

# ASX Announcement

## 23 July 2020

All figures are reported in US\$

### Business Update and June 2020 Quarter Cashflow (Appendix 4C)

Cogstate (ASX.CGS) has today released a business update and its Appendix 4C – Quarterly Cash Flow statement for the quarter ended 30 June 2020.

*The financial results provided remain subject to audit review. Audited financial results will be released to the market on 26<sup>th</sup> August 2020.*

#### Summary of Results

	Quarter Ended 30 Jun 2020 (4Q20) US\$'000,000	Prior Quarter 31 Mar 2020 (3Q20) US\$'000,000	PCP* 30 Jun 2019 (4Q19) US\$'000,000
Sales contracts executed (clinical trials division) <sup>1</sup>	8.4	10.7	4.1
Contracted future revenue <sup>3</sup>	39.4	42.1	20.3
Total revenue <sup>2,4</sup>	7.6	6.3	5.3
Total cash & receivables	14.8	14.6	7.5
- Cash reserves	10.6	7.3	3.2
- Trade receivables	4.2	7.3	4.3

\* PCP = Prior Corresponding Period

#### Highlights

- **Record high sales contracts executed:** Clinical Trials sales contracts totalled \$8.4 million during 4Q20, taking the year to date total to \$46 million, making FY20 the most successful financial year for Clinical Trials sales contracts executed in Cogstate's history (see page 3).
- **Contracted future revenue:** Nominally, contracted future revenue increased during the quarter – the value of contracts executed exceeded revenue recognised. The figure at 30 June 2020 has been restated to remove third-party services (see page 5).
- **Revenue increase:** As expected, the substantial increase in Clinical Trials sales contracts in the previous quarters resulted in an increase in revenue during 4Q20 (see page 4).
- **Cash positive quarter:** Cash reserves totalled \$10.6 million at 30 June 2020, an increase of \$3.3 million during 4Q20, including:
  - A net cash inflow from operations of \$1.1 million during the quarter, reflecting a record level of receipts from customers during the quarter; and
  - The receipt of \$2.4 million loan under the Paycheck Protection Program (see page 8).
- **ERT Relationship announced:** Earlier today, ERT announced a preferred partnership with Cogstate that will see Cogstate computerised cognitive assessments deployed in clinical trials on ERT's electronic Clinical Outcome Assessment technology platform.

## Explanatory Notes

1. **Sales contracts:** In the Clinical Trials division, Cogstate enters into contracts (“sales contracts”) with both pharmaceutical and biotechnology companies for the provision of Cogstate technology and services, for use in clinical research trials, to determine the extent to which their investigational compound is impacting the cognition of the patient population. The contract value will differ for each clinical trial, depending upon the scope of the technology and services provided by Cogstate, as well as the complexity and length of the trial. An increase in the total value of sales contracts executed will increase the revenue backlog and will, over time, result in an increase to revenue recognised by Cogstate.
2. **Calculation of revenue from Clinical Trials division:** Revenue from sales contracts is recognised over the life of the contract. The length of a clinical trial can vary from several months for a phase 1 study and up to 4-5 years for a phase 3 study. Revenue is recognised based upon achievement of pre-determined milestones. During each period, revenue may be recognised from (i) contracts in the backlog at the beginning of the period, as well as (ii) sales contracts executed during the period. Usually there is a time lag between an increase or decrease in the level of sales contracts executed and a corresponding change to recognised revenue.
3. **Contracted future revenue backlog:** Executed sales contract values that have not yet been recognised as revenue at period end are referred to as “contracted future revenue”. The revenue from these contracts will be recognised upon achievement of pre-determined milestones throughout the clinical trials. The contracted future revenue figure provides insight into future revenue performance.
4. **Healthcare revenue:** Cogstate has developed tools specifically designed to aid healthcare professionals, in general and specialist practice medicine, with objective assessments of cognition in patients. Cogstate’s Healthcare offering includes the system branded as Cognigram™, a medical device which allows for regular and standardised testing to assist in the early detection of cognitive decline that could be related to a range of factors, including neurodegenerative diseases such as Alzheimer’s disease.

In August 2019, Cogstate entered into an exclusive licensing agreement with pharmaceutical company Eisai Co. Ltd, under which Eisai will market Cogstate technology as digital cognitive assessment tools in Japan. On 31 March 2020, Eisai launched “NouKNOW”, a digital tool for self-assessment of brain health based upon technology created by Cogstate. The Japanese product launch will initially target (i) municipalities providing health services to local residents and (ii) corporations providing health checks for employees.

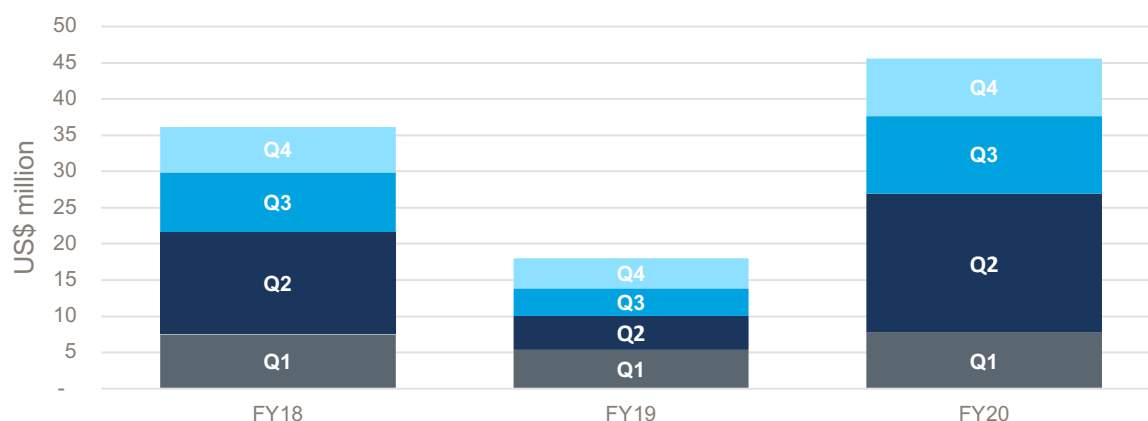
With an increased focus on brain health in the community and with the potential upcoming release of a disease modifying treatment in patients with early Alzheimer’s disease, Cogstate is focused on the growth opportunity that the Healthcare market provides.

## Sales Contracts Executed

For the quarter ended 30 June 2020, Cogstate executed \$8.4 million of Clinical Trials sales contracts. The 4Q20 result represented 105% growth on the prior corresponding period (June 2019).

As a result of Covid-19 and the resulting isolation orders that have been in place in many parts of the world, there was a general slowing of initiation of new clinical trials during the June 2020 quarter. Of the \$8.4 million of sales contracts executed by Cogstate in the June quarter, more than 50% was executed in the first weeks of April. Thereafter, Cogstate executed less than \$0.5 million of sales contracts for new trials. However, Cogstate was able to execute a number of contracts for increased services for ongoing trials. Through May & June there was demand for increased services from Cogstate to meet the changing needs of clinical trial sponsors including advising our customers on strategies for “virtual visits” and other adjustments to trial design that were required due to the various isolation measures in place. The adjustments to the conduct of assessments has allowed most ongoing clinical trials to continue, albeit with alteration to the format and timing of some patient assessments.

### Clinical Trial Sales Contracts Executed



Total Clinical Trials sales contracts executed financial year to date total \$46 million, making FY20 Cogstate's most successful year on record for Clinical Trials sales contracts.

This record result for the 2020 financial year is more than 150% improvement on the \$18 million of clinical trials sales contracts executed during the 2019 financial year and 28% improvement on the previous record of \$36 million of clinical trials sales contracts executed during the 2018 financial year.

For context, a history of Clinical Trials sales contracts executed, per quarter, since 1 July 2016 is provided:

	Sep Quarter \$m	Dec Quarter \$m	1 <sup>st</sup> Half \$m	Mar Quarter \$m	Jun Quarter \$m	2 <sup>nd</sup> Half \$m	Financial Year
<b>FY17</b>	\$17.3	\$5.7	\$23.0	\$3.6	\$3.0	\$6.6	\$29.6
<b>FY18</b>	\$7.5	\$14.1	\$21.6	\$8.3	\$6.2	\$14.5	\$36.1 <sup>(1)</sup>
<b>FY19</b>	\$5.4	\$4.6	\$10.0	\$3.8	\$4.1	\$7.9	\$17.9
<b>FY20</b>	\$7.7	\$19.2	\$26.9	\$10.7	\$8.4	\$19.1	\$46.0

<sup>(1)</sup> Does not take into account \$6.4m of study cancellations that were recognised at 30 June 2018.

## Revenue

Total revenue of \$7.6 million for 4Q20 was a 21% increase on the prior quarter and a 43% increase on the prior corresponding period.

Revenue	1Q20 US\$ m	2Q20 US\$ m	3Q20 US\$ m	4Q20 US\$ m	FY20 US\$ m	FY19 US\$ m
Clinical Trials	3.80	4.46	5.73	7.02	21.01	21.35
Healthcare	1.15	0.14	0.46	0.60	2.35	0.30
Research	0.06	0.08	0.10	0.02	0.26	0.18
<b>Total Revenue</b>	<b>5.01</b>	<b>4.68</b>	<b>6.29</b>	<b>7.64</b>	<b>23.62</b>	<b>21.83</b>

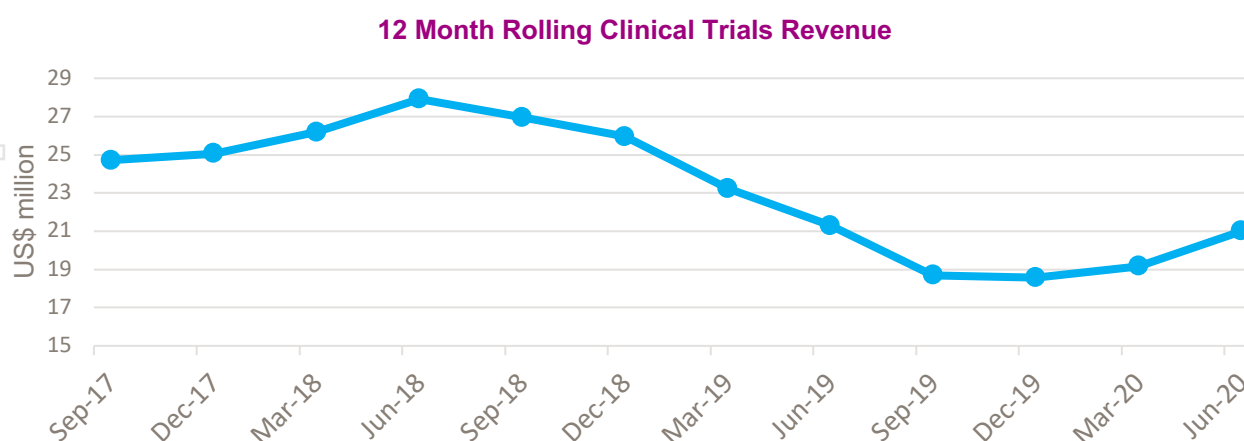
Additional Healthcare revenue recognised during 4Q20 predominantly relates to payments received from Eisai in respect of the license of Cogstate technology in Japan. The revenue reflects services provided by Cogstate to Eisai. Whilst product launch occurred in Japan at the end of 3Q20, profit share is not expected in the near term.

In line with previous guidance, the substantial increase in Clinical Trials sales contracts in the previous quarters resulted in an increase in Clinical Trials revenue totalling \$7.02 million for 4Q20, which was a 23% increase on the prior quarter and a 35% increase on the prior corresponding period (4Q19 \$5.2m).

The graph below shows 12 month rolling revenue from the Clinical Trials segment only – it excludes revenue from both the Healthcare segment and the Research segment.

Following the cancellation of a number Alzheimer's disease clinical trials that occurred during the 2018 calendar year, Clinical Trials revenue began to decrease and continued that downward trend through FY19 due to the resulting lower level of Clinical Trials sales contracts executed during that financial year.

The substantial increase in Clinical Trials sales contracts executed throughout FY20 has resulted in an increase in revenue in the March and June quarters of FY20.



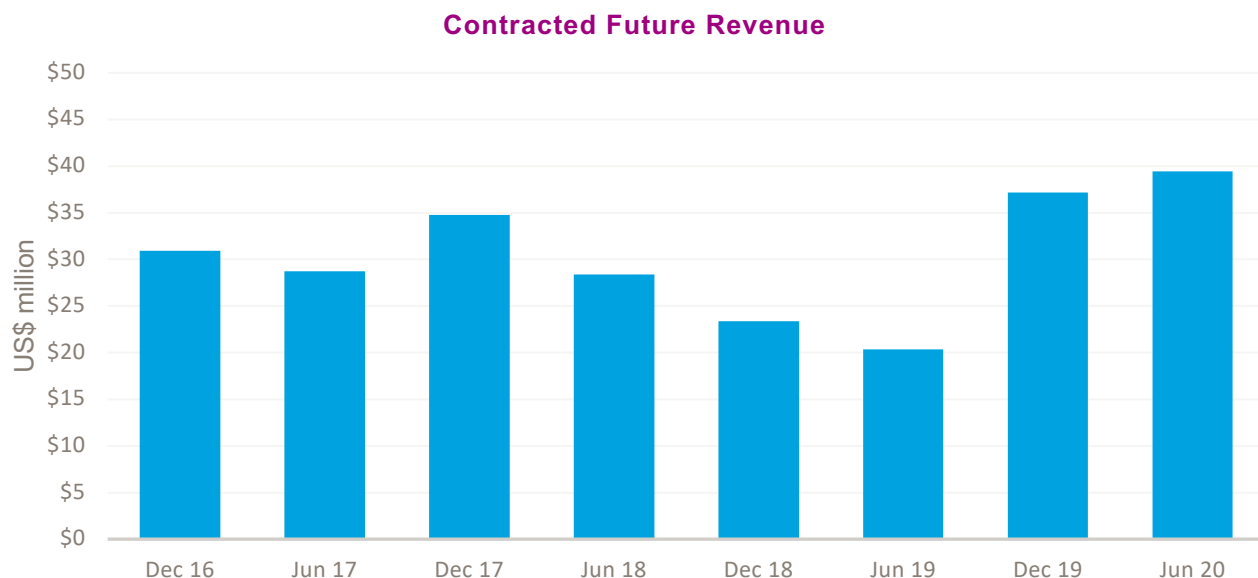
## Contracted Future Revenue

The contracted future revenue figure provides insight into future revenue performance.

Nominally, contracted future revenue increased during the quarter – the value of contracts executed (\$8.4m) exceeded the amount of Clinical Trials revenue recognised (\$7.02m). The figure at 30 June 2020 has been restated to more accurately reflect future net revenue that Cogstate is expected to derive under the existing contracts - previous reporting included third-party services that are contracted through Cogstate but will not impact Cogstate net revenue in future periods.

Therefore, under the updated reporting, Cogstate reported a decrease in Contract Future Revenue from \$42.1m at 31 March 2020 to \$39.4 million at 30 June 2020.

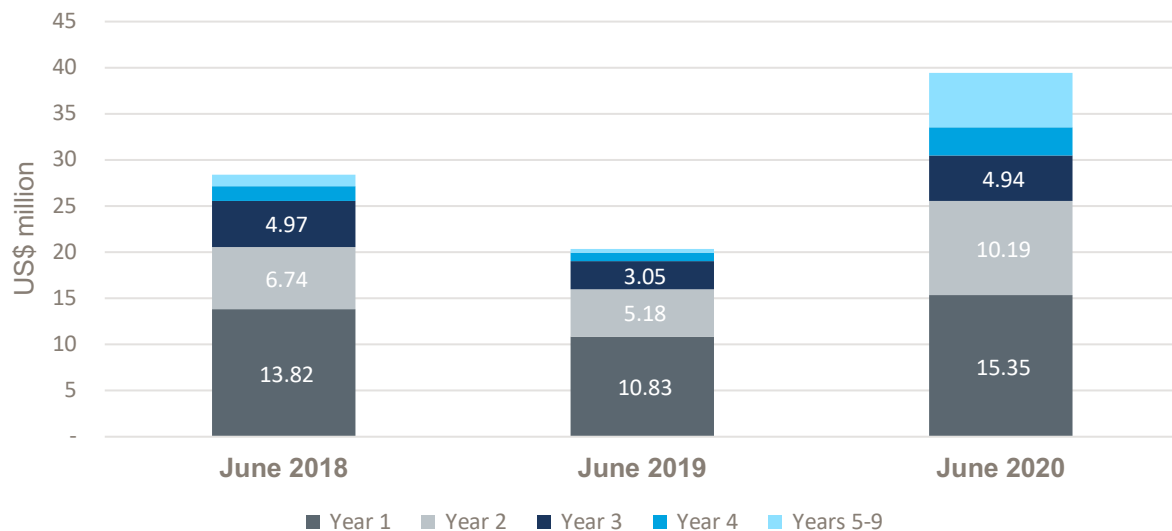
The graph below shows contracted future revenue as at the end of each half year period since December 2016:



The contracted future revenue will be recognised over the life of each clinical trial. The length of a clinical trial can vary from several months for a phase 1 study and up to 4-5 years for a phase 3 study – Cogstate is currently supporting a phase 3 study of pre-clinical Alzheimer's disease that is expected to run for 8 years. Revenue is recognised based upon achievement of pre-determined milestones.

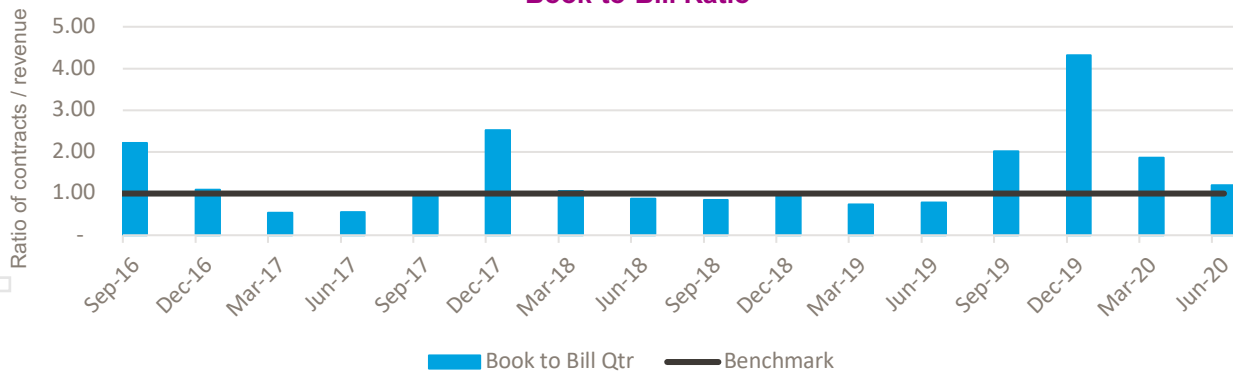
Based on expected timing of milestones, the expected run-off of revenue is shown in the graph below. At 30 June 2020, Cogstate has \$15.35 million of contracted revenue that is expected to be recognised in FY21, an improvement of 42% from the prior year.

### Contracted Clinical Trials Revenue - Expected Run-Off and Historical Comparison



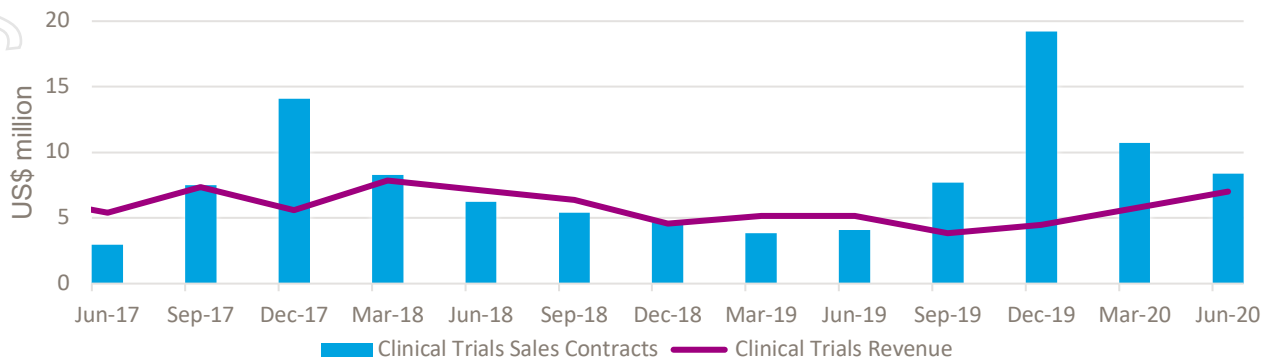
4Q20 Book-to-Bill ratio was 1.20 - the fourth consecutive quarter of growth. Book-to-bill ratio represents new business wins (Sales Contracts) divided by the quarter's revenue and is widely used in the pharmaceutical services industry as a measure of demand. A figure over 1.0 is indicative of an increase in contracted future revenue backlog.

### Book-to-Bill Ratio



The graph below shows a different analysis of the same data, both sales contracts and revenue, but raw numbers rather than a ratio as shown above.

### Sales Contracts vs Revenue Recognised



### Operating Cash Flow

- Net cash inflow of \$2.98 million for the June 2020 quarter, including net operating cash inflow of \$1.09 million.
- Record cash receipts from customers of \$9.61 million for the quarter. Trade receivables balance fell from \$7.3 million at 31 March to \$4.2 million at 30 June 2020, reflecting the significant cash receipts from customers.
- Staffing levels and staff costs have not varied substantially from March to June. Cash outflows relating to staff costs for the June quarter (\$4.4m) were \$0.9 million less than the March quarter, reflecting:
  - One-off recruitment costs incurred in the March quarter; and
  - Based on 2 weekly pay-cycle in the USA, the March quarter included an additional pay run (approx. \$0.5 million per USA pay cycle).
- Government grant funds received in the June quarter (\$34,396) relate to the temporary cash flow support provided by the Australian government to small businesses, paid as credits on Business Activity Statements as part of COVID-19 support measures. The amount of A\$50,000 was received in the June quarter and a second payment is expected to be received in the September quarter.
- Non-government grant funds received is funding from the Alzheimer's Drug Discovery Foundation Diagnostics Accelerator initiative – refer to ASX announcement dated 30 April 2020 for more detail.
- Gross Operating Cash outflows were \$9.05 million for the June 2020 quarter, an increase of \$1.65 million from the prior March 2020 quarter (\$7.40 million):
  - Administration and corporate costs (\$4.13 million) increased by \$2.7 million in the June quarter, comprised primarily of \$2.6 million of clinical trial specific 3<sup>rd</sup> party costs that are passed through to customers and therefore do not impact overall profitability; and
  - Other gross cash outflows decreased by \$1.0 million, primarily related to reduction in staff costs noted above.
- Quarterly Gross Operating Cash outflows (excluding clinical trial specific 3<sup>rd</sup> party costs that are passed through to the customer) are detailed below:

	Sep	Dec	Mar	Jun	Annual
	US\$m	US\$m	US\$m	US\$m	US\$m
FY19	\$9.37	\$5.71	\$6.52	\$5.74	\$27.34
FY20	\$6.95	\$5.50	\$5.97	\$5.96	\$24.38

## Financing Cash Inflow

- Net financing cash inflow of \$2.23 million includes receipt of loan funds of \$2.44 million:
  - With reference to Cogstate ASX Announcement released May 6<sup>th</sup> 2020, Cogstate Inc., a US domiciled, wholly owned subsidiary of Cogstate Ltd, secured a US\$2.44 million loan from Citibank under the Paycheck Protection Program (PPP) contained within the Coronavirus Aid, Relief and Economic Security (CARES) Act that was signed into law in the USA in March 2020.
  - The PPP Flexibility Act was signed into law in June 2020. Under these provisions, Cogstate will be able to apply for forgiveness of all loan proceeds used for USA based payroll costs, rent, utilities and other qualifying expenses. It is expected that Cogstate will apply for such forgiveness in the first half of FY21.
  - Cogstate cannot reliably estimate the amount of any forgiveness and therefore the entire loan amount (\$2.44 million) will remain as a payable within our financial statements until the amount of any forgiveness has been confirmed.

## COVID-19 Update

As detailed earlier in this release, there was a general slowing of initiation of new clinical trials during the June 2020 quarter. Of the \$8.4 million of sales contracts executed by Cogstate in the June quarter, more than 50% was executed in the first weeks of April.

Cogstate staff are focused on delivering against the substantial increase in Clinical Trials sales contracts that have been executed throughout FY20. Cogstate's financial position, our ability to operate remotely, and the ongoing needs of research and clinical teams allowed us to keep all staff; no Cogstate staff have been laid off or furloughed.

Cogstate has not received any benefits under the JobKeeper program offered by the Australian government to businesses impacted by COVID-19.

As detailed above, Cogstate Inc, a 100% owned subsidiary of Cogstate Ltd, did receive a loan under Paycheck Protection Program but that has not impacted revenue or expenses that have been reported in the FY20 year.

To date, there has been no impact to the launch of Cogstate technology to businesses and consumers in Japan. On 31 March 2020, Cogstate's commercial partner in Japan, Eisai Co. Ltd., launched "NouKNOW", a digital tool for self-assessment of brain health based upon technology created by Cogstate. The Japanese product launch will initially target (i) municipalities providing health services to local residents and (ii) corporations providing health checks for employees.



## ERT Relationship

On Wednesday, 22 July 2020, USA time, ERT, the global leader in clinical endpoint data collection, announced a preferred partnership with Cogstate that will see Cogstate computerised cognitive assessments deployed in Clinical Trials on ERT's electronic Clinical Outcome Assessment (eCOA) technology platform.

ERT was founded in 1972 and today supports the conduct of thousands of clinical trials annually. In 2019, 75% of all FDA drug approvals that year came from ERT-supported studies. ERT is owned by Nordic Capital, Astorg, Novo Holdings A/S and the ERT management team. ERT is headquartered in Philadelphia, PA and employs over 1,900 staff.

The relationship with ERT offers Cogstate a potentially significant distribution channel to expand use of Cogstate computerised cognitive assessments in clinical trials – with a focus on both efficacy and safety endpoints.

For further details, please refer to the separate announcement released by Cogstate to the ASX earlier today.

## Investor Webcast

Investors are invited to join Cogstate CEO, Brad O'Connor for a live webcast and Q&A presenting the June Quarter Business Update on Friday 24 July 2020 at 9am 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/729394431870798094>

This announcement was authorised for release by the Board of Directors of Cogstate Ltd.

## 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. 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)

## Quarterly Report – 30 June 2020

### Summary Financial Table

	Quarter Just Completed 30-Jun-20 US\$ million	Previous Quarter 31-Mar-20 US\$ million	Previous Corresponding Quarter 30-Jun-19 US\$ million
<b><u>Receivables</u></b>			
Opening balance	7.32	4.13	3.80
Closing balance	4.21	7.32	4.28
<b>Net Increase/(Decrease) in Receivables</b>	<b>(3.11)</b>	<b>3.19</b>	<b>0.48</b>
<b><u>Payables</u></b>			
Opening balance	(5.04)	(4.53)	(4.00)
Closing balance	(7.05)	(5.04)	(4.70)
<b>Net Increase/(Decrease) in Payables</b>	<b>2.01</b>	<b>0.51</b>	<b>0.76</b>
<b><u>Cash Flow</u></b>			
Cash receipts from customers	9.61	7.23	6.76
Cash payments to employees	(4.37)	(5.28)	(3.47)
Cash payments to suppliers	(4.69)	(2.12)	(3.50)
Cash receipts, non-trading	0.54	0.23	0.01
<b>Net Operating Cash In/(Out) Flows</b>	<b>1.09</b>	<b>0.06</b>	<b>(0.20)</b>
<b>Net Investing Cash In/(Out) Flows</b>	<b>(0.34)</b>	<b>(0.12)</b>	<b>(0.15)</b>
<b>Net Financing Cash In/(Out) Flows</b>	<b>2.23</b>	<b>0.21</b>	<b>0.00</b>
<b>Foreign exchange movement</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in cash held</b>	<b>2.98</b>	<b>0.15</b>	<b>(0.35)</b>

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Cogstate Limited

**ABN**

80 090 975 723

**Quarter ended ("current quarter")**

30 June 2020

Consolidated statement of cash flows		Current quarter \$US	Year to date (12 months) \$US
<b>1. Cash flows from operating activities</b>			
1.1 Receipts from customers		9,607,010	29,301,575
1.2 Payments for			
(a) research and development		(15)	(65,417)
(b) product manufacturing and operating costs		-	-
(c) advertising and marketing		3,010	(149,236)
(d) leased assets		-	-
(e) staff costs		(4,368,463)	(18,969,245)
(f) administration and corporate costs <sup>(1)</sup>		(4,135,416)	(8,550,683)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		1,214	14,969
1.5 Interest and other costs of finance paid		(12,498)	(124,833)
1.6 Income taxes paid		(7,839)	(216,010)
1.7 Government grants and tax incentives		34,396	68,710
1.8 Other (provide details if material)			
Grant funds received (non-government)		500,000	726,667
Accounting & Audit		(51,649)	(438,090)
Computer costs		(170,700)	(1,281,427)
Legal costs, including patent costs		(188,300)	(369,812)
Listing fees & Associated costs		(9,033)	(98,386)
Travel Costs		(107,488)	(785,242)
<b>1.9 Net cash from / (used in) operating activities</b>		<b>1,094,229</b>	<b>(936,460)</b>

<sup>(1)</sup>Current quarter includes \$2.6m in clinical trial specific 3rd party costs that are passed through to the customer.

Consolidated statement of cash flows		Current quarter \$US	Year to date (12 months) \$US
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(292,982)	(587,244)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	-
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other ( <i>Repayment of short-term borrowings</i> )	(51,239)	(500,000)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(344,221)</b>	<b>(1,087,244)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	7,460,805
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	16,806	229,950
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2,816)	(132,619)
3.5	Proceeds from borrowings	2,444,200	2,444,200
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Principal portion of lease payments	(224,188)	(863,872)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>2,234,002</b>	<b>9,138,464</b>

+ See chapter 19 for defined terms.

Consolidated statement of cash flows		Current quarter \$US	Year to date (12 months) \$US
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	7,346,767	3,216,017
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,094,229	(936,460)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(344,221)	(1,087,244)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,234,002	9,138,464
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>10,330,777</b>	<b>10,330,777</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US	Previous quarter \$US
5.1	Bank balances	10,330,777	7,346,767
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>10,330,777</b>	<b>7,346,767</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	Current quarter \$US
6.1	Aggregate amount of payments to related parties and their associates included in item 1	72,062
6.2	Aggregate amount of payments to related parties and their associates included in item 2	Nil

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Answer: Quarterly Directors' Fees paid to; Martyn Myer, David Dolby, Richard Mohs, Richard van den Broek and Ingrid Player.

## 7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$US	Amount drawn at quarter end \$US
90,946	61,062
90,946	61,062

## 7.5 Unused financing facilities available at quarter end

29,884

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Bank overdraft (nil) – cancelled April 2020  
Credit cards (A\$45k)  
Trade finance facility (nil) – repaid in full April 2020  
Bank Guarantee (A\$88k)

## 8. Estimated cash available for future operating activities

\$US

8.1	Net cash from / (used in) operating activities (Item 1.9)	1,094,229
8.2	Cash and cash equivalents at quarter end (Item 4.6)	10,330,777
8.3	Unused finance facilities available at quarter end (Item 7.5)	29,884
8.4	Total available funding (Item 8.2 + Item 8.3)	10,360,661
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	N/A as cash from operating activities in item 8.1 is positive

## 8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 23 July 2020



Authorised by:  
On behalf of the Board of Cogstate Ltd

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

+ See chapter 19 for defined terms.