

Investor Briefing

May 2021



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Cogstate Digital Brain Health Strategy

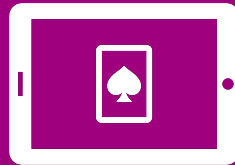
Offering

Software

- Scientific & commercial validation
- Proprietary digital assessments

Services

- scientific & operational expertise



Markets

Clinical Trials

- Pharma customers
- Our established business

Healthcare

- Global license agreement
- Our next frontier



Market Dynamics & Cogstate Positioning



Alzheimer's therapies progressing with recent positive data



Large and growing market for digital healthcare solutions



Existing relationships with large pharma customers / partners



Strong balance sheet and transitioning to profit in FY21

Financial Update 3Q'21 YTD

All figures in US\$

New Contracts Executed \$35.9M

Up 7% on PCP*

Contracted Backlog \$79.7M

Up 7% on 2Q'21

Revenue \$22.7m

Up 51%** on PCP

Positive Profit before Tax
(3Q21 and FY21 YTD)

Operating Cash Inflow \$11.9m

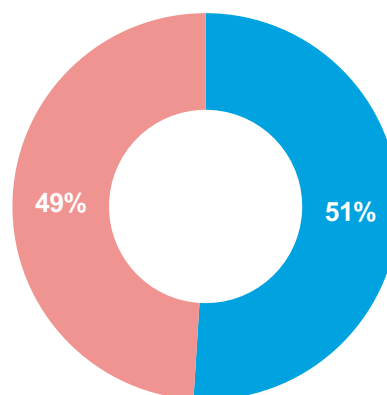
* PCP = previous corresponding period

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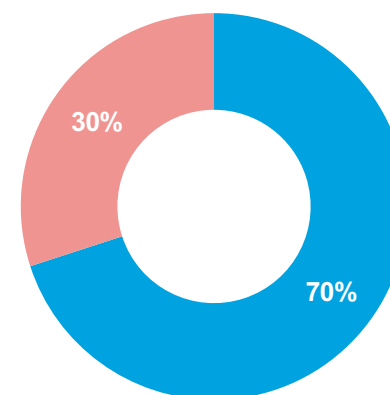
New Contracts Executed \$35.9M YTD

- Strong growth in Pharmaceutical R&D spend
- Increase in Alzheimer's disease ("AD") mix reflecting growing number of AD clinical trials
- Awarded a new contract via ERT partnership.

FY 2020



YTD 2021



Alzheimer's

Other

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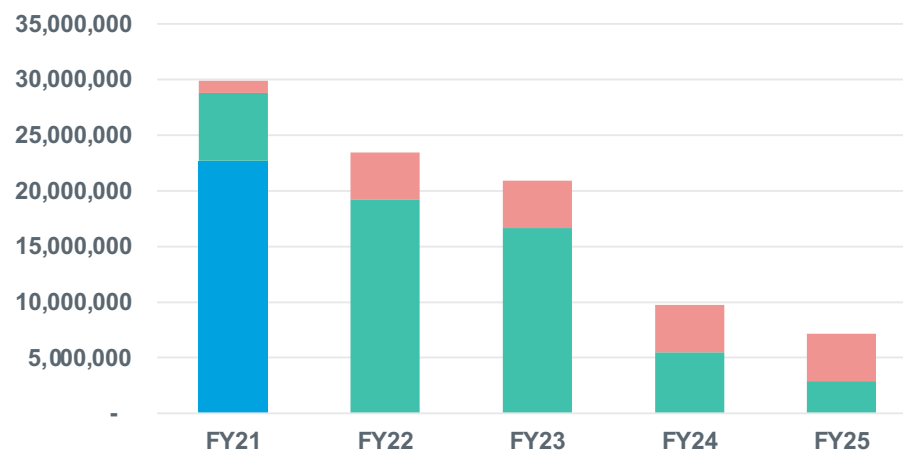
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Contracted Backlog \$79.7M

Record high level of contracted future backlog:

- Up 89% on PCP
- Clinical Trials backlog of \$55.7m
- Healthcare backlog of \$24m

Revenue Backlog Run-Off



First 9mths Actual
Revenue

Clinical Trials Backlog

Healthcare Backlog

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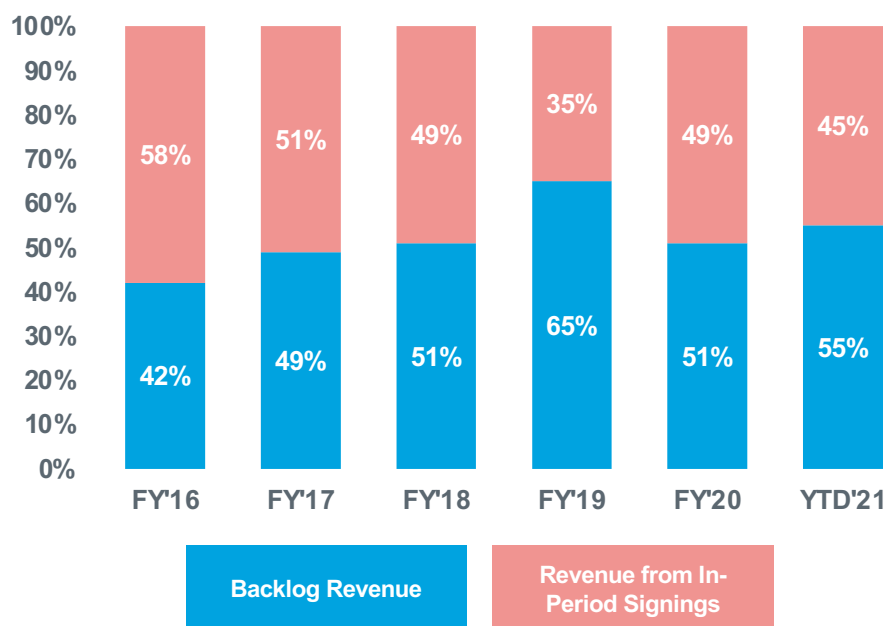
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Revenue backlog coverage

- Beginning of year backlog has represented 52% of final revenue on average over last 5 years.
- Note that FY'19 impacted by low Clinical Trial new contract signings and revenue deferral for unearned revenue, as a result backlog coverage % impacted.



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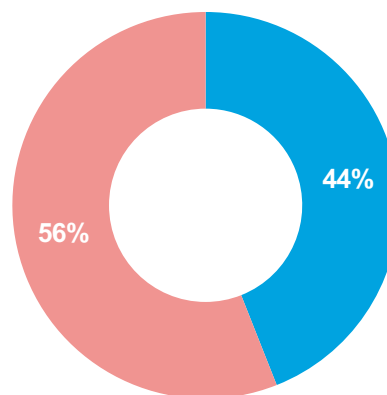
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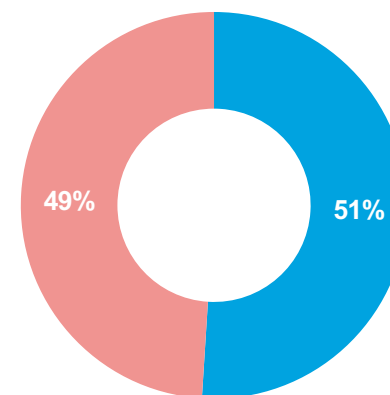
Record revenue for Cogstate (previous record \$21.6m 3Q'18 YTD)

- Clinical Trials revenue of \$19.8m, up 42% on PCP
- AD investment driving Clinical Trials revenue growth
- Healthcare revenue of \$2.7m, up 228%** on PCP

Clinical Trials Revenue
FY 2020



Clinical Trials Revenue
YTD 2021



Alzheimer's

Other



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Positive Profit Before Tax (“PBT”)

- Positive PBT in 3Q21 and FY21 YTD
- Strong Clinical Trials activity and cost management driving improved margins
- Recognition of Healthcare (Eisai) revenue
- Maintaining Operating Expense within Expense/Revenue margins
- Expecting positive PBT for full year FY21

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Operating cash inflow \$11.9m YTD

- Positive operating cash flow YTD with receipt of Eisai upfront payment (net \$13.8m) in Dec 2020
- Large skew of invoicing to March, impacting 3Q21 cash receipts due to payment terms
- Accounts Receivable balance \$7.5m at 31-Mar-21, up \$3m from start of year (up \$2m during 3Q21)
- Payment of pass-through expenses on behalf of customers impacting quarterly cash outflow (no profit impact and, over time, no net cash impact)
- Net cash at 31-Mar-21 was \$17.6m (calculated as gross cash less borrowings)

Alzheimer's Opportunity in Clinical Trials

Dementia is one of the major causes of disability and dependency among older people worldwide, representing a significant health crisis.

50m	Estimated dementia cases globally; expected to triple by 2030
\$818 Bn	Annual global cost of dementia; expected to rise to \$2 trillion by 2030
60-70%	Alzheimer's as a % of total dementia

Pharma investment in dementia (specifically AD), as measured by the number of new trials initiated, is increasing:

# of AD Trials (USA Only)	Year to 3Q'20	Year to 3Q'21	YTY%
Phases 1 to 3 only	50	85	70%

Sources: World Health Organization
www.clinicaltrials.gov

Alzheimer's Opportunity in Healthcare

A disease modifying therapy will require early detection of cognitive decline in order to intervene and slow progression – creating a significant global market for scalable and sensitive dementia screening.

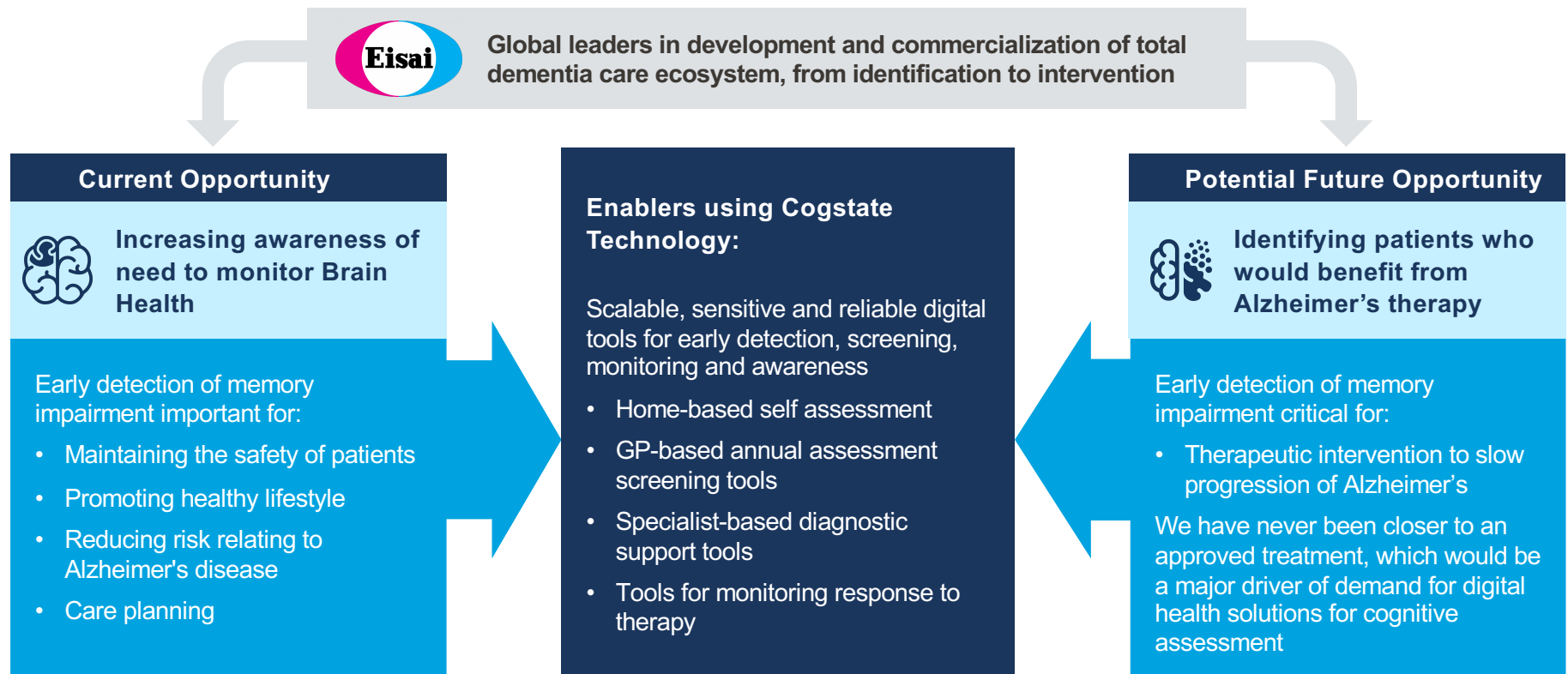


320 million people over age 65, key markets only

USA:	53.2 million people
EU:	71.5 million people
China:	160.3 million people
Japan	35.4 million people

World Bank staff estimates using the World Bank's total population and age/sex distributions of the United Nations Population Division's World Population Prospects: 2019 Revision.

Expanded Eisai partnership takes Cogstate a step closer to realizing its vision



Market Size = at risk age bracket = >65yrs old = Significant addressable market



**We have never
been closer to the
launch of potential
disease modifying
therapies for
Alzheimer's**

Submitted application to FDA

1. Aducanumab: Biogen / Eisai
 - FDA review date: 7 June 2021
 - Monoclonal antibody targeting aggregated amyloid- β
 - Also submitted applications to regulators in:
 - *Europe (announced Oct 2020) and*
 - *Japan (announced Dec 2020)*

Other late-stage potential candidates

2. BAN2401: Biogen / Eisai
3. Gantenerumab: Roche / Genentech
4. Donanemab: Eli Lilly

**All promising antibodies that are following
close behind Aducanumab**



Business & Financial Outlook



Clinical Trials

- Increased activity in Clinical Trials with a shift to remote and digital assessments.
- First signing completed under the ERT partnership
- A record backlog of US\$55.7m as at 31 March 2021.
- A strong 4Q21 sales pipeline
- Focus on expanding market reach through additional channel partners and opportunities to broaden the reach of Cogstate into clinical trials for a range of diseases.



Healthcare

- Cogstate is pleased with the progress being made in its partnership with Eisai and is focused on the growth opportunity that the Healthcare market provides.
- 2H21 will see a full 6mth contribution from the Eisai Global (ex Japan) license (\$2.1m with \$1.1m of this in 4Q21)
- There is an increasing focus on brain health in the community.
- We have never been closer to a potential disease modifying therapy for Alzheimer's with a number of late-stage potential candidates.



Improved Financial Results

- Recorded a positive PBT in 3Q21
- Expecting to report a positive PBT for FY21



Cogstate Investment Case

Record revenue pipeline with earnings leverage

- Momentum in Clinical Trials continues to build (record \$55.7m revenue backlog).
- Eisai partnership to deliver Royalties of \$10-30m over next 5-10yrs.
- Relatively stable cost base should see margins expand as revenues rise



Significant leverage to an Alzheimer's treatment

- There are now a number of potential treatments in phase II and III clinical trials and one in front of the FDA.
- CGS is uniquely positioned to provide highly scalable digital tools for the early identification of patients



Unique technology and large addressable markets

- Technology developed over 20 years, scientifically validated, approved by regulators and strong barriers to entry.
- Global healthcare represents a large addressable market.
- Launching new mHealth* & telehealth products; opportunity to become the world's leading provider of digital brain health assessments



Strong balance sheet

- Underpinned by a strong balance sheet – net cash position of \$17.6m** as at 31 Mar 21

**Based on gross cash less borrowings.



*mHealth refers to the concept of mobile self-care — consumer technologies like smartphone and tablet apps that enable consumers to capture their own health data, without a clinician's assistance or interpretation





Appendices

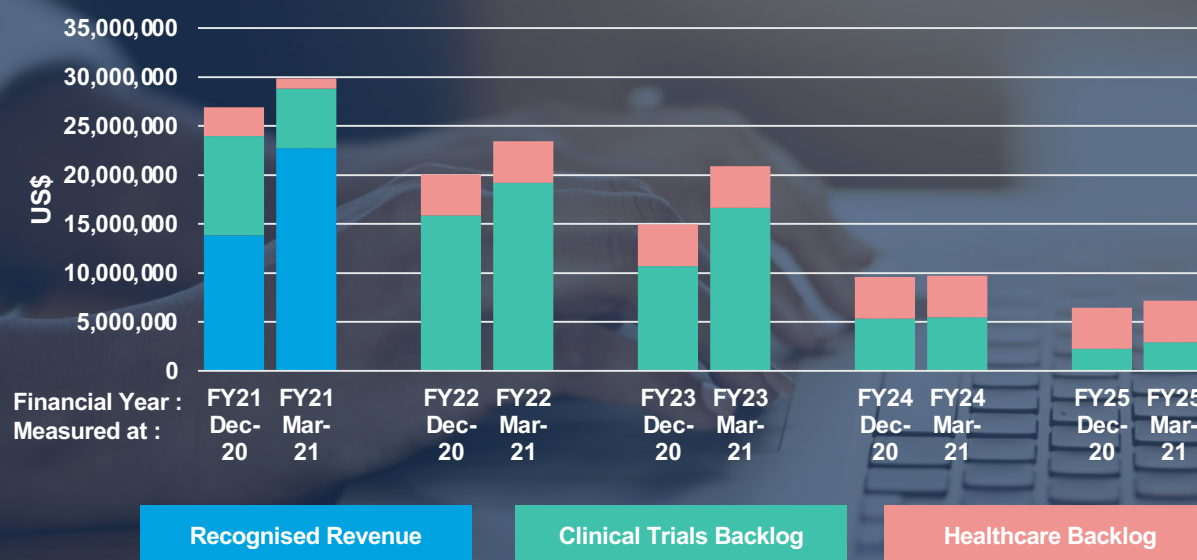
Restatement of prior period revenue

- Due to the significance of the Eisai global licensing agreement, the group announced in its 1H21 results that it had reviewed the application of its accounting policy in respect of revenue relating to the grant of licences, provision of supporting services and the provision of server access, in accordance with the requirements of AASB 15 Revenue from Contracts with Customers.
- The group considers that recognising the upfront cash payments received From Eisai (\$1m in Dec 19 for Japan and \$15m in Dec 20 for Global (ex Japan)) as revenue on a straight-line basis over the licence periods better reflects its performance in providing access to the licences, continuing support services and servers. As required by the accounting standards, this change is applied retrospectively, and as a result, the group has restated comparative figures. This resulted in a \$0.03m increase in Healthcare revenue in 3Q20 from a reported \$0.45m to a restated \$0.48m. This restatement has no impact on cash. See reconciliation table below.

	(Restated) 3Q20 US\$	Adjustment US\$	(As Reported) 3Q20 US\$
Healthcare Revenue	0.48	0.03	0.45

Contracted Future Revenue All results provided in US\$	31-Mar-21	31-Dec-20	VARIANCE FAV/(UNFAV)	
	US\$	US\$	US\$	%
Contracted Clinical Trials Revenue	55,673,915	49,668,291	6,005,624	12.1
Eisai License – Global (commercial years 1-5)*	23,191,465	24,224,099	(1,032,634)	(4.3)
Eisai License – Japan (10 year license)	840,268	865,042	(24,774)	(2.9)
Total Contracted Future Revenue	79,705,648	74,757,432	4,948,216	6.6

*Minimum royalties for commercial years 6-10 (totaling \$20 million) have not been included due to currently existing termination right after completion of commercial year 5.



3Q21 Contracted Future Revenue grew by 6.6% alone (vs. 2Q21) to \$79.7m

FY21

- Contracted revenue almost \$30m, with June quarter still to play out
- FY21 contracted revenue grew by approx. \$3m in the March quarter

FY22

- Cogstate will start FY22 with a record level of contracted revenue for that year

FY23

- Cogstate expect to start FY23 with a new record level of contracted revenue for that year (given current high level and 14 months before the start of FY23)

Solid 3Q21 and year to date (YTD) revenue performance

- Total revenue YTD of \$22.7m a record for Cogstate (previous record \$21.6m Mar 2018)
- Clinical Trials revenue benefitting from the substantial increase in new sales contracts executed in recent periods. 3Q21 also reflects increased activity at clinical trial sites as COVID restrictions ease in various jurisdictions.
- Healthcare 3Q21 included the recognition of approximately \$1.1m of revenue associated with the Eisai licencing agreement (comprised 3mth contribution from Eisai Global (ex Japan) partnership vs 2mths in 2Q21).

Revenue	3Q21 US\$ m	3Q20 US\$ m	Variance %
Clinical Trials	7.26	5.74	26%
Healthcare	1.51	0.48*	215%
Research	0.06	0.10	(40%)
Total Revenue	8.83	6.32	40%

FY21 YTD US\$ m	FY20 YTD US\$ m	Variance %
19.84	14.00	42%
2.66	0.81	228%
0.18	0.24	(25%)
22.68	15.05	51%

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3Q21 Cash Flow/Balance Sheet

- A total cash outflow of -\$1.2 million in 3Q21, including a net operating cash outflow of -\$1.3 million.
- Cash receipts from customers totalled \$6.9 million for the quarter. With a series of invoices issued late in the quarter, the trade receivables balance increased from \$5.5 million at 31 Dec 20 to \$7.5 million at 31 Mar 21. Collection of these receivables will benefit cash flow in 4Q21.
- There were no cash payments from the Eisai Global (ex Japan) partnership in the period, these will commence with the earlier of first commercial sale or 12mths (and will equate to a minimum of \$10m over the initial 5 years).

	3Q21 US\$m	2Q21 US\$m	3Q20 (PCP) US\$m	3Q21 vs 3Q20 %
Net operating cash flow	-1.3	15.5	0.06	(2,267%)
- Receipts from customers	6.9	22.3	7.2	
- Payments to employees/suppliers	-8.3	-6.9	-7.4	
- Trade receivables	7.5	5.5	7.3	2.7%
- Trade payables	-4.3	-3.8	-5.0	
Total cash flow	-1.2	14.0	0.2	(700%)
Net cash balance at end of period*	17.6	18.5	7.1	147.9%

* Calculated as gross cash less borrowings





Cogstate