

ASX Announcement

31 July 2019



All figures are stated in US\$

Business Update: Clinical Trial Sales Contracts Executed since 1 July 2019

Cogstate (ASX.CGS) is pleased to advise that it has executed a sales contract for provision of technology and services to the open label extension of an ongoing phase 2 clinical trial in Alzheimer's disease.

Cogstate is currently managing the cognitive assessments in the ongoing phase 2 clinical trial. Under the new contract, Cogstate will expand the services currently provided to include the assessments required for the open label extension of the clinical trial.

The execution of this latest sales contract takes the total value of sales contracts executed since 1 July 2019 to \$4.9 million.

Background: Clinical Trials Sales Contracts

Cogstate revenue from the Clinical Trials segment, in any given period, is a function of:

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

For the year to 30 June 2019, Cogstate executed Clinical Trials sales contracts with a collective total value of \$18.0 million, a 50% decrease from \$36.1 million of sales contracts executed during the 2018 financial year.

Cogstate enters into a contract with each customer for the provision of technology and services for each clinical trial. The contract value will differ for each contract, depending upon (i) the scope of the technology and services provided, (ii) the complexity of the trial, and (iii) the length of the trial. Revenue will be recognised over the life of the clinical trial. The length of a clinical trial can vary from 9 months for a phase 1 trial and up to 4-5 years for a phase 3 trial.

For context, a history of Clinical Trials sales contracts executed, per quarter, is provided:

	Sep Quarter \$m	Dec Quarter \$m	Mar Quarter \$m	Jun Quarter \$m
FY17	\$17.3	\$5.7	\$3.6	\$3.0
FY18	\$7.5	\$14.1	\$8.3	\$6.2*
FY19	\$5.4	\$4.6	\$3.8	\$4.1
FY20 (to date)	\$4.9			

*Excludes \$6.4m of cancellations that were taken up at 30 June 2018.

For further information contact:

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About Cogstate

Cogstate Ltd (ASX:CGS) is a neuroscience company optimising brain health assessments to advance the development of new medicines and to enable earlier clinical insights in healthcare. Cogstate technologies provide rapid, reliable and highly sensitive computerised cognitive tests across a growing list of domains and support electronic clinical outcome assessment (eCOA) solutions to replace costly and error-prone paper assessments with real-time data capture. The company's clinical trials solutions include quality assurance services for study endpoints that combine innovative operational approaches, advanced analytics and scientific consulting. For nearly 20 years, Cogstate has proudly supported the leading-edge research needs of biopharmaceutical companies and academic institutions and the clinical care needs of physicians and patients around the world. For more information, please visit www.cogstate.com.