A Next Generation Stem Cell Company

Dr. Ross Macdonald, CEO
Cynata Therapeutics Limited

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Key Facts

Cynata Therapeutics Ltd is an Australian stem cell and regenerative medicine company.

ASX CODE
CYP

COMMENCED OPERATIONS
November 2013

MARKET CAP (10 March 17)
A$ 44m

SHARES ON ISSUE
90m¹

CASH
$ 3.9m as at 31 Dec 2016
$10m raised in Jan 2017 via placement and Fujifilm strategic partnership

AVERAGE MONTHLY NET CASH BURN
A$470k (gross)

NUMBER OF SHAREHOLDERS
~1900; FUJIFILM ~9%

¹ Plus 10.8m Options: 3.7m Jul 20 @ AUD $1.00; plus 5m 27 Sep 18 unlisted AUD $0.40 restricted options, 50% to each of S Washer and R Macdonald
Why Invest in Cynata?

Competitive Strengths

- Disruptive platform technology, Cymerus™ facilitates the manufacture of allogeneic mesenchymal stem cells at scale
- Partnership with FUJIFILM: global leader in regenerative medicine
- World-first Phase 1 clinical trial
- Near term value catalysts
- Low development risk
- Stem cell market expected to be worth US$170 billion by 2020
- Strong IP cover
- Strong balance sheet
- Experienced team
- Ethically non-controversial

http://www.grandviewresearch.com/industry-analysis/stem-cells-market
Collaborations with leading clinical research centre Harvard Medical School to investigate stem cell therapy in cancer

Research coverage by CPS Capital

Clinical trial for GvHD approved by UK regulatory authority. Trial to be a world first.

Strategic Partnership with FUJIFILM and $3.97m equity placement by FUJIFILM

$6m placement to institutional investors

Research coverage by Shaw & Partner

Final report of initial preclinical study in asthma demonstrating beneficial effects and paving the way for clinical trial

License agreement with apceth GmbH & Co KG to develop MSCs with apceth’s genetic modification technology

Australian Human Resources Ethics Committee approves GvHD clinical study

UK Hospitals selected for GvHD trial and NHS approved

Positive Data from Preclinical Heart Attack Study

Dr Paul Wotton appointed as Chairman

Research coverage by Rodman & Renshaw

Oct 2015

May 2016

Sept 2016

Dec 2016

Jan 2017

Feb 2017

March 2017
Strong Partnerships

- Definitive option agreement to an exclusive, worldwide licence to market and sell CYP-001 for graft-versus-host disease (GvHD)
- Strategic acquisition of CYP shares: AUD$3.97m @ 35% premium to 6 month VWAP
- Upfront + milestone payments + development costs + double-digit royalties on product sales
- GvHD peak annual sales potential of US$300m
- Significant and growing business in regenerative medicine: acquired Cellular Dynamics International, Inc in 2015 for $US307m (nearly 10x Cynata’s market cap)
- Group revenue in 2015-2016: $US22bn; 79,000 employees; market cap ~$US21b

Academic Partnerships

- University of Wisconsin
  Core Cymerus technology

- Harvard/MGH
  Use of modified MSCs in cancer.

- University of Massachusetts
  GvHD model

- University of Sydney
  Heart disease study

- Monash University
  Asthma study

1Fujifilm Corporate Presentation, December 2016
About Cynata’s Technology

(Click here to watch the animation)
Why Are Stem Cells Important?

- Stem cells are important because of their potential to regenerate and repair damaged tissue.
- Stem cells as therapies for disease have attracted significant media interest and medical research for a wide range of diseases.
- Mesenchymal Stem Cells (MSCs) are specialised stem cells that can be used as therapeutics.
- MSCs play a key role in modulating inflammation and co-ordinating repair.

Multiple sclerosis: Stem cell transplantation may halt disease progression

New research provides further evidence of autologous hematopoietic stem cell transplantation as an effective treatment for multiple sclerosis, after finding the procedure halted disease progression for 5 years in almost half of patients.

ScienceDaily

Synthetic stem cells could offer therapeutic benefits, reduced risks

The Huffington Post

Why People Are Traveling For Stem Cell Treatment

30/01/2017 01:58 pm ET | Updated Feb 24, 2017

www.cynata.com
Mesenchymal Stem Cell (MSC) Therapeutics

~652* open clinical studies using MSCs including:

- Profound legislative changes to expedite stem cell therapies (Japan)
- Massive government investment e.g. California (CIRM): US$3bn
- Significant potential applications including spinal cord injuries, stroke, Alzheimer's disease, Parkinson's disease, diabetes, heart attack

1. US Centre for Disease Control and Prevention
2. GBI Research
3. GBI Research
4. BCC Research
5. Research and Markets
*www.clinicaltrials.gov
# Cynata’s Therapeutic Product Pipeline

<table>
<thead>
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<th>Therapeutic Area</th>
<th>Indication</th>
<th>Preclinical</th>
<th>Phase 1</th>
<th>Phase 2</th>
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<td><strong>Immunological Disorders</strong></td>
<td>Graft versus host disease</td>
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<td>Organ transplant rejection</td>
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<td><strong>Pulmonary Disorders</strong></td>
<td>Pulmonary fibrosis</td>
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<td>Asthma</td>
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<td><strong>Circulatory Disorders</strong></td>
<td>Critical limb ischaemia</td>
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<td></td>
<td>Myocardial infarction (heart attack)</td>
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<td><strong>Cancer</strong></td>
<td>Glioblastoma (brain tumour)</td>
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Graft vs Host Disease

Potentially fatal complication that can occur after a bone marrow transplant in cancer patients when the donor’s immune cells attack the host (patient).

Global GvHD market value estimated to increase from US$295m in 2013 to US$544m in 2023.

Cynata has targeted GvHD in a Phase 1 clinical trial. Speedy results with efficacy in GvHD: → further potential indications

1 E.Vouvatsikou, 2015, Global Data
Current Challenge for MSC Medicines: Manufacture

- Issues with production scale-up
- Inconsistent product quality
- Reduced product efficacy
- Significant intra- and inter-donor variability
- Recruitment and qualification of donors is costly, time consuming and has logistical challenges

Cynata’s Cymerus™ platform overcomes the inherent challenges facing the manufacture of mesenchymal cells (MSCs) at scale
The Solution: Cynata’s Cymerus™ Platform

An innovative and efficient production process that enables commercial-scale manufacture of a consistent, robust and premier grade MSC product:

...better, cheaper, faster

Cymerus™ harnesses unlimited expansion capacity of iPSCs ...

.....creating a uniform, consistent MSC product
Inventors include: Dr James Thomson

- In 1998 derived the first human embryonic stem cell line
- 2007 derived human induced pluripotent stem cells

...and Prof Igor Slukvin, co-founder and author of >70 publications in the stem cell field; #3 shareholder

In-licensed intellectual property includes several issued U.S. patents as well as a broad estate of issued and pending patents
BUSINESS MODEL: Commercial Partnerships

Capital efficient license-driven strategy

Revenue Streams

- License payments
  Licensing Cymerus™ platform to big pharma/biotech

- Milestone payments
  From partners as products progress

- Royalties
  From partner revenue of marketed products

- License option agreement:
  equity (9%) + upfronts + milestones (potential $60m+) and royalties; development costs
- Strategic investor; brings substantial resources
- License option agreement
- Upfronts, milestones and royalties
- Opens new commercial opportunities for modified MSCs
High Activity Pipeline

What’s Next?

- Commence WORLD-FIRST Phase 1 trial
- Formal interaction with FDA
- Progress in licence option agreement with apceth
- Additional commercial + development partnerships
- Continued success of MSC-based therapeutics
Investment Highlights

Summary

- **Only company** in the world that can mass-produce therapeutic stem cells at a consistent quality and affordable cost

- Cynata’s Cymerus™ technology *overcomes the challenges inherent in first generation production* methods and the regulatory hurdles by industrialising the production of mesenchymal stem cells (MSCs)

- **Strong data in pre-clinical studies** for the treatment of asthma, heart attack, GvHD (Graft-versus-Host disease) and critical limb ischaemia

- **Regenerative medicine market expected to grow to US$170bn** by 2020 and an attractive investment area for biopharmaceutical companies, including Astellas, J&J and Fujifilm

- **Licensing-driven business model with near term revenue** and commercial partnerships in place with Fujifilm and apceth GmbH & Co KG

- **Experienced management** team and strong academic partnerships

- **Value-accretive news flow** expected in near term
Thank you for your attention

Cynata Therapeutics Limited
Suite 1,
1233 High Street,
Armadale, Victoria 3143

Contact details:
✉️ ross.macdonald@cynata.com
📞 +61 (0) 412 119343
🌐 www.cynata.com