

# ASX Announcement

## 24 August 2021

Cogstate Limited  
ABN 80 090 975 723

Suite 117  
425 Smith Street  
Fitzroy Victoria 3065  
Australia

P +61 3 9664 1300  
F +61 3 9664 1301  
W cogstate.com

## Business Update

All figures provided in US\$

### Quarterly Sales Contracts Executed to Date – Clinical Trials Segment

Cogstate (ASX.CGS) is pleased to announce that the net value of Clinical Trials sales contracts executed in 1Q22 to date (01 Jul 2021 - 23 Aug 2021) is \$35.4 million. The gross total of new sales contracts executed was \$38.4 million and includes several new sales contracts. The net total of \$35.4 million includes the cancellation of one ongoing trial.

For context, a history of net Clinical Trials sales contracts executed, per quarter, since 1 July 2019 is provided below:

	Sep Qtr US\$m	Dec Qtr US\$m	1 <sup>st</sup> Half US\$m	Mar Qtr US\$m	Jun Qtr US\$m	2 <sup>nd</sup> Half US\$m	Year US\$m
<b>FY22 YTD</b>	\$35.4 <sup>(1)</sup>						
<b>FY21</b>	\$8.3	\$14.3	\$22.6	\$13.3	\$11.4	\$24.7	\$47.3
<b>FY20</b>	\$6.7	\$17.5	\$24.2	\$9.5	\$7.6	\$17.1	\$41.3

<sup>(1)</sup> Quarter to date: For the period 01 Jul 2021 – 23 Aug 2021 only.

Included in the total is a large contract in respect of a Phase 3, randomized, placebo-controlled clinical trial in participants at risk for cognitive and functional decline related to Alzheimer's disease. Revenue from the large phase 3 contract will be recognised over a period of 5-6 years based on study milestones. Of the total contract value, approximately \$6 million of revenue is expected to be recognised in FY22. While milestone dates can be hard to predict this far in advance, it is estimated that approximately \$8m of revenue from the contract will be recognised in each of FY23, FY24 and FY25.

### A key aspect of the contracted Phase 3 trial is the decentralised trial design

A key aspect of the phase 3 clinical trial that has been contracted is the virtual trial design that leverages Cogstate's digital assessments as well as Cogstate's other technology solutions. Since the beginning of the pandemic, the clinical trials industry has seen an increase in demand for remote assessment. Decentralised clinical trials - also known as distributed, home-based or, siteless trials – provide a means of conducting a trial in the patient's home, as compared to requiring the patient to come to a major clinical facility.

As part of the agreement for the phase 3 trial, Cogstate will provide proprietary digital endpoints, which have been utilized in hundreds of clinical trials and optimized for at-home assessment. Additionally, Cogstate's clinician experts, who are experienced in pre-clinical Alzheimer's disease, will remotely administer and monitor the primary clinical endpoint and other cognitive assessments in the trial. The entire process will be enabled by electronic data capture and video telehealth technologies, thereby facilitating a more virtual method of assessing the effects of treatment.

## **Net value of sales contracts executed includes the cancellation of a Phase 2 trial**

The \$35.4m net value of Clinical Trials sales contracts executed quarter to date is inclusive of the cancellation of a phase 2 Alzheimer's disease study, where no statistically significant treatment effect was observed for a potential tau-based treatment. The cancellation of that phase 2 study will not impact FY22 contracted revenue but will result in approximately \$3m being removed from FY23 contracted future revenue. After accounting for the newly awarded contracts, as well as the cancelled study, the impact on contracted FY23 revenue is a net increase of approximately \$5m.

## **Upcoming release of FY21 financial statements**

Cogstate will release audited financial reports for the year ended 30 June 2021 tomorrow, on Wednesday 25 August 2021. Investors are invited to join a live webcast and Q&A hosted by CEO, Brad O'Connor, and CFO, Darren Watson, on Wednesday, 25 August 2021 at 11:00am Australian Eastern Standard Time.

Investors can register via the following weblink to join the live event or receive the recording if unable to attend: <https://register.gotowebinar.com/register/4247925107917677328>

This announcement was authorised for release by a sub-committee of the Board of Directors of Cogstate Ltd.

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### **About Cogstate**

Cogstate Ltd (ASX:CGS) is the neuroscience technology 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 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. In the Healthcare market, in August 2019 Cogstate entered into an exclusive licensing agreement with the pharmaceutical company Eisai, under which Eisai will market Cogstate technologies as digital cognitive assessment tools in Japanese markets. In October 2020, Cogstate extended its agreement with Eisai to the Rest of the World. The product, branded as NouKNOW, launched in Japan on 31 March 2020 ([nouknow.jp](http://nouknow.jp)). For more information, please visit [www.cogstate.com](http://www.cogstate.com).

### **For further information contact:**

Brad O'Connor, Chief Executive Officer, [boconnor@cogstate.com](mailto:boconnor@cogstate.com)