

1 Good afternoon. I am Ronnie Morris CEO of Champions Oncology. Joining me today is  
2 David Miller, our Chief Financial Officer. Thank you for joining us for our quarterly  
3 earnings call.

4 Before I begin, I will remind you that we will make forward-looking statements during today's  
5 call and that actual results could differ materially from what is described in those statements.  
6 Additional information on factors that could cause results to differ is available in our Form 10-  
7 Q and Form 10-K. A reconciliation of non-GAAP financial measures that may be discussed  
8 during the call to GAAP financial measures is available in the earnings release.

9 Overall, we had another great quarter in which we had record revenue and bookings,  
10 as we continue to execute on our plans for growth. As discussed on our year end call,  
11 we presented our transformative, strategic vision for the next several years,  
12 highlighting the uniqueness of our tumorbank and related data. I indicated that we  
13 would continue to grow our existing oncology research service business while also  
14 expanding into new, high value opportunities to expand our long term growth. While,  
15 executing on this long term plan, we continue to be very excited about our existing  
16 "core" business as it continues to set quarterly record revenues, thereby enabling us to  
17 fund our investment for the future. We continue to see a lot of demand for our in-  
18 vivo, ex-vivo, and biomarker services.

19 We continued to advance our SaaS Lumin platform, a data interpretation software,  
20 clients use to analyze translational data as well as derive insights for proteomic,  
21 genomic, and transcriptomic datasets. Thru Lumin, companies have the ability to  
22 query our unique data ; either by themselves thru the Lumin Workspaces or by  
23 consulting with us thru Lumin acuity services. In all, we've created a multi-faceted  
24 data analytics platform centered around Lumin. I'll reiterate the message conveyed  
25 throughout the year which is that we're encouraged by the initial success of our Lumin  
26 launch, and we envision it contributing to the overall growth of the Company in the  
27 next 2-3 years, however, it is still too early to make any definitive projections regarding  
28 the magnitude of its future success .

29 We continue to be excited by the buildout of our *Discovery Platform*. While still  
30 early, our internal programs are showing promise, and we are look forward to  
31 seeing how our computational approaches perform as we establish a therapeutic  
32 pipeline. External validation to our platform has come through a co-development  
33 therapeutic partnership with Fannin Innovation Studio, and a unique T-Cell  
34 Receptor discovery partnership with Gigamune. We look forward to seeing how  
35 the products of these partnerships add value to our emerging *Discovery* effort.

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37 In summary, during the third quarter our oncology research service business continued  
38 to expand and delivered strong financial results while we simultaneously continue to  
39 capture more value from the proprietary data that we create. Our innovative SaaS  
40 business continues to grow and we're advancing our therapeutic targets through the  
41 pipeline.

42 Now let me turn the call over to David Miller for a more detailed review of the  
43 financial results.

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46 Thanks, Ronnie. Our full results on Form 10-Q will be filed with the SEC later today.

47 Our third quarter financial results were strong with record revenue of \$13.2  
48 million, compared to \$10.8 million in the year ago period, an increase of  
49 \$2.4 million, or 22%. For the year, our revenue growth is at 19%, putting us  
50 on target for the higher end of the guidance provided of 15%-20% for the  
51 full year. Our operating income for the third quarter was \$829,000, and, our  
52 adjusted EBITDA which excludes stock based compensation and  
53 depreciation, was approximately \$1.5 million. Focusing as we do on  
54 adjusted EBITDA, .....

55 Our third quarter gross margin was 52%, compared to 57% for the period  
56 ended January 31, 2021. As pointed out on our third quarter call last year,

57 our cost of sales for that quarter was atypically low, resulting in the inflated  
58 gross margin of 57%. As such, the current quarter's gross margin of 52% is  
59 not representative of a downward trend, rather, the nine months ended  
60 January 31 comparison is a more accurate representation and shows an  
61 improving margin to 53% compared to 49% for the same period last year.  
62 We're seeing the leverage in our operating model as the past investment to  
63 adequately support our growth is being realized. Additionally, the gross  
64 margin improvement continues to be driven primarily from our core business  
65 with room for additional expansion as higher margin products will likely  
66 contribute more meaningfully to total revenue in the future.

67 Total cost of sales was \$6.3 million, compared to \$4.6 million, in our third  
68 quarter last year. The increase was mainly due from increases in  
69 compensation, mice and lab supply expenses resulting from our growing  
70 study volume.

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72 R&D expense was approximately \$2.2 million compared to 1.9M in the year  
73 ago period, an increase of \$300,000 or 16%. As we indicated, we would be  
74 ramping up our R&D spend, investing in our discovery platform. We  
75 anticipate the trend to continue but also project our revenue growth to offset  
76 the additional R&D spend so that our operating results will remain positive

77 over the long term..we reiterate the message that we will sacrifice some  
78 short term profitability for longer term growth opportunities.

79

80 Sales and marketing expense was relatively flat with \$1.5M in expense this  
81 quarter, an increase of \$56K, or 4%, compared to \$1.4M in the year ago  
82 period.

83 Our G&A expense was \$1.7 million for the quarter compared to 1.4 million a  
84 year ago, an 18% increase. This was primarily due to an increase in  
85 compensation and IT expense as we invest in upgrading our IT infrastructure  
86 to support company growth.

87

88 In total, our cash-based expenses were \$11.7 million for the third quarter of  
89 fiscal 2022, compared to \$9.3 million in the same period last year.

90 Now Turning to cash ...

91 At the end of the quarter, we had \$8.7 million of cash on the balance sheet,  
92 an increase of approximately \$4million, nearly doubling our cash balance  
93 from the prior quarter. Net cash generated from operating activities for the  
94 current period was approximately \$4.3M due to improving, cash-based,  
95 operating results and continued strength in our bookings. We anticipate that  
96 cash generated from operating activities will continue to grow over the long

97 term, likely leading to a growing cash balance. Cash used in investing  
98 activities of \$400K was primarily due to fixed asset purchases for our  
99 laboratories.

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101 In summary, we had a strong financial quarter, hitting a new revenue record  
102 of \$13.2million. Our adjusted EBITDA was a healthy \$1.5 million and with  
103 the underlying strength in our research service business, we're positioned  
104 for continued revenue growth while we expand our other revenue streams  
105 and platforms. We are excited about the Company's continued success and  
106 look forward to our next quarterly call, which, since it's our year end, will be  
107 in late July.

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