

Cynata Completes Oversubscribed Share Purchase Plan

Melbourne, Australia; 10 May 2023: Cynata Therapeutics Limited (ASX: “CYP”, “Cynata”, or the “Company”), a clinical-stage biotechnology company specialising in cell therapeutics, is pleased to announce that it has successfully completed an oversubscribed share purchase plan (“SPP”) following the closing of the SPP on 8 May 2023 (“Closing Date”).

Key highlights

- Cynata has completed an SPP after a \$5.0m placement announced to ASX on 6 April 2023 (“Placement”)
- Valid applications received for ~\$2.05 m worth of shares under the SPP
- Total proceeds of ~\$7.0m from the Placement and SPP will be used for the upcoming phase 2 clinical trial in acute graft-versus-host disease (aGvHD) and for working capital

In conjunction with the Placement, the Company announced an SPP to offer existing eligible shareholders the opportunity to subscribe for up to \$30,000 worth of new shares. Under the SPP, new shares were offered at the lower of the Offer Price under the Placement, being \$0.215, and the price representing a 2.5% discount to the volume weighted average price of Shares during the five trading days up to the Closing Date, rounded to the nearest half cent (without any brokerage costs).

As at the Closing Date, the Company had received valid applications for ~\$2.05m worth of new shares under the SPP. In accordance with the pricing mechanism described above, SPP shares have been priced at \$0.155 per share, representing a 2.5% discount to the volume weighted average price of shares during the five trading days up to the Closing Date (i.e. \$0.159768), rounded to the nearest half cent.

The SPP sought to raise a maximum of \$2.0 million and accordingly was oversubscribed by ~\$0.05m. As a result, the Board has determined to apply an equal scale-back of applications such that each applicant will receive ~97.63% of the new shares they applied for. This will result in the issue of 12,903,296 of new shares under the SPP.

The new shares will be issued under the SPP on Thursday, 11 May 2023 and trading of the SPP shares is expected to commence on Friday, 12 May 2023.

Participants in the SPP will receive free attaching options, with an exercise price of \$0.30 and an expiry date of 1 April 2025 (“Options”), on the basis of one Option for every two new shares subscribed for. The Company will apply for quotation of the Options.

The issue of the Options is conditional on shareholder approval at the General Meeting to be held on Thursday, 25 May 2023 and, if approved by shareholders, is expected to occur on Wednesday, 31 May 2023. The Company expects to issue a total of 6,451,687 Options to SPP participants.

A description of how the scale-back applies to the number of new shares and Options to be issued is set out in the table below.

Application Size	Scale-back %	Scale-back Amount	Refund amount	Number of new shares	Number of Options
\$1,000	97.63%	\$976.32	\$23.68	6,299	3,150
\$2,500	97.63%	\$2,440.81	\$59.19	15,748	7,874
\$5,000	97.63%	\$4,881.62	\$118.38	31,495	15,748
\$7,500	97.63%	\$7,322.43	\$177.57	47,242	23,621
\$10,000	97.63%	\$9,763.24	\$236.76	62,989	31,495
\$15,000	97.63%	\$14,644.86	\$355.14	94,483	47,242
\$20,000	97.63%	\$19,526.48	\$473.52	125,978	62,989
\$30,000	97.63%	\$29,289.72	\$710.28	188,966	94,483

The Company's share registry will process refunds, by direct credit or cheque, on 15 May 2023.

The Board is grateful to be able to successfully complete the Placement and SPP in difficult market conditions and particularly wishes to thank shareholders for their participation in the SPP.

-ENDS-

Authorised for release by Dr Ross Macdonald, Managing Director & CEO

CONTACTS: Dr Ross Macdonald, CEO, Cynata Therapeutics, +61 (0)412 119 343, ross.macdonald@cynata.com
Lauren Nowak, Media Contact, +61 (0)400 434 299, littlebigdealconsulting@gmail.com

About Cynata Therapeutics (ASX: CYP)

Cynata Therapeutics Limited (ASX: CYP) is an Australian clinical-stage stem cell and regenerative medicine company focused on the development of therapies based on Cymerus™, a proprietary therapeutic stem cell platform technology. Cymerus™ overcomes the challenges of other production methods by using induced pluripotent stem cells (iPSCs) and a precursor cell known as mesenchymoangioblast (MCA) to achieve economic manufacture of cell therapy products, including mesenchymal stem cells (MSCs), at commercial scale without the limitation of multiple donors.

Cynata's lead product candidate CYP-001 met all clinical endpoints and demonstrated positive safety and efficacy data for the treatment of steroid-resistant acute graft-versus-host disease (GvHD) in a Phase 1 trial. Planning for a Phase 2 clinical trial in GvHD under a cleared US FDA IND is presently underway. Clinical trials of Cymerus products in osteoarthritis (Phase 3) and diabetic foot ulcers (DFU) are currently ongoing. In addition, Cynata has demonstrated utility of its Cymerus technology in preclinical models of numerous diseases, including the clinical targets mentioned above, as well as critical limb ischaemia, idiopathic pulmonary fibrosis, asthma, heart attack, sepsis, acute respiratory distress syndrome (ARDS) and cytokine release syndrome.

Cynata Therapeutics encourages all current investors to go paperless by registering their details with the designated registry service provider, Automic Group.