

Appendix 4E

For the year ended 30 June 2022
(previous corresponding year: 30 June 2021)

Lodged with the ASX under Listing Rule 4.3A.

This information should be read in conjunction with the Annual Report, lodged this same day.

Results for announcement to the market

	30 June 2022 US\$	30 June 2021 US\$	Movement	
			US\$	%
Total revenue from ordinary activities	44,980,356	32,686,396	12,293,960	37.6%
- Clinical Trials revenue	40,328,147	28,667,707	11,660,440	40.7%
- Healthcare revenue	4,456,700	3,758,790	697,910	18.6%
- Research revenue	195,509	259,899	(64,390)	(24.8%)
Profit before income tax	10,692,600	5,820,270	4,872,330	83.7%
- Profit / (Loss) before income tax (First Half Year)	6,115,564	(392,522)	6,508,086	1658.0%
- Profit before income tax (Second Half Year)	4,577,036	6,212,792	(1,635,756)	(26.3%)
Net profit after tax (from ordinary activities) for the period attributable to members	7,519,734	5,233,283	2,286,451	43.7%

Dividend Information

No dividend was paid during the year and the Directors do not recommend a dividend be paid in respect of the year ended 30 June 2022 (30 June 2021: nil).

	30 June 2022 Cents	30 June 2021 Cents
Net tangible asset backing (per share)	10.34	3.68
Earnings per share	4.35	3.07

Operating Results for the Year

A summary of revenue and results are set out on the following page.

More detail and commentary on the operations and the results from those operations are set out in the Annual Report to members that has been lodged with the ASX.

Explanation of results

Net profit from principal activities - summary

For the 30 June 2022 financial year, the Group recorded a profit before tax of \$10.7m (2021 profit: \$5.8m).

	Half Year 31 December 2021 US\$	Half Year 30 June 2022 US\$	Full Year 2022 US\$	Full Year 2021 US\$
Total Revenue	23,075,459	21,904,897	44,980,356	32,686,396
Clinical Trials Revenue	20,846,863	19,481,284	40,328,147	28,667,707
- Direct costs (excluding direct depreciation)	(6,359,442)	(6,699,967)	(13,059,409)	(9,876,793)
- SG&A costs	(1,556,337)	(1,587,182)	(3,143,519)	(3,336,900)
Clinical Trials Contribution	12,931,084	11,194,135	24,125,219	15,454,014
Contribution %	62%	57%	60%	54%
Healthcare Revenue	2,215,228	2,241,472	4,456,700	3,758,790
- Direct costs	(447,852)	(766,414)	(1,214,266)	(799,871)
Healthcare Contribution	1,767,376	1,475,058	3,242,434	2,958,919
Contribution %	80%	66%	73%	79%
Research Revenue	13,368	182,141	195,509	259,899
- Direct costs	(424,934)	(458,536)	(883,470)	(731,788)
Research Contribution	(411,566)	(276,395)	(687,961)	(471,889)
Operating Expenses				
- Total product development & engineering	(2,473,704)	(2,488,303)	(4,962,007)	(4,954,520)
- Less capitalised software development costs	56,208	1,949,638	2,005,846	2,109,569
- Less product development costs reimbursed	596,670	-	596,670	-
Net product development & engineering	(1,820,826)	(538,665)	(2,359,491)	(2,844,951)
Computer costs	(766,723)	(886,104)	(1,652,827)	(1,388,759)
Insurance	(275,799)	(492,334)	(768,133)	(520,391)
Professional fees	(741,497)	(669,550)	(1,411,047)	(1,356,222)
Marketing	(70,889)	32,348	(38,541)	(106,670)
Office & facilities	(115,181)	(133,190)	(248,371)	(263,235)
Travel	(1,124)	(29,311)	(30,435)	31,029
Other administration costs	(3,241,813)	(3,919,833)	(7,161,646)	(5,780,108)
Total Operating Expenses	(7,033,852)	(6,636,639)	(13,670,491)	(12,229,307)
EBITDA	7,253,042	5,756,159	13,009,201	5,711,737
Depreciation and amortisation	(1,126,549)	(1,197,626)	(2,324,175)	(2,299,010)
EBIT	6,126,493	4,558,533	10,685,026	3,412,727
Net interest	(10,929)	18,503	7,574	(36,657)
Other Income	-	-	-	2,444,200
Net profit before tax	6,115,564	4,577,036	10,692,600	5,820,270

Clinical Trials Contracted Revenue

Clinical Trials revenue recognised during the year is a function of:

1. Revenue recognised from sales contracts on hand at the beginning of the financial year; and
2. Revenue recognised from sales contracts executed during the year.

Cogstate enters into a contract with the customer for the provision of technology and services for each study. The contract value will differ for each contract, depending upon the scope of the technology and services provided as well as the complexity and length of the study. Revenue from clinical trials contracts is recognised over the life of the contract. The length of a clinical trial can vary from 9 months for a phase 1 study up to 4-5 years for a phase 3 study. Revenue is recognised based upon achievement of pre-determined milestones.

At 1 July 2021, Cogstate had \$58.4 million of contracted clinical trials revenue that would be recognised in future periods, up 48% on the amount of future revenue contracted at 1 July 2020. During the year to 30 June 2022, Cogstate executed \$82.5 million of new sales contracts, a 74% increase from the prior year. After recognising \$40.3 million of revenue from those contracts during the year, Cogstate had, at 30 June 2022, \$100.2 million of contracted clinical trials revenue expected to be recognised in future periods. See table below for more analysis.

	30 June 2022 US\$	30 June 2021 US\$
Clinical Trials revenue contracted at 1 July	58,424,721	39,437,244
Contracts signed during the period	82,470,405	47,340,285
Revenue recognised	(40,328,147)	(28,667,707)
Adjustment for contract reconciliations and FX movements	(323,998)	314,899
Contracted future Clinical Trial revenue at 30 June	100,242,981	58,424,721

Healthcare Contracted Revenue

Eisai revenue is being recognised over the term of the contracts. The reduction in contracted revenue since 30 June 2021 is due to the revenue recognised on these contracts this year.

Group Contracted Future Revenue

Total contracted future revenue increased to \$139.1m as at 30 June 2022, an increase of 37% from the prior corresponding period (30 June 2021: \$101.5m).

The revenue backlog for both the Clinical Trials and Healthcare segments are highlighted in the table below:

	30 June 2022 US\$	30 June 2021 US\$
Contracted Clinical Trials Revenue	100,242,981	58,424,721
Eisai License - Global (commercial years 1-10)	38,123,444	42,211,299
Eisai License - Japan (10 year licence)	715,576	815,494
Contracted future Group revenue at 30 June	139,082,001	101,451,514

Results - Expenses

1. Employment expenses

Full Time Equivalent (FTE) employees totalled 191.1 at 30 June 2022, broken down as follows:

Business Unit	FTE at 30 June 2022	FTE at 30 June 2021
Clinical Trials	93.1	74.5
Business Development	19.4	16.6
Healthcare	6.7	5.9
Research and Development	9.0	7.5
Product Development	40.5	38.3
Administration	22.5	18.6
Total	191.1	161.4

2. Total employment expenses

	Half Year 31 December 2021 US\$	Half Year 30 June 2022 US\$	Full Year 2022 US\$	Full Year 2021 US\$
Employment expenses, directly attributable to segment revenue	(7,405,795)	(7,524,955)	(14,930,750)	(12,662,397)
Other employment expenses	(4,847,131)	(5,063,298)	(9,910,429)	(9,816,059)
Total employment expenses	(12,252,926)	(12,588,253)	(24,841,179)	(22,478,456)
Less capitalisation of software development costs	56,208	1,949,638	2,005,846	2,109,569
Less product development costs reimbursed	596,670	-	596,670	-
	(11,600,048)	(10,638,615)	(22,238,663)	(20,368,887)
Share based payments expense	(887,406)	(1,323,367)	(2,210,773)	(454,352)
Total	(12,487,454)	(11,961,982)	(24,449,436)	(20,823,239)

Audit

The financial report has been audited.

The audit has been completed.

The financial report contains an independent audit report that is not subject to a modified opinion, emphasis of matter or other matter paragraph.