ASX ANNOUNCEMENT 14 August 2020

Cynata Investor Presentation

Melbourne, Australia; 14 August 2020: Cynata Therapeutics Limited (ASX: CYP), a clinical-stage biotechnology company specialising in cell therapeutics, has today released a new investor presentation. This will be used to update existing shareholders, potential investors, and other parties.

The presentation highlights the key competitive advantages of Cynata's proprietary Cymerus™ technology, which leverages an induced pluripotent stem cell (iPSC)-derived process to optimise product quality and consistency. Cynata has produced a clinical-grade iPSC bank from a single blood donation and this iPSC bank has the capacity to give rise to an effectively limitless number of mesenchymal stem cell (MSC) doses, thus avoiding inter-donor variability. This enables large quantities of a highly consistent MSC product to be manufactured with minimal MSC culture expansion while maintaining potency. Cynata's Cymerus MSC products have shown encouraging human clinical efficacy results in GvHD, as well as compelling potential in pre-clinical studies for a broad range of indications. Cynata is the most advanced company worldwide in the development of iPSC-derived cell therapy products.

Some of these key advantages have been brought into stark focus by recent FDA commentary on MSC manufacturing processes that require multiple tissue donations from multiple donors.

-ENDS-

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

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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'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 (with licensee Fujifilm), severe complications arising from COVID-19 and critical limb ischemia, and into a Phase 3 clinical trial in osteoarthritis. In addition, Cynata has demonstrated utility of its Cymerus™ MSC technology in preclinical models of asthma, diabetic wounds, heart attack, sepsis, acute respiratory distress syndrome (ARDS) and cytokine release syndrome.

A Next Generation Stem Cell Therapeutics Company

Investor Presentation: Cynata Therapeutics Limited
August 2020

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Cynata Therapeutics is a clinical stage biotech with a highly scalable, proprietary platform for developing stem cell therapeutics

Our focus

Utilise our proprietary Cymerus™ platform technology to develop commercially scalable mesenchymal stem cell (MSC) therapeutic products to treat serious chronic disorders

About Cynata Therapeutics

- Stem cell and regenerative medicine company developing technology from the University of Wisconsin-Madison, USA
- First product, CYP-001, licensed to Fujifilm for graft-versus-host-disease (GvHD),
- Multiple further possible license transactions
- Cymerus technology addresses a critical shortcoming in existing methods of production of mesenchymal stem cells (MSCs) for therapeutic use, which is the ability to achieve economic manufacture at commercial scale

Financial information

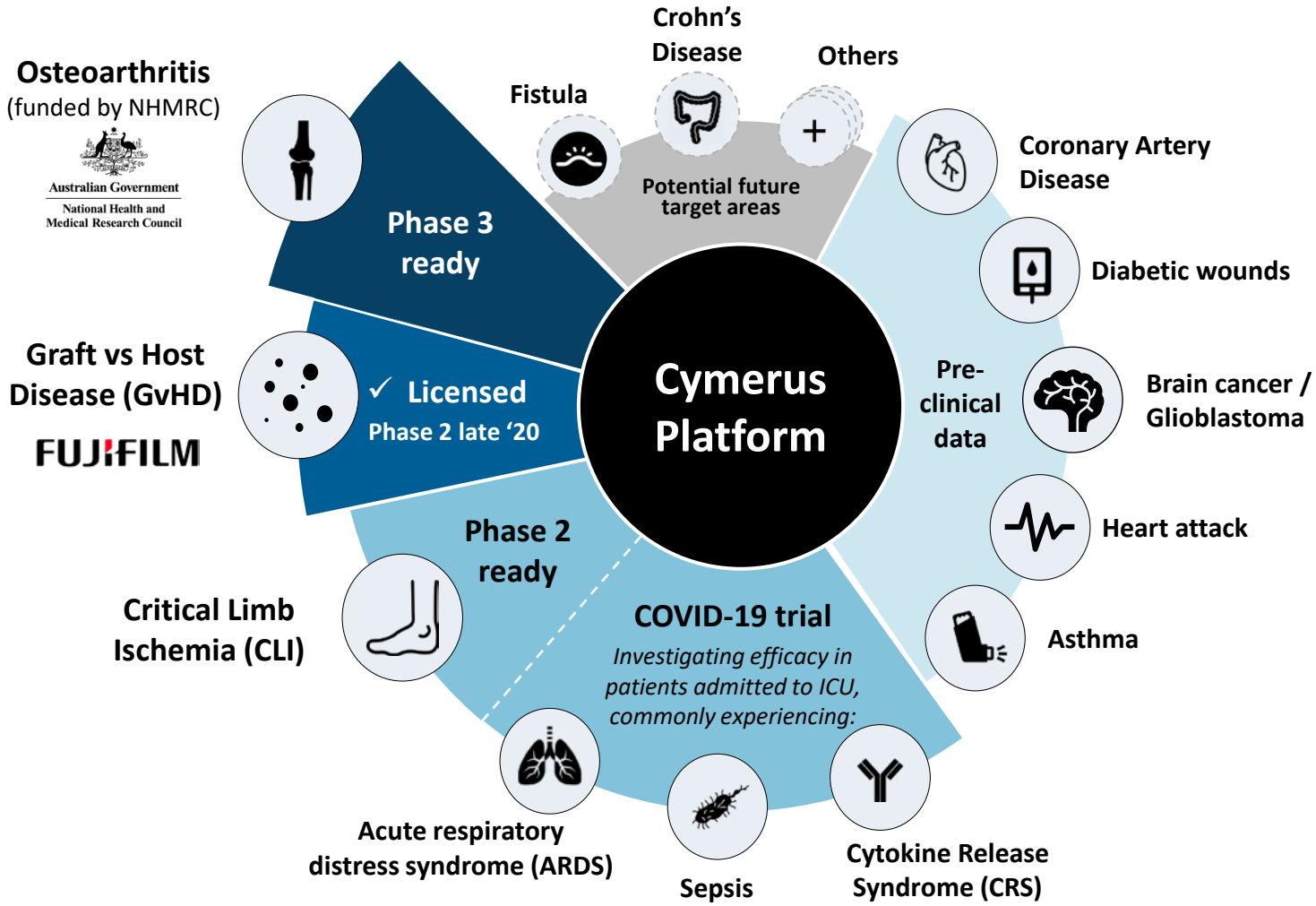
Share price (5-Aug-20)	A$0.63
Shares on issue	117m
Market capitalisation[1]	**A$73.7m ~(US$50m)**
Cash[2]	A$13.6m
Debt	-
Enterprise value	**A$60.1m**

Top shareholders

Fidelity INTERNATIONAL	9.9%
FUJIFILM	6.9%
Board and management	5.8%

1. USD/AUD = 1.46; 2. Cash as at 30 June 2020

Cynata's Cymerus platform has potential applications across a wide range of diseases



Cynata's MSCs in COVID-19 infection

- **Increased global interest** in the potential of MSCs to treat complications of COVID-19, **with early studies demonstrating potential utility**[1]
- COVID-19 is a respiratory virus that in some patients causes severe complications, **particularly involving the lungs**
- **ARDS, sepsis, and CRS are the leading causes of death in COVID-19 patients**
- Cynata has compelling data from pre-clinical studies investigating the potential of its MSCs in these indications, as they each represent significant unmet needs with **broader applications to Cynata's clinical development beyond COVID-19**

ARDS 

Cymerus MSCs effective in model of acute respiratory distress syndrome (ARDS)

Sepsis 

Cymerus MSCs effective in model of pneumonia induced sepsis

CRS 

Cymerus MSCs significantly ameliorate the effects of cytokine release syndrome (CRS)

Cynata plans to leverage recent increased interest to accelerate its development program and validate its technology for multiple indications and in multiple regions

Note: MSCs are not inherently antiviral and are not a vaccine.
1. Leng, G. et al., Aging & Disease, 11: 216 April 2020; 2. Bellani G,, et al.. Jama. 2016;315(8):788.E 3. Not COVID-19 induced deaths (Source: World Health Organization)

MEND trial | Overview of clinical trial COVID-19 patients

Target population	▪ 24 adult patients with COVID-19 admitted to intensive care with compromised lung function, which can ultimately progress to ARDS
Rationale for selection	▪ Respiratory distress (+ CRS and sepsis) represent significant unmet needs as consequence of a severe COVID-19 infection, as well as other causes beyond COVID-19 ▪ Strong pre-clinical results in indications that can arise from a severe case of COVID-19 ▪ Increased market interest, allowing accelerated program planning and approval
Preliminary program design	▪ In collaboration with CPA Research Institute[1] and COVID-19 Stem Cell Treatment Group ▪ Open-label, randomised controlled clinical trial based in NSW, Australia ▪ Twelve patients randomised to receive Cymerus MSC infusions with standard care; twelve patients randomised as the control group, to receive current standard of care ▪ Primary endpoints: an improvement in PaO_2/FiO_2 ratio, and safety & tolerability
Key milestones	▪ Ethics approval obtained ▪ Recruitment expected to commence subject to finalisation of relevant agreements with study centres ▪ Cynata assessing opportunities to expand this program to other jurisdictions

Osteoarthritis | New Phase 3 program
Funded by National Health and Medical Research Council

Estimated market size

30,000,000	~US$11.6B[1]
People in the USA affected by osteoarthritis	Forecast global market opportunity by 2025

Osteoarthritis	▪ Assess the effect of Cymerus MSCs on clinical outcomes and knee joint structures of patients with osteoarthritis of the knee (compared to a placebo)
Rationale for selection	▪ Preclinical research showed MSCs can exert a number of important effects, including release of cytokines and growth factors that reduce inflammation and promote tissue repair, new blood vessel formation, and regeneration of compromised cartilage which may result in improved outcomes for patients
Preliminary program design	▪ 440-patient trial funded by an NHMRC project grant and in-kind contributions from participating institutions (no cash contribution from Cynata) ▪ Cynata to supply Cymerus MSCs for use in the trial[2] and will retain full commercial rights to the use of Cymerus MSCs in osteoarthritis
Key milestones	▪ Phase 3 clinical trial in Osteoarthritis expected to commence in 2H2020

1. Persistence Market Research 2018 research report: "Osteoarthritis Treatment Market: Global Industry Analysis (2012-2016) and Forecast (2017-2025)."
2. Subject to finalisation of trial start-up activities

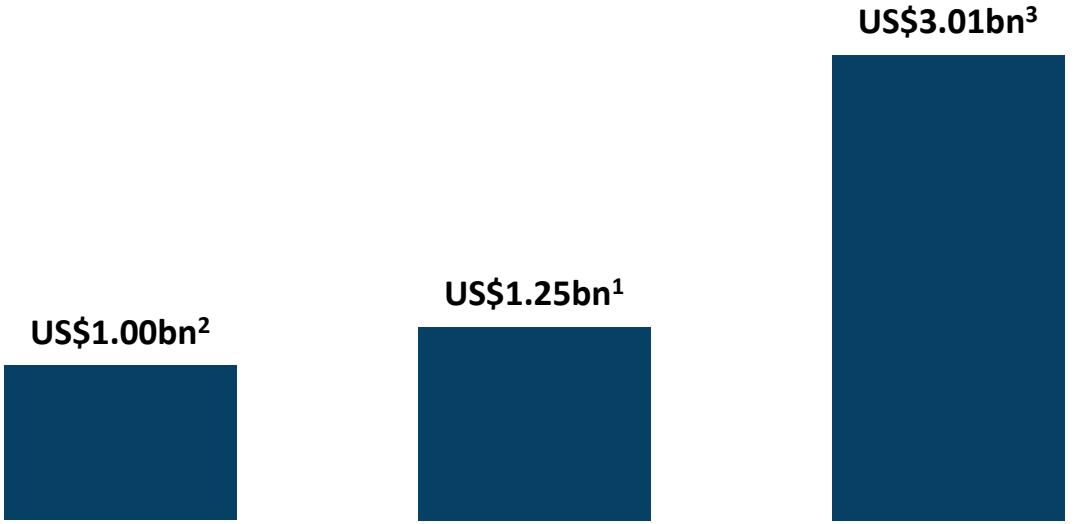
Cynata is targeting significant market opportunities

TARGET AREA	TRIAL PHASE	MARKET OPPORTUNITY
Osteoarthritis (OA)[1]	Phase 3 ready	US$11.6 bn
Graft vs. Host Disease (GvHD)[2]	Phase 2 ready	US$0.3 bn
Critical limb ischemia (CLI)[3]		US$1.4 bn
Acute respiratory distress syndrome (ARDS)[4]	COVID-19 Phase 2 program	US$2.5 bn
Cytokine Release Syndrome (CRS)[5]		US$4.5 bn
Sepsis[6]		US$5.9 bn
Other *Asthma, Heart Attack, CAD, Brain Cancer / Glioblastoma, Diabetic Wounds*	Pre-Clinical	

1. Persistence Market Research 2018 research report: "Osteoarthritis Treatment Market: Global Industry Analysis (2012-2016) and Forecast (2017-2025). **2.** Fujifilm's estimate of the peak annual global sales opportunity. **3.** ClearView's estimate of the peak annual global sales opportunity. **4**. Vasomune Therapeutics company announcement, 2018 (Reflects total global market opportunity in 2018) **5**. Evaluate Pharma, 2017 (Reflects total global market opportunity in 2022); **6.** GlobalData 2017 (Reflects total global market opportunity in 2026)

Valuation comparison to other stem cell-therapy product companies

Significant upside potential for Cynata



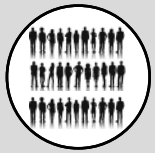
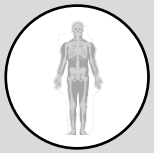
Market Capitalisation:	US$0.05bn[1]	US$1.00bn[2]	US$1.25bn[1]	US$3.01bn[3]
Company	cynata therapeutics	BlueRock Therapeutics	mesoblast	Fate THERAPEUTICS
Clinical stage targets	GvHD: Phase 1 complete 4 upcoming Phase 2 / 3 trials	Parkinson's disease (entering early stage clinical)	Multiple targets (Clinical phase trials)	7 cancer immunotherapy targets (Phase 1 underway)
iPSC-derived product	✓	✓	X	✓

1. USD/AUD = 1.43; Market cap as at 12 Aug 2020; 2. Implied value from Bayer acquisition, as in Bayer media release (2019); 3. Market cap as at 11 Aug 2020

Conventional vs. Cynata's Cymerus MSC manufacturing process

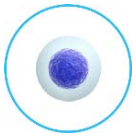
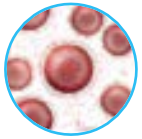
Current conventional MSC manufacturing process is impractical

Cells donated → Conventional process → MSCs

Cells from multiple donors	MSC isolation	MSC expansion	Cellular therapies administered
			
Substantial variability in starting material	**Limited quantity of MSCs produced per donation**	**Large number of MSCs required**	**8-12 infusions per patient[1]**

Cynata's Cymerus iPSC-derived process optimises manufacturing for scalability

Cells donated → Cynata's patented process: Cymerus™ → MSCs

Cells from **one** donor	iPSC Derivation	iPSC Expansion	Precursor cells	Generation of MCA Colonies	Differentiation into MSCs	Cellular therapies administered
						
Avoids inter-donor variability		**Effectively limitless expansion**		**Minimal MSC culture expansion**		**Only 2 infusions pp[1]**
CONSISTENCY		***QUANTITY***		***QUALITY***		***EFFICIENCY***

iPSC: Induced Pluripotent Stem Cells. iPSC's derived directly from adult cells and can propagate indefinitely. 1. In GvHD clinical trials/practice
MCA: Mesenchymoangioblasts. These are produced from iPSCs.

Cynata has the only platform in the world able to produce commercial quantities of MSCs from a single source

	Conventional process	Cymerus™	*Significance for Cynata*
Donors	Continuous supply of new donors required	One donor, one time *(completed)*	✓ *Lower cost; simplified logistics; highly consistent product*
Comparability testing	Required every time a new donation is used	N/A	✓ *Lower cost, minimised risk*[1]
Number of clinical doses per donation	Significantly limited	Effectively limitless	✓ *Lower cost; simplified logistics; comparative ease of scalability*
Extent of MSC expansion	High (>25 population doublings)	Low (10 population doublings)	✓ *Minimised expansion and low "age" ensures Cynata 's product is consistently highly potent, with potency maintained*[2]
Cellular "age"	Variable	Low: iPSC-derived MSCs are more primitive	
Infusions per patient	8-12	~2	✓ *Greater convenience for patients and hospitals; lower costs incurred by healthcare system*
Risk of contamination[3]	Medium to high, depending on process	Negligible	✓ *Lower risk of adverse reaction in patients; significant regulatory benefit*

Cymerus produces a consistent and scalable product, with lower cost of goods on a per cell basis and fewer cells required per patient compared to conventional methods

1. MSC product from different donors must be proven to be the same: highly risky given every donor is different
2. Conventional manufacturing process requires extensive MSC culture expansion. MSCs change when excessively when expanded, causing a loss of potency and decreased efficacy
3. Contamination with off-target cell types – isolation of MSCs in original sample is associated with risk of carry-over of other cell types

Cynata's Cymerus process actively addresses some of the key areas that the FDA is likely to focus on

Potential issues raised

"The issue of reliable prediction of biological activity is particularly challenging for MSCs.

Substantial functional heterogeneity has been observed between MSC batches derived from different donors *and expanded using different tissue culture conditions or duration, even though all of these batches meet the ISCT criteria for MSCs."*

- Excerpt from FDA ODAC Briefing document for 13 August 2020

Key advantages underpinning Cymerus™:

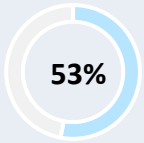
- ✓ Product derived from a **single donor** provides **a highly consistent product and addresses regulatory concerns**
- ✓ **Effectively limitmess iPSC expansion** *before* differentiating into MSCs, maintaining potency
- ✓ MSCs represent a potential efficacious treatment in GvHD, **supporting Cynata's GvHD product CYP-001**
- ✓ FDA advisory meeting obervations to be leveraged to **optimise future CYP clinical trial design for FDA approval**

Source: FDA Briefing Document, Oncologic Drugs Advisory Committee (ODAC) Meeting. Session on Product Characterization (AM Session) 13 August, 2020 – link.

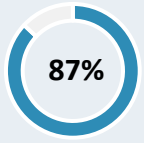
World-first allogeneic iPSC-derived cell therapy Phase 1 clinical trial in steroid-resistant acute GvHD completed, with compelling results

Key clinical trial results (1^{o} evaluation at Day 100)

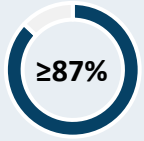
All endpoints achieved



Complete response



Overall response



Survival rate

Efficacy endpoints

Endpoints were the **same as those required in a Phase 3 trial** (in contrast to early stage trials for some conditions)

High response rates

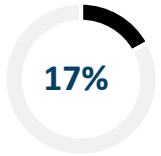
Response rates were **higher than what we expect would be required in Phase 3**, to support marketing approval

Two year follow-up

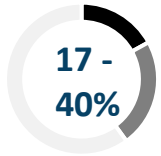
Overall survival Rate

Cynata MSCs

Compares very favourably with other results



Standard of care



Other MSC products

Results indicate a robust, durable response

No treatment-related serious adverse events or safety concerns were identified

Cynata is executing on a clear scientific and commercial vision and continually assesses pathways to optimise shareholder value

Multiple options to create shareholder value

Build value in platform independently
(e.g. continue running clinical trials)

License / partner with big Pharma to develop specific target areas
(e.g. Fujifilm license for GvHD)

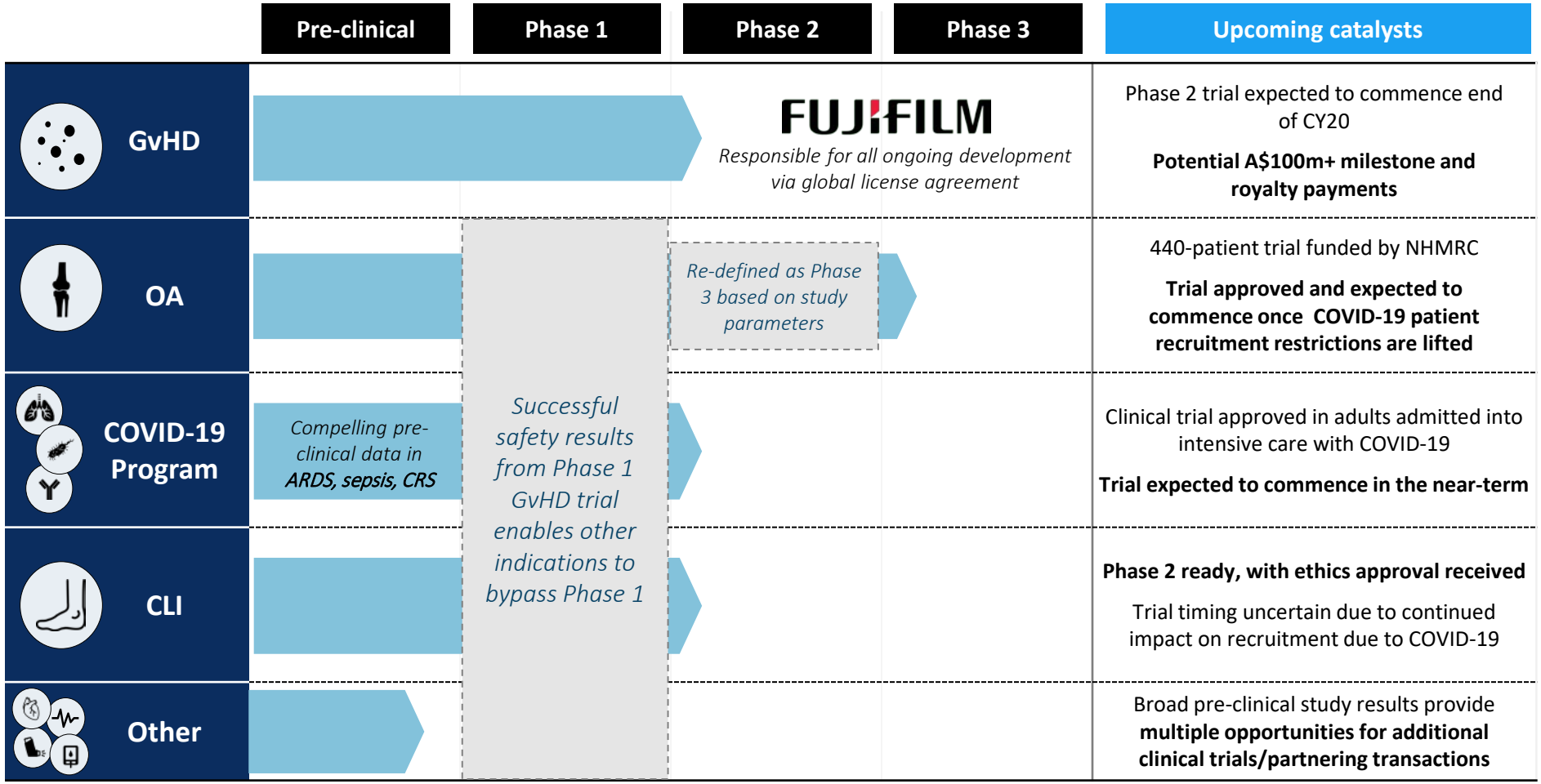
Strategic exit/merger
(e.g. Strategic acquirer)

FUJIFILM case study

- ✓ **Exclusive global licence in GvHD**
- ✓ **All development costs met by FUJIFILM**
- ✓ **Multiple cash flow events:**
  - ✓ **A$4m** equity @ 35% premium
  - ❑ **A$100m+** in upfront license fee & potential milestone payments and royalties[1]
    - ❑ **A$2.86m** on completion of planned Phase 2
- ✓ **Represents a major endorsement by Big Pharma**
- ✓ **Ongoing relationship with potential for further commercial agreements**

FUJIFILM transaction provides validation of the Cymerus platform and supports the licensing of additional target areas

Broad, advanced development pipeline with multiple near-term catalysts



Investment Summary

Scalable, globally applicable technology	▪ Cymerus platform technology enables commercial-scale production of mesenchymal stem cells ▪ Fully patented process overcomes multiple issues with today's on-market solutions ▪ Value of platform to a range of diseases demonstrated across clinical and pre-clinical studies
Attractive licensing business model	▪ A 'hub and spoke' model: intention to license Cymerus technology across a range of target areas with Cynata in active commercial discussions with multiple parties ▪ Licence granted to FUJIFILM for GvHD on attractive terms, including A$100m+ in milestone payments and royalties on product sales; FUJIFILM responsible for further product development
Successful clinical trial results	▪ All clinical endpoints achieved in Phase 1 trial of Cymerus MSCs in acute GvHD, with no safety concerns identified and highly encouraging efficacy ▪ FUJIFILM endorsement supports further development of Cynata's products in other indications
Clear pipeline of high potential target areas	▪ Multiple Phase 2 clinical trials with preparations underway to commence in 2020: COVID-19; GvHD (via FUJIFILM license); critical limb ischemia (CLI) ▪ Phase 3 Osteoarthritis trial (funded by NHMRC) preparations underway to commence in 2H20 ▪ Compelling pre-clinical data in other high-value target areas supports further clinical trials
Well positioned in regenerative medicine	▪ Cell therapeutics is an area of increasing interest from major pharmaceutical companies ▪ Global market opportunity of US$1.4bn for CLI and US$11.6bn for OA ▪ Cynata's unique Cymerus technology ideally placed to solve current MSC manufacturing challenges

Thank you for your attention

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Appendix

Globally experienced board and management team

Dr Paul Wotton
Chairman

- CEO, Obsidian Therapeutics
- Former CEO of Ocata Therapeutics (NASDAQ: OCAT) acquired by Astellas Pharma, in a US$379m transaction
- Previous executive roles with Antares Pharma Inc. (NASDAQ: ATRS), Topigen Pharmaceuticals and SkyePharma
- Founding CEO, Sigilon Therapeutics; board member of Vericel Corp and Veloxis; past Chairman of the Emerging Companies Advisory Board of BIOTEC Canada

Expertise running and monetising Ocata Therapeutics, acquired by Astellas

Dr Ross Macdonald
Managing Director / CEO

- 30 years' experience and a track record of success in pharmaceutical and biotechnology businesses
- Previous senior management positions with Hatchtech, Sinclair Pharmaceuticals, Connetics Corporation (Palo Alto, CA), and Stiefel Laboratories, the largest independent dermatology company in the world and acquired by GSK in 2009 for £2.25b

Track record of success in pharmaceutical and biotechnology businesses

Dr Stewart Washer
Non-Exec Director

- 20+ years of CEO and Board experience in medical technology, biotech and agri-food companies
- Exec Chairman of Emerald Clinics, Chairman of Orthocell Ltd, Director of Botanix Ltd and Zelda Therapeutics Ltd
- Previously CEO roles with Calzada (ASX:CZD), Phylogica (ASX:PYC) and Celentis and managed the commercialisation of intellectual property from AgResearch in New Zealand with 650 Scientists and $130m revenues

Deep experience growing companies as CEO and on the Board

Dr Geoff Brooke
Non-Exec Director

- 30+ years venture capital experience
- Co-founded GBS Venture Partners
- Formerly President of Medvest, a US-based early-stage venture capital group he founded with Johnson & Johnson
- Other Board experience include non-executive director of Acrux Limited and Chairman of Actinogen Media Limited

Extensive life sciences and financial expertise in US and Australia

Dr Darryl Maher
Non-Exec Director

- 23+ years experience at CSL Limited, one of the world's most successful developers of biologic Pharmaceutical products
- Previously Vice President of R&D and Medical Affairs at CSL Behring Australia, where he was responsible for the development of multiple successful drug products from initiation through clinical development and ultimately to commercialisation

Former R&D Executive at CSL, with global development expertise

Dr Kilian Kelly
Chief Operating Officer

- 15 years' experience in pharmaceutical / biotechnology research and development, in both commercial and academic settings
- Previous appointments include Senior Director, Drug Development at Biota Pharmaceuticals (NASDAQ: BOTA), Vice President, Regulatory and Clinical at Mesoblast Limited (ASX:MSB)

Extensive academic, commercial and management experience

Pre-clinical studies | Existing target areas

Disease target area	Partner	Pre-clinical trials started	Proof of concept completed	Key highlights	Global market opportunity*
ARDS	Critical Care Research Group	✓	✓	Study demonstrated effectiveness of Cymerus MSCs in sheep with ARDS in association with the Prince Charles Hospital in Brisbane.	**US$2.5bn** by 2018[2]
Heart attack	The University of Sydney	✓	✓	Data indicates that Cymerus MSCs may have the potential to restore cardiac function and reduce scar size after a heart attack	**US$18.2bn** by 2019[3]
Brain Cancer / Glioblastoma	Harvard	✓	✓	Research collaboration in genetically modified MSCs in cancer: involves modifying stem cells to target cancer	**US$3.3bn** by 2024[4]
Diabetic Wounds	Cell Therapy Manufacturing	✓	✓	Independent study by CRC for Cell Therapy Manufacturing generated positive data which demonstrates the efficacy of Cymerus MSCs in a preclinical model of diabetic wounds	**US$4.9bn** by 2024[5]
Coronary Artery Disease	UNSW Sydney	✓	✓	Research collaboration for the development of MSC therapies to treat coronary artery disease	**US$22.5bn** by 2021[6]
Asthma	Monash University	✓	✓	Cymerus MSCs demonstrated significant beneficial effects on three key components of asthma: airway hyper-responsiveness, inflammation and airway remodelling	**US$25.6bn** by 2024[1]
Cytokine Release Syndrome	University of Massachusetts Amherst	✓	✓	Pre-clinical model demonstrating Cymerus MSCs significantly ameliorate the effects of Cytokine Release Syndrome, a potentially severe and life-threatening adverse reaction to cancer immunotherapy	**US$4.5bn** by 2022 (CAR-T)[7]
Sepsis	RCSI	✓	✓	Development partnership with RCSI (Royal College of Surgeons in Ireland), demonstrated utility of Cymerus MSCs in sepsis, the leading cause of death in ICU's	**US$5.9bn** by 2026[8]

The successful outcomes from these studies, combined with the clinical data in GvHD have facilitated a number of ongoing commercial discussions in these and other clinical indications

Notes
*Reflects total global market opportunity for the relevant therapeutic category
1. Grand View Research, 2016; 2. Vasomune Therapeutics company announcement, 2018 3. GBI Research, 2013; 4. Global Data, 2016; 5. Transparency Market Research, 2018; 6. Smithers Apex, 2015 ; 7. Evaluate Pharma, 2017; 8. GlobalData 2017