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23 November 2022

ASX Announcement

FIRM COMMITMENTS RECEIVED FOR A\$30M INSTITUTIONAL PLACEMENT ACCELERATING GROWTH IN THE US AND OTHER GLOBAL MARKETS

KEY HIGHLIGHTS

- Successful completion of the Institutional Placement of approximately 15.8 million shares at A\$1.90 per share to raise A\$30 million (before costs)
- Institutional Placement was strongly supported by existing institutional shareholders and new domestic and offshore institutional investors
- Proceeds from the Equity Raising will be used to accelerate growth in the US and the rest of the world, including the newest markets in Canada, India, and Hong Kong
- The Equity Raising will also fund the construction of a new co-located manufacturing, R&D and office facility in Port Melbourne to satisfy a significant increase in demand for NovoSorb

Growing, disruptive medical device company, PolyNovo Limited (**ASX:PNV**) (**PolyNovo** or the **Company**) is pleased to advise that it has received firm commitments to subscribe for new fully paid ordinary shares in the Company (**New Shares**) pursuant to a A\$30 million institutional placement (**Institutional Placement**).

New Shares will be issued in accordance with the Company's placement capacity under ASX Listing Rule 7.1. The Institutional Placement is scheduled to settle on Monday, 28 November 2022.

PolyNovo's CEO, Swami Raote, said:

"We are delighted to have received such strong demand from a number of our existing institutional shareholders who continue to support PolyNovo, and we welcome a number of new institutional investors as we continue on our journey to improve patient outcomes."

"Proceeds from the equity raising will allow us to continue to capitalise on the significant opportunities available to us including geographic sales team and indication expansion, investment in R&D and the development of a new facility to satisfy the growing demand for NovoSorb."



PolyNovo's Chairman, David Williams, said:

"This equity raising demonstrates investor recognition of our strategy and high conviction that now is the time to accelerate our global growth. We have proven we can manage the significant growth we are seeing in the business so now is the time to step up that growth".

Director Placement

PolyNovo will also conduct a conditional Placement to certain Directors of PolyNovo (or entities associated with them) to raise approximately A\$3.0m, subject to shareholder approval at an EGM expected to be held in January 2023 (**Director Placement**). One Director intends to participate via the Share Purchase Plan (**SPP**), but all other Directors intend to participate via the Director Placement.

Together, the Institutional Placement and Director Placement are the "Equity Raising" or the "Offer".

Share Purchase Plan

As previously announced, in addition to the Institutional Placement and the Director Placement, PolyNovo intends to undertake a non-underwritten SPP targeting to raise up to approximately A\$17.0 million. Under the SPP, eligible existing shareholders on the register at 7:00pm (AEDT) on Monday, 21 November 2022 in Australia and New Zealand will be invited to subscribe for up to A\$30,000 of new shares free of any brokerage and transactions costs at the same price as the Equity Raising.

The SPP has been sized with the objective of enabling as many Eligible Shareholders as possible to apply for their pro rata share of their entitlement under the SPP. If the SPP is oversubscribed, applications will be scaled on a pro rata basis having regard to the applicants' existing shareholdings (or, in the case of an application made by a custodian, the relevant beneficial owner(s) named in the schedule submitted) at 7:00pm AEDT on the Record Date (Monday, 21 November 2022).

The terms, including the timetable, of the SPP will be set out in the SPP booklet, which will be lodged with the ASX and sent to shareholders in due course. The New Shares offered under the SPP will rank equally with existing PolyNovo shares on issue.



Indicative Timetable

The timetable below is indicative only and subject to change. PolyNovo reserves the right to alter the below dates at its full discretion and without prior notice, subject to the relevant ASX Listing Rules.

Key Event	Date ¹
Record Date for Eligibility to participate in SPP	Monday, 21 November 2022
Trading Halt and announcement of Equity Raising	Tuesday, 22 November 2022
Announcement of completion of Institutional Placement and trading halt lifted	Wednesday, 23 November 2022
Despatch of Notice of Meeting	Thursday, 24 November 2022
Settlement of Institutional Placement Shares	Monday, 28 November 2022
Despatch SPP offer documents	Tuesday, 29 November 2022
Allotment of Institutional Placement Shares	Tuesday, 29 November 2022
SPP Opening Date	Wednesday, 30 November 2022
SPP Closing Date	Tuesday, 13 December 2022
Announcement of SPP Participation Results	Friday, 16 December 2022
Issue of New Shares under SPP	Tuesday, 20 December 2022
Trading of New Shares issued under SPP	Wednesday, 21 December 2022
Shareholder Meeting to approve Director Placement	Late January 2023
Settlement of Director Placement	Late January 2023
Allotment of Director Placement	Late January 2023

Nothing in this announcement constitutes investment, legal, tax or other advice. You should seek appropriate professional advice before making an investment decision.

Authorised by:

Jan-Marcel Gielen Chief Financial Officer and Company Secretary



About PolyNovo®

PolyNovo is a disruptive medical device company, focused on Advanced Wound Care. PolyNovo is an Australian based medical device company that designs, develops, and manufactures dermal regeneration solutions (NovoSorb BTM) using its patented NovoSorb biodegradable polymer technology. Our development program covers Breast Sling, Hernia, and Orthopaedic applications. For further information and market presentations see www.polynovo.com

About NovoSorb®

NovoSorb® BTM is a dermal scaffold for the regeneration of the dermis when lost through extensive surgery or burn. NovoSorb® is a novel range of bio-resorbable polymers that can be produced in many formats including, film, fibre, foam, and coatings. NovoSorb's unique properties provide excellent biocompatibility, control over physical properties, and a programmable bio-resorption profile.

IMPORTANT NOTICES

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. The New Shares offered and sold in the Equity Raising and the SPP have not been, and will not be, registered under the United States Securities Act of 1933 ("U.S. Securities Act"), or the securities laws of any state or other jurisdiction of the United States, unless they have been registered under the U.S. Securities Act, or are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

JOINT LEAD MANAGERS DISCLAIMER

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Neither the Joint Lead Managers nor any other Limited Party makes any recommendation as to whether any potential investor should participate in the Placement. Further, neither the Joint Lead Managers nor any other Limited Party accepts any fiduciary obligations to or relationship with any investor or potential investor in connection with the Placement or otherwise, and by accessing this announcement each recipient expressly disclaims any such fiduciary relationship and agrees that it is responsible for making its own independent judgements with respect to the Placement and any other transaction or other matter arising in connection with this announcement. The Joint Lead Managers and other Limited Parties may have securities or associated derivatives as principal or agent. Such persons may receive fees or other benefits for engaging in these activities.

Determination of eligibility of investors for the purposes of the Placement and SPP is determined by reference to a number of matters, including legal requirements and the discretion of PolyNovo and the Joint Lead Managers. To the maximum extent permitted by law, PolyNovo and the Joint Lead Managers each disclaim any liability in respect of the exercise of that discretion or otherwise.

The Joint Lead Managers may rely on information provided by or on behalf of institutional investors in connection with managing, conducting or underwriting the Placement without having independently verified that information and the Joint Lead Managers do not assume responsibility for the accuracy or completeness of the information.