

ASX ANNOUNCEMENT MARKET RELEASE

29 January 2025

QUARTERLY ACTIVITIES REPORT

Q2 FY25 UPDATE – October to December 2024

Key highlights

- 510(k) application in progress
- In negotiations with significant radiology groups in the Australian market for the use of Salix® Coronary Anatomy product
- Developing relationships with medium to large healthcare systems in the US
- Successful A\$5 million placement to sophisticated and professional investors at A\$0.42 per share
- Cash on hand at 31 December is \$7.6m with operational cash burn of \$3.6m (net cash inflow \$1.1m) for the quarter.

Artrya Limited (ASX: AYA) ("Artrya" or the "Company"), a medical technology company focused on commercialising its patented AI platform that detects, diagnoses, and helps address coronary artery disease, releases its activities report for the quarter ended 31 December 2024, alongside the Company's Appendix 4C. All amounts disclosed herein are unaudited and are denoted in AUD unless otherwise stated.

Commenting on the Company's progress over Q2 FY25, Artrya CEO Mathew Regan said:

"A major focus for us has been our 510(k) application with the FDA. The FDA have reviewed our application and have requested some additional information supporting the application. We are on track to respond to the request and remain confident of a clearance by the end of March 2025. Furthermore, we are making strong progress with the other products in our roadmap, specifically Salix® Coronary Plaque and Salix® Coronary Flow, and anticipate clearance for both by the end of this calendar year. The clearance of both these products provide access to two separate reimbursement codes in the US healthcare market."

"Another priority over the past few months has been to consolidate our financial position as we prepare for full commercial roll out in the US following FDA clearance of Salix® Coronary Anatomy."

"We successfully raised A\$5 million in a strongly supported placement with demand exceeding the funds sought. This raise has strengthened our balance sheet with \$4.7 million cash, net of costs for the issue, providing a positive runway to see us through the FDA clearance period and beyond. The Placement also introduced Healthiant Ventures (the venture arm of US hospital system Tanner Health) and a few highly credentialed institutional and high net worth investors to the register."

510(k) application with the FDA

During the quarter Artrya received feedback from the FDA regarding our 510(k) application and they requested additional information on a few points. These points range from data demographics to cyber security clarification. We are in the process of compiling the requested information and remain on track for an end of March 2025 clearance.

Market Development: United States

As previously announced, Artrya has pre-FDA agreements with Northeast Georgia Health System (NGHS), Tanner Health, and Cone Health. The Company has made significant progress, successfully integrating Salix® Coronary Anatomy into Tanner Health and advancing similar initiatives with NGHS and Cone Health.

In addition, Artrya is actively engaging with other major health systems across the United States with additional agreements expected to be finalised in CY25.

Market Development: Australia

As previously announced, Artrya has a commercial agreement with The Cardiac Centre in NSW and has begun to process scans under this arrangement. The Australian market serves as an excellent environment to test our software and obtain valuable clinical validation. In line with this strategy, the Company is currently in negotiations with two major radiology groups in Australia.

A\$5 million Placement

During the quarter Artrya completed a A\$5 million placement at A\$0.42 per share. The Placement supports the ongoing commercialisation of Salix® Coronary Anatomy. Placement proceeds will be applied to product development, clinical, research and development, regulatory work, IT infrastructure and security, and working capital, whilst awaiting regulatory clearance from the US FDA approval for Salix® Coronary Anatomy product.

Cost efficiencies

Prudent cost management remains a key pillar of the Company's strategic direction. The average monthly cash outflow has decreased from \$1.4m to \$1.2m, reflecting the Company's commitment to efficient and responsible use of funds. The Company continues to streamline costs to focus necessary expenditure on ongoing regulatory approvals, whilst advancing commercialisation efforts throughout CY2025. However, we will strategically bring forward spending where it could accelerate future FDA clearances.

Financials

Cash as of 31 December 2024 is \$7.6m with a net cash inflow for the quarter of \$1.1m including net funds from capital raising of \$4.7m. Operating cash outflow for the quarter was \$3.6m. Operating costs reflect continuing clinical validation and regulatory work in the US to support the current FDA application, together with software platform enhancement, customer implementation and support, IT infrastructure and security, and AI research and development work.

Related party payments of \$91,780 were made during the December quarter, consisting of fees and salaries paid to Directors and their related entities.

Outlook

Artrya CEO Mathew Regan said: *"We have an exciting few months ahead as we prepare to roll out our life-saving technology globally, including in the US once FDA clearance is granted. With this clearance, we will immediately commercialise Salix® Coronary Anatomy in the hospitals we have built relationships with over the past year."*

"As mentioned, we are in advanced negotiations with two of Australia's largest radiology groups, and we are looking beyond our current 510(k) application to additional products, which we plan to submit for regulatory clearance within this calendar year."

Investor Webinar

CEO Mathew Regan will provide an update on the Company's operational progress during the second quarter of FY25 (Q2 FY25).

Shareholders will have an opportunity to participate in a Q&A session at the end of the briefing.

Date: 3 February 2025

Time: 11:00am AWST / 2:00pm AEDT

To pre-register for this conference, please use the following link below:

https://us02web.zoom.us/webinar/register/WN_np7aAGMQSMCqN9R_Tx_i0Q

This announcement was approved by the Board.

ENDS

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About Artrya

Based in Perth, Australia, Artrya was founded in 2018 and commenced operations in early 2019. Artrya Ltd is listed on the Australian Securities Exchange (ASX: AYA). Artrya is an applied artificial intelligence healthcare company that works alongside clinicians to improve the diagnosis of coronary heart disease and develop a holistic overview of at-risk patients. The company has developed deep learning AI algorithms that predict and prevent acute coronary events.

For more information, see www.artrya.com

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Artrya Limited

ABN

53 624 005 741

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	15	15
1.2 Payments for		
(a) research and development	(285)	(728)
(b) product manufacturing and operating costs	(1,102)	(2,528)
(c) advertising and marketing	(46)	(86)
(d) leased assets	(80)	(159)
(e) staff costs	(1,881)	(3,691)
(f) administration and corporate costs	(233)	(758)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	38	90
1.5 Interest and other costs of finance paid	(8)	(16)
1.6 Income taxes paid	(3)	(5)
1.7 Government grants and tax incentives	-	3,674
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(3,585)	(4,192)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(36)	(46)
(d) investments (term deposit maturity)	-	-
(e) intellectual property	-	(24)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	-
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(36)	(70)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,018	5,018
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	45	45
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(361)	(361)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	4,702	4,702

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,476	7,134
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,585)	(4,192)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(36)	(70)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,702	4,702
4.5	Effect of movement in exchange rates on cash held	58	41
4.6	Cash and cash equivalents at end of period	7,615	7,615

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	7,615	6,476
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,615	6,476

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	92
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (see table 7.6 below)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(3,585)
8.2 Cash and cash equivalents at quarter end (item 4.6)	7,615
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	7,615
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.12
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: **29 January 2025**

Authorised by: **Board of Directors, Artrya Limited**

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.