

## ***Update on Discussions with Sumitomo and Fujifilm***

**Melbourne, Australia; 15 August 2019:** Cynata Therapeutics Limited (ASX: CYP), a clinical-stage biotechnology company specialising in cell therapeutics, is pleased to provide an update regarding its discussions with Sumitomo Dainippon Pharma Co., Ltd ("**Sumitomo**") and Fujifilm Corporation ("**Fujifilm**").

As announced to ASX on 19 July and 24 July 2019, Cynata received an indicative, non-binding and conditional proposal from Sumitomo on 20 June 2019 regarding a possible acquisition of all of the shares in Cynata at a price of \$2.00 per share in cash by way of a scheme of arrangement.

Cynata wishes to advise that it is continuing to engage with Sumitomo on a non-exclusive basis in order to determine whether the parties can agree terms for a final proposal and enter into a binding definitive agreement to implement a scheme of arrangement. The Cynata Board will keep the market informed of any material developments in accordance with its continuous disclosure requirements.

Cynata shareholders should note that there is no certainty that Cynata and Sumitomo will enter into a definitive agreement or that any transaction will be implemented, and Cynata shareholders do not need to take any action at this point in time.

Separately, the Cynata Board is pleased to advise that progress continues to be made in discussions between Cynata and Fujifilm in relation to the potential exercise by Fujifilm of its licence option to CYP-001 for graft-versus-host disease (**GvHD**). Whilst discussions are progressing, it is still at Fujifilm's discretion whether or not to exercise the option. The period for Fujifilm to exercise the option expires on 19 September 2019.

CYP-001 is Cynata's lead Cymerus mesenchymal stem cell (**MSC**) product candidate for GvHD. The successful Phase 1 trial of CYP-001 completed in 2018 was the first time a clinical trial using induced pluripotent stem cell (iPSC)-derived MSCs has been completed.

Cynata will continue to keep shareholders updated on its discussions with Sumitomo and Fujifilm in accordance with its continuous disclosure requirements under the ASX Listing Rules.

Cynata 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.