customer wins.

Read more in our initiation of coverage report: '[Salix: The future of cardiac imaging diagnostics]', available on our website ([http://www.vennbrown.com/artrya]).

Share Price



Source: S&P Global

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