

ASX ANNOUNCEMENT

19 July 2019

Cynata confirms receipt of indicative, non-binding proposal

Melbourne, Australia; 19 July 2019: Cynata Therapeutics Limited (ASX: CYP) (“Cynata” or, the “Company”), a clinical-stage biotechnology company specializing in cell therapeutics, refers to the letter dated 16 July 2019 that it received from ASX concerning a recent change in the price of Cynata’s shares (“ASX Price Query”).

In response to the ASX Price Query, Cynata confirms that it has received an indicative, non-binding and conditional proposal from Sumitomo Dainippon Pharma Co., Ltd (“Sumitomo”) regarding a possible acquisition of all of the shares in Cynata at a price of A\$2.00 per share in cash by way of a scheme of arrangement (the “Proposal”).

Following receipt of the Proposal, the Cynata Board decided to grant non-exclusive due diligence access to Sumitomo, during which time Cynata has also continued engagement with certain other parties in relation to making a proposal. Cynata’s discussions with such other parties have ceased.

The negotiations between Cynata and Sumitomo are incomplete and any entry by the parties into binding transaction documents remains subject to a number of conditions, including (without limitation) the completion of due diligence by Sumitomo and agreement on terms by the parties. There is no certainty that an agreement will be reached or that the Proposal will be implemented.

Cynata will keep the market informed in accordance with its continuous disclosure requirements.

Cynata has no further comment at this time and no action is required by Cynata’s shareholders.

The Company is advised by Jefferies as financial adviser and Clarendon Lawyers as legal adviser.

Ends

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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 and 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. Cynata plans to advance its Cymerus™ MSCs into Phase 2 trials for GvHD, critical limb ischemia and osteoarthritis. In addition, Cynata has demonstrated utility of its Cymerus MSC technology in preclinical models of asthma, diabetic wounds, heart attack and cytokine release syndrome, a life-threatening condition stemming from cancer immunotherapy.