ASX ANNOUNCEMENT **6 December 2024**

Cynata secures commitments for $8.1m via an institutional placement following positive Diabetic Foot Ulcer Phase 1 clinical trial results

Key Highlights

- Cynata has received firm commitments for $8m via an institutional placement and a further $0.1m via a conditional placement to the Directors for total proceeds of $8.1m
- Cynata received strong support from existing and new institutional shareholders
- The placement follows the announcement yesterday of the successful completion of Cynata's Phase 1 clinical trial of CYP-006TK in Diabetic Foot Ulcers (**DFU**) which not only met its primary objective of safety, but also demonstrated positive efficacy data
- Proceeds of the placement significantly strengthen the Company's cash position and ensures it is well funded to progress Cynata's various ongoing clinical development programs (i.e. graft-versus-host disease, osteoarthritis and kidney transplant)

Melbourne, Australia; 6 December 2024: 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 received firm commitments for a placement of 44,444,445 new, fully paid ordinary shares (**New Shares**) at an offer price of $0.18 per New Share (**Offer Price**) to raise total proceeds of $8m (**Placement**). In addition, 638,886 New Shares will be issued to the Directors at the Offer Price to raise a further $0.1m, subject to shareholder approval at a general meeting to be held in early 2025 (**Director Placement**).

Dr Kilian Kelly, Cynata's Chief Executive Officer and Managing Director, said:

"*We are pleased to announce the placement, which follows the announcement of the successful completion of our Phase 1 clinical trial of CYP-006Tk in Diabetic Foot Ulcers (**DFU**). The support received from new and existing investors indicates strong confidence in our various clinical programs and their upcoming catalysts. We look forward to announcing the results from our Phase 2 acute graft-versus-host disease trial, our Phase 3 osteoarthritis trial and our Phase 1/2 kidney transplant trial over the next 18 months, and do so confidently supported by a stronger balance sheet.*

*We were also pleased to announce yesterday our DFU results, which exemplify the commercial attractiveness of the broader Cymerus™ platform, with the Company now having two distinct product candidates that have generated positive clinical data – CYP-006TK in DFU, and CYP-001 in acute graft-versus-host disease (**GvHD**) (which also previously demonstrated very encouraging safety and efficacy data). We eagerly await further results from three more clinical trials, which could also further add to the commercial attractiveness of the Cymerus™ platform, and we look forward to discussing the DFU trial results with various potential partners over the coming months and beyond.*

I would like to thank our existing shareholders for their ongoing support and welcome our new investors as we enter this exciting phase."

Placement and Director Placement Details

The Placement to sophisticated and professional investors will raise $8m million, before transaction-related costs.

The Placement comprises the issue of 44,444,445 New Shares at the Offer Price of $0.18 per New Share using the Company's existing capacity under ASX Listing Rules 7.1 & 7.1A, as follows:

- 26,389,318 New Shares will be issued utilising the Company's capacity under ASX Listing Rule 7.1; and
- 18,055,127 New Shares will be issued utilising the Company's capacity under ASX Listing Rule 7.1A.

A further $115,000 worth of New Shares (being 638,886 New Shares) has also been subscribed for at the Offer Price by the Directors of the Company (or their nominees). Any New Shares issued to Directors under the Director Placement will be conditional on shareholder approval for the purposes of ASX Listing Rule 10.11, which will be sought at a general meeting which is expected to be held in January 2025. All of the Directors are participating in the Director Placement.

The total proceeds of the Placement and Director Placement are $8.1m.

Euroz Hartleys Limited acted as the sole Lead Manager and Bookrunner to the Placement (which is not underwritten). Becketts Lawyers is acting as the Company's Australian legal adviser.

Use of Funds

The proceeds of the capital raising will be applied towards:

- engagement with multiple regulatory agencies (including the FDA) regarding further clinical development of Cynata's products, including: CYP-006TK for DFU; CYP-001 for GvHD and kidney transplant; and CYP-004 for osteoarthritis;
- activities to progress potential licensing partnerships for Cynata's products;
- initiation of further manufacturing activities in preparation for potential additional future clinical trials in GvHD, DFU and other potential candidates; and
- working capital and costs of the Placement.

Offer Price

The Placement and Director Placement are being conducted at the Offer Price of $0.18 per New Share, which represents a discount of:

- 16.3% to the last closing price of Cynata's shares on Tuesday, 3 December 2025 (being $0.215);
- 17.7% to the 5-day VWAP up to 3 December 2025 (being $0.219); and
- 17.2% to the 10-day VWAP up to 3 December 2025 (being $0.217).

Placement Timetable

The Placement and Director Placement are being conducted in accordance with the following indicative timetable.

Event	Date
Announcement of results of Placement and shares recommence trading	Friday, 6 December 2024
Settlement of the Placement	Friday, 13 December 2024
Allotment of New Shares under the Placement	Monday, 16 December 2024
General Meeting to approve the Director Placement	January 2025
Settlement and allotment of New Shares under the Director Placement (subject to shareholder approval)	Shortly after the General Meeting in January 2025

The timetable is indicative only and Cynata may, at its discretion, vary any of the above dates, subject to the ASX Listing Rules and the Corporations Act 2001 (Cth) and any other applicable laws. The quotation of New Shares is subject to ASX confirmation.

DFU Results

Cynata announced the successful completion of Cynata's Phase 1 clinical trial of CYP-006TK in DFU on Thursday, 5 December 2024.

The trial met its primary objective of demonstrating safety and tolerability of CYP-006TK in participants with DFU. Importantly, the trial also generated positive efficacy data, indicating improved wound healing in the CYP-006TK group compared to the standard of care control group. It is also encouraging that this study indicates that larger wounds healed to a greater extent in the CYP-006TK group compared to the standard of care control group.

Further information

Further information regarding Cynata and the recently announced DFU results can be found in the Company's ASX releases available at www.asx.com.au and on the Company's website (www.cynata.com). The key risks associated with an investment in Cynata are set out in the Company's annual report for FY2024.

-ENDS-

Authorised for release by the Board of Directors of Cynata Therapeutics Limited

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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 has demonstrated positive safety and efficacy data for its Cymerus™ product candidates CYP-001 and CYP-006TK, in Phase 1 clinical trials in steroid-resistant acute graft versus host disease (GvHD), and diabetic foot ulcers (DFU), respectively. Further clinical trials are now ongoing: a Phase 2 trial of CYP-001 in GvHD under a cleared US FDA IND; a Phase 1/2 trial of CYP-001 in patients undergoing kidney transplant; and a Phase 3 trial of CYP-004 in osteoarthritis. In addition, Cynata has demonstrated utility of its Cymerus™ technology in preclinical models of numerous other diseases, including 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.

Not an offer in the United States

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Caution regarding forward-looking statements

Any statements in this announcement about future expectations, plans and prospects for the Company, the Company's strategy, future operations and other statements containing the words "anticipate", "believe", "expect", "estimate", "intend", "target", "potential", "could", "likely" and similar expressions constitute forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including the Company's ability to successfully develop its product candidates and complete its clinical trials in a timely manner, the results of its clinical trials and its ability to obtain regulatory and marketing approvals for its trials and products. A number of other factors could cause actual results or performance to differ materially from the forward-looking statements. No representation or warranty, express or implied, is made as the accuracy, likelihood of achievement or reasonableness of any forward-looking statements contained in this announcement (which are based on information available to Cynata as at the date of this announcement).

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