



COGSTATE

ANNUAL GENERAL MEETING

17 OCTOBER 2016

BOARD OF DIRECTORS

- **MARTYN MYER AO** - Chairman
Founder with long history of supporting neurosciences in Aust.
- **DAVID SIMPSON** - Independent Non-Executive Director
Previously Senior Partner at Doremus Communications, the largest US business to business advertising agency. From 1985 to 2001 he held a series of senior management positions in Asia, South Africa and North America as well as Australia for the multinational advertising agency, J.Walter Thompson.
- **DAVID DOLBY** - Non-Executive Director
Director Dolby Laboratories Inc. and Dolby Family Ventures, an early stage venture firm focused on building great technology companies.
- **RICHARD VAN DEN BROEK** - Independent Non-Executive Director
Founder and managing partner of HSMR Advisors LLC, a U.S. based fund manager with an investment emphasis on small and mid-cap biotech public companies
- **BRAD O'CONNOR** – CEO
CEO since December 2005



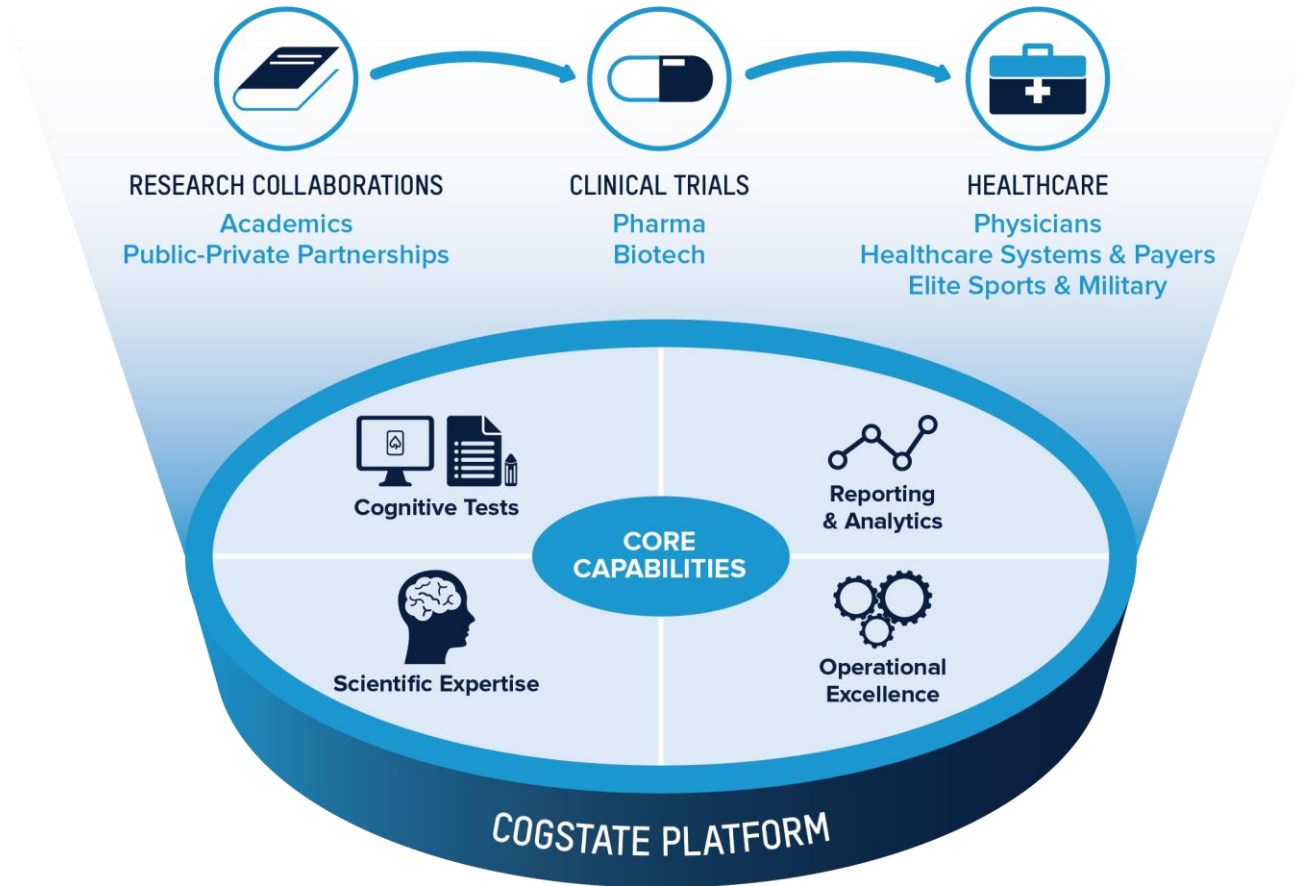
We believe that **brain health is profoundly important to quality of life** and should be easier to measure.

That's why we so passionately apply our expertise, access to data and flexible technology **to simplify the measurement of cognition.**

It's our core focus, and we won't stop until cognitive assessment—**anyone, anytime, anyplace**—is a routine exercise across healthcare and clinical research.”



SIMPLIFYING THE MEASUREMENT OF COGNITION IN:



VALIDATED THROUGH USE IN OVER 1,500 STUDIES ACROSS ACADEMIC AND CLINICAL RESEARCH



54
COUNTRIES



88
LANGUAGES
& DIALECTS



70
INDICATIONS



>400
PEER REVIEWED
PUBLICATIONS

Cognition disorders **Alzheimer's disease** Heart failure
Major depressive disorder Multiple sclerosis (MS) **Hepatitis C**
Parkinson's disease Diabetic peripheral neuropathy **Mild cognitive impairment**
Insomnia **Schizophrenia** Overactive bladder Stroke
Obsessive compulsive disorder **Alcohol Toxicity** **Familial Hypercholesterolemia**
Attention deficit hyperactivity disorder **Epilepsy** Prostate cancer Lung carcinoma
Bipolar disorder **Glioblastoma** Tourette's syndrome **Paediatric Hyponatremia**
Autism spectrum disorders **Healthy Population** Anemia **HIV**
Pain Fragile X **Cardiovascular Risk** **NSCLC** **Down syndrome** Depression



FY16 BUSINESS MILESTONES



RETURN TO PROFITABILITY

Delivered on our guidance to return to positive EBIT, recording EBIT of A\$1.0M for the 2016 financial year. Focused commercial strategy driving results.



RECORD SALES CONTRACTS OF US\$28.5 MILLION

Another record year for contracts signed, with US\$28.5M signed in FY16, an increase of 20% on FY15.



STRONG OPERATIONAL DELIVERY DRIVING REPEAT BUSINESS

76% of new contracts signed across the Clinical Trials customer base from repeat clients



CONTRIBUTIONS FROM NEW PRODUCT

First full year contribution from Precision Recruitment.

Cogstate has invested significantly in the Product Development team during FY16 to increase the speed to market for the next generation product offering.

SUMMARY OF FY16 FINANCIAL PERFORMANCE



RECORD REVENUES & POSITIVE EBIT

DELIVERED ON GUIDANCE WITH EBIT OF A\$1.0M



MAINTAINED GROSS MARGIN

EVEN AS HEADCOUNT GREW TO KEEP PACE WITH DEMAND



FINANCIAL LEVERAGE

THE INCREASE IN REVENUE HAS DELIVERED SIGNIFICANT EBIT IMPROVEMENT

	FY16 A\$ millions	FY15 A\$ millions	Change A\$ millions
Clinical Trials & Precision Recruitment Revenue	27.14	15.70	11.46
Total Revenue	27.25	16.07	11.18
EBIT	1.04	-3.05	4.09
Net Profit After Tax*	2.64	-5.06	7.70

* FY16 includes Income Tax Benefit of \$1.6M

BUSINESS UPDATE Q1 FY17



RECORD REVENUE

Q1 revenue was a record A\$11.1M

Up 82% on Q1FY16, and up 59% on last quarter (Q4FY16)



RECORD SALES

Largest quarter of new contract signings

US\$17.3M of contracts signed since 1 July 2016



RECORD BACKLOG

Record high contracted future revenue position

Contracts totaling A\$55.5m, of which A\$28.7m will be recognised in FY17



MANAGING CASHFLOW

A Net Operating Cash Outflow of -A\$2.78m

Cash receipts from customers expected to improve Q2 FY 17

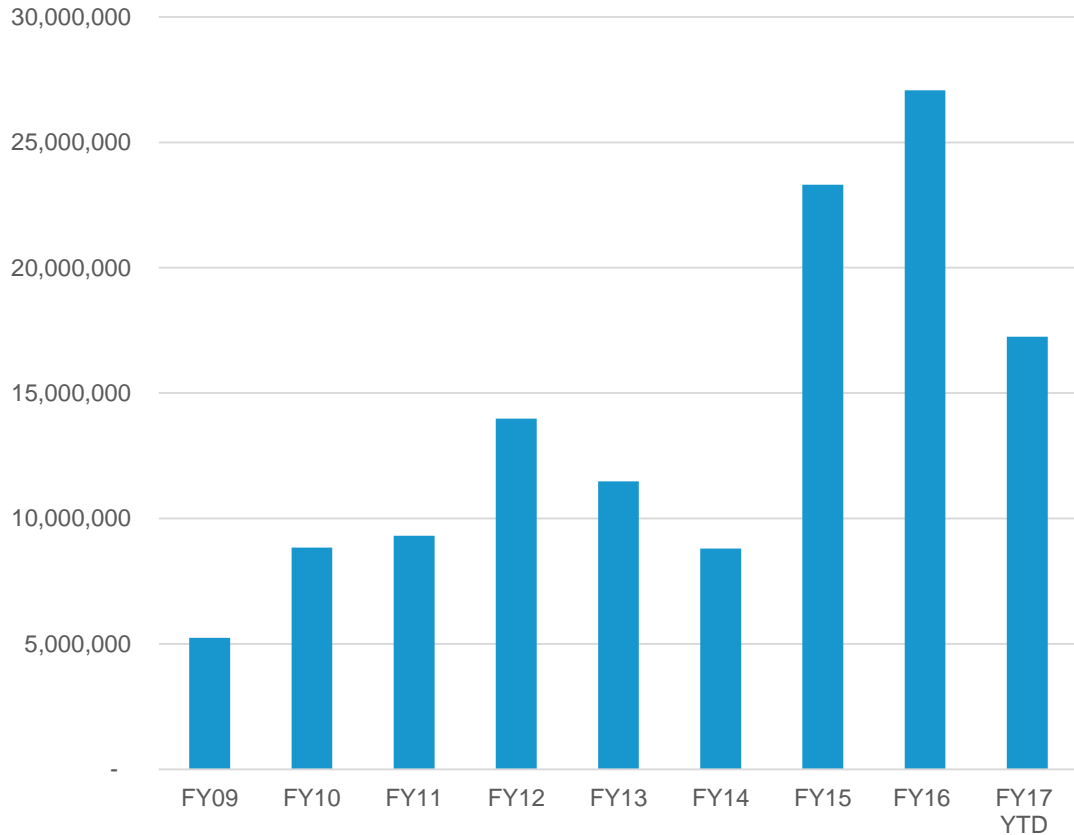


CONTINUED PROFITABILITY

Positive EBIT recorded for the quarter

Guidance provided for positive EBIT for the first half of the FY17

CONTINUED GROWTH IN SALES CONTRACTS

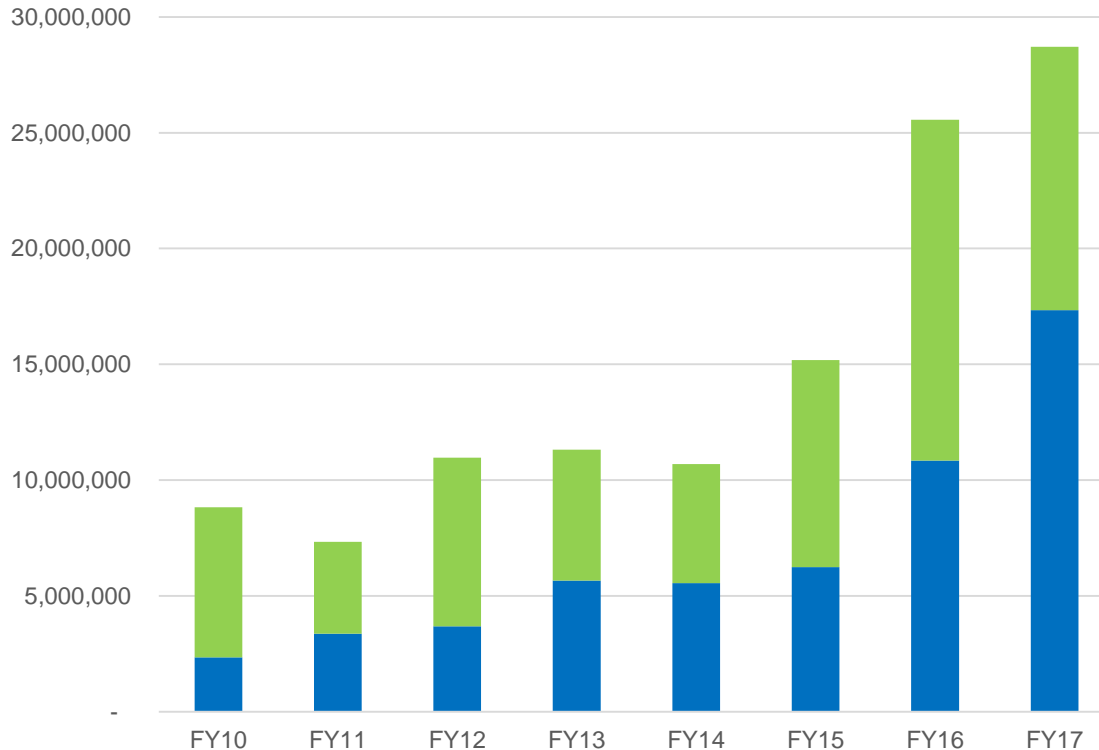


Q1 RECORD FOLLOWS STRONG GROWTH IN FY16

US\$28.5M of sales contracts signed during FY16

A record US\$17.3M of sales contracts signed during the first quarter of FY17.

GROWTH IN CONTRACTED REVENUE



■ REVENUE RECOGNISED FROM CONTRACTS SIGNED DURING THE YEAR

■ REVENUE RECOGNISED FROM CONTRACTS ON HAND AT THE BEGINNING OF THE YEAR

RECORD CONTRACTED REVENUE BACKLOG

FY16:

- Began year with A\$10.9M of contracted revenue.
- An additional A\$16.3M of revenue was recognised as a result of signing US\$28.5M of sales contracts throughout the year.

FY17:

- Began year with A\$17.5M of contracted revenue.
- An additional A\$11.2M of revenue will be recognised as a result of signing US\$17.3M of sales contracts in Q1.

BUSINESS OUTLOOK

- Positive EBIT expected for H1 FY17, based on strong Q1 performance
 - September quarter sales results reinforces the exciting growth profile
 - Strong backlog of contracted future revenue provides visibility into revenue growth for FY17
- Guidance in respect of the full year will be provided following the release of the half year financial statements
- To further pursue of the growing market opportunity for Cogstate's products and services, the company will invest in the expansion of the senior management team



COGSTATE

ASSESS • MONITOR • IMPROVE

APPENDIX 1

CONTRACTED REVENUE PIPELINE

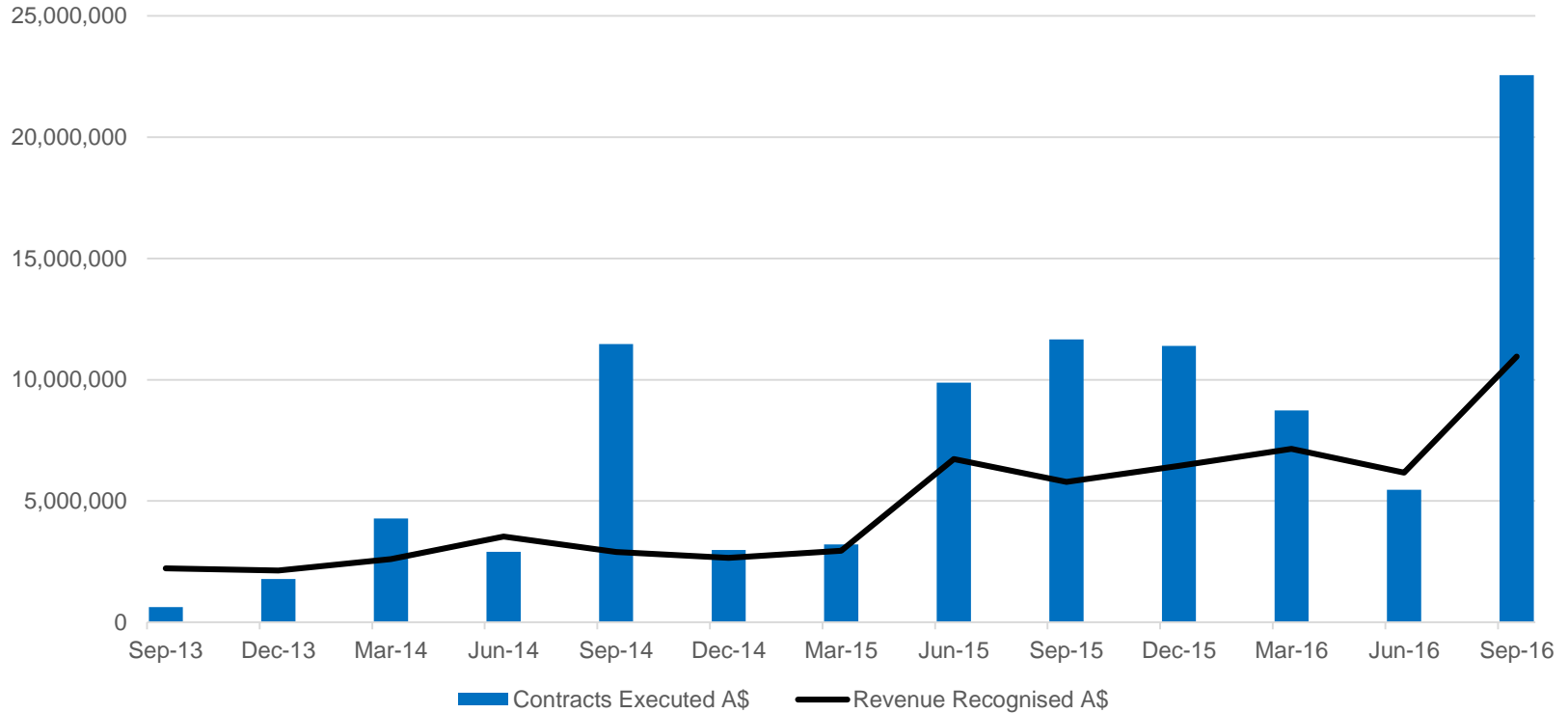
US\$17.3m of new sales contracts signed since 1 July 2016 have added an additional A\$11.2m to FY17 contracted revenue. This is in addition to the A\$17.5m that was secured at 1 July 2016:

	As at 30 Sept 2016		As at 30 June 2016		As at 22 Oct 2015	
Year 1	FY17	A\$28.7m	FY17	A\$17.5m	FY16	A\$18.7m
Year 2	FY18	A\$14.3m	FY18	A\$ 9.7m	FY17	A\$ 9.2m
Year 3-5	FY19-FY22	A\$12.5m	FY19-FY22	A\$ 6.7m	FY18-FY20	A\$ 7.5m
Total		A\$55.5m		A\$33.9m		A\$35.4m

Contracts are denominated in US\$. Spot rate at 30 September 2016 has been used to calculate the A\$ equivalent. The rate used at 30 September 2016 was 0.763, the rate used at 30 June 2016 was 0.743 and the rate used at 22 October 2015 was 0.732.

APPENDIX 2

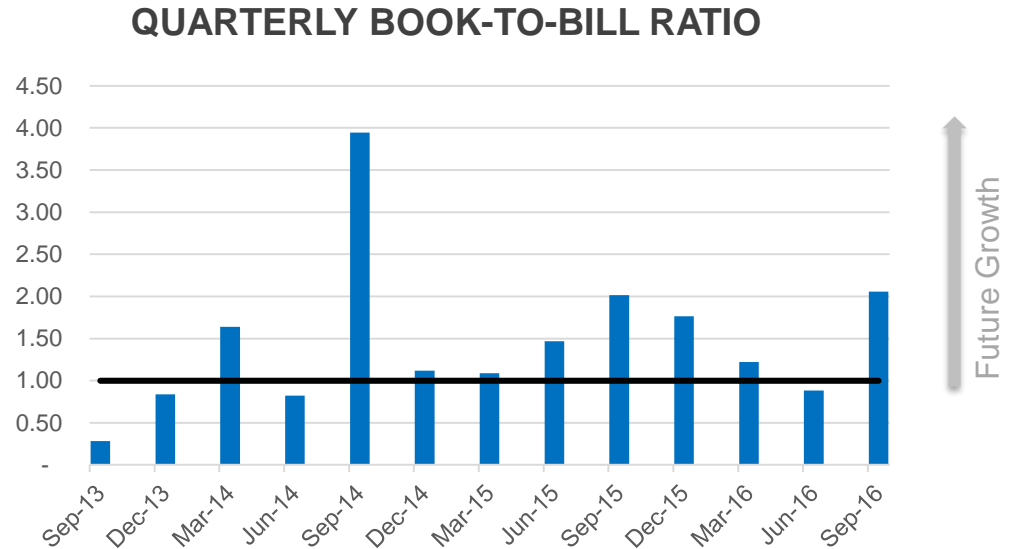
CONTRACTS SIGNED VS. REVENUE, PER QUARTER



APPENDIX 3

QUARTERLY BOOK-TO-BILL RATIO

New contract signings in 1Q17 of A\$22.6m exceeded the A\$11.1m of revenue in the same period by **2.04x (Book-to-Bill ratio)**. New contract signings have exceeded revenue (Book-to-Bill ratio >1) in 8 of the last 9 quarters, indicating growth in the revenue pipeline.



At 1.00, contracts signed = revenue and future contracted revenue is constant.

When Book-to-Bill > 1.00 contracted future revenue increases.

APPENDIX 4

SUMMARY BALANCE SHEET

	30 JUNE 2016 A\$'000,000	30 JUN 2015 A\$'000,000
Assets		
- Cash and cash equivalents	7.47	5.50
- Trade and other receivables	5.26	4.90
- Other current assets	0.94	0.46
- Property, plant and equipment	1.71	1.12
- Deferred tax assets	3.85	1.94
- Intangible assets	0.40	0.40
Total Assets	19.63	14.31
Liabilities		
- Trade and other payables	3.39	2.55
- Provisions	1.72	1.15
- Deferred tax liabilities	0.72	0.49
Total Liabilities	5.83	4.19
Net Assets	13.80	10.11